

MARK DION (MAYOR)
PIOUS ALI (A/L)
APRIL FOURNIER (A/L)
ROBERTO RODRÍGUEZ (A/L)



ANNA TREVORROW (1)
VICTORIA L. PELLETIER (2)
REGINA L. PHILLIPS (3)
ANNA BULLETT (4)
KATE SYKES (5)

SPECIAL CITY COUNCIL MEETING 1 - AUGUST 19, 2024 AT 4:00 PM

The Portland City Council will hold a City Council Meeting in Council Chambers. The Honorable Mark Dion, Mayor, will preside.

To submit written public comment on an agenda item, email publiccomment@portlandmaine.gov. Submissions must be received by 12:00 pm the day before the Council meeting to guarantee their inclusion in the agenda packet. All submissions must include the commenter's name and legal address. To help ensure your comment is submitted for the correct item, please include the order number (see below).

The City Council will conduct this meeting from Council Chambers, located on the second floor of City Hall.

To watch the meeting remotely, please visit <https://portlandme.portal.civicclerk.com/event/6491/media>

PLEDGE OF ALLEGIANCE:

ROLL CALL:

4:00 P.M. PUBLIC COMMENT PERIOD ON NON-AGENDA ITEMS:

ANNOUNCEMENTS:

APPROVAL OF MINUTES OF PREVIOUS MEETING:

City Council Meeting-4:00pm, July 15, 2024
Special City Council Meeting-5:30pm, July 15, 2024

CONSENT ITEMS:

Order 29-24/25 Granting Municipal Officers' Approval of TIQA, LLC, dba TIQA. Application for Class XI Restaurant/Lounge with Outdoor Dining on Private Property at 327 Commercial Street - Sponsored by Danielle P. West, City Manager

Application was filed on 7/2/24. Previously existing establishment closed and is now reopening. New City and State applications.

Five affirmative votes are required for passage after public comment.

Order 30-24/25 Granting Municipal Officers' Approval of Belleflower Brewing LLC, dba Belleflower Brewing. Application for Class A Lounge with Combined Entertainment and Outdoor Dining on Private Property at 66 Cove Street - Sponsored by Danielle P. West, City Manager

Application was filed on 7/12/24. Existing establishment currently holds Brewery/Winery/Distillery license with combined entertainment and private outdoor dining upgrading to Class A Lounge. New City and State applications.

Five affirmative votes are required for passage after public comment.

Order 31-24/25 Granting Municipal Officers' Approval of Olive Cafe LLC, dba Olive Cafe. Application for Class I FSE at 127 Commercial Street - Sponsored by Danielle P. West, City Manager

Application was filed on 7/9/24. Existing food service establishment upgrading license to serve alcohol. New City and State applications.

Five affirmative votes are required for passage after public comment.

Order 32-24/25 Granting Municipal Officers' Approval of Sissle and Daughters LLC, dba Sissle and Daughters. Application for Class III & IV FSE at 634 Forest Avenue - Sponsored by Danielle P. West, City Manager

Application was filed on 7/17/24. Location was previously an auto repair shop. New City and State applications.

Five affirmative votes are required for passage after public comment.

Order 33-24/25 Granting Municipal Officers' Approval of Allagash Brewing Company, dba Allagash Brewing Company. Application for Class A Lounge with Combined Entertainment and Outdoor Dining on Private Property at 50 Industrial Way - Sponsored by Danielle P. West, City Manager

Application was filed on 7/26/24. Existing establishment currently holds Brewery/Winery/Distillery license with combined entertainment and private outdoor dining upgrading to Class A Lounge. New City and State applications.

Five affirmative votes are required for passage after public comment.

Order 34-24/25 Granting Municipal Officers' Approval of First Tracks Investments LLC, dba Oddfellahs. Application for Class A Restaurant/Lounge at 55 Market Street - Sponsored by Danielle P. West, City Manager

Application was filed on 7/29/24. New City and State applications.

The applicant, First Tracks Investments LLC, is also the operator of the Portland Regency Hotel. The concept for 55 Market is a sports bar, to include "in-person sports wagering," which will require a license from the Maine Department of Public Safety and is regulated by the Department of Public Safety's Gambling Control Unit.

Five affirmative votes are required for passage after public comment.

UNFINISHED BUSINESS:

Order 11-24/25 Approving and Authorizing City Manager to Execute the Amended and Restated Lease Agreement With DBH Portland, LLC, for use of Hadlock Stadium for the Portland Seadogs - Sponsored by the Housing and Economic Development Committee, Pious Ali, Chair

This item was reviewed by the Housing and Economic Development Committee at its May 7, 2024, meeting, at which time it voted 4-0 to forward this to the City Council with a recommendation for approval in substantially the form as being presented.

This Amended and Restated Lease Agreement is the result of negotiations with Diamond Baseball Holdings (DBH), the ownership team behind the Portland Sea Dogs, with guidance from the Council's Housing and Economic Development Committee, for continued operations at Hadlock Stadium and Field through September 30, 2038, with DBH to have an option to extend the term for an additional five (5) years thereafter. The current lease expires September 30, 2028. This extended lease would allow for DBH to invest up to \$10 Million in improvements to the stadium to address requirements of Major League Baseball for affiliated teams.

Please see the Financial Impact section, with this Amended and Restated Lease to increase the annual revenue to the City from \$200,000 to an anticipated \$400,000 to \$475,000 annually.

This item was postponed from the meeting on July 15 to allow additional time to finalize lease provisions requested by Major League Baseball.

Five affirmative votes are required for passage after public comment.

Order 19-24/25 Amending the Downtown Transit Oriented Development and Omnibus Tax Increment Financing District to Make 70 East Oxford Street an Affordable Housing Tax Increment Financing District - Sponsored by the Housing and Economic Development Committee, Councilor Pious Ali, Chair

The Housing and Economic Development Committee reviewed this item at its 6/25/2024 meeting and voted 3-1 (Sykes) to forward to the City Council with a recommendation of approval. City Council approval is needed to amend the Downtown Transit Oriented Development and Omnibus Tax Increment Financing District to remove a portion of 70 East Oxford Street for it to be its own free-standing Affordable Housing TIF District to support the proposed affordable housing project at that location. The proposed affordable housing project involves demolishing four existing ten-unit multi-family buildings located between Cumberland, Oxford, Mayo, and Boyd Streets (COMB Bock), and construct Phase 1 of a multi-phase project to redevelop the site. During Phase I, Portland Housing Development Corporation is proposing to construct a six-story, 55-unit housing building, with 50 affordable apartments for low-income households and 5 market rate units. These would be comprised of 5 studio, 15 one-bedroom, 16 two-bedroom, and 19 three-bedroom apartments.

This item must be read on two separate days. It received its first reading on July 15. Five affirmative votes are required for passage after public comment. To make this item effective immediately, staff is requesting that this item be passed as an emergency. Seven affirmative votes are required for passage as an emergency after public comment.

Order 20-24/25 Designating and Adopting the Municipal Development Program for the 70 East Oxford Street Affordable Housing Development and Tax Increment Financing District - Sponsored by the Housing and Economic Development Committee, Councilor Pious Ali, Chair

During a meeting held on June 25, 2024, the Housing and Economic Development Committee voted (3-1) to forward this item to the City Council with a recommendation for passage.

Portland Housing Development Corporation (PHDC) is proposing to demolish the four existing multifamily buildings containing 40 units of public housing located on the parcel of land bound by Cumberland Avenue, Oxford Street, Mayo Street, and Boyd Street (COMB Block) to create a six-story building of 55 mixed-income units with 50 affordable rental units for low income households at 70 East Oxford Street, also known as COMB Block Phase One. PHDC is requesting financial assistance from the City in the form of Affordable Housing Tax Increment Financing (AHTIF) to support the cashflow of the project. If approved, the AHTIF would be provided through a Credit Enhancement Agreement at 75% of the increased taxable value currently estimated at an average of \$92,474 annually for 20 years.

The COMB Block Phase One project would include 33 units for households earning up to 50% of the area median income (AMI) (i.e. \$57,400 for three people), 17 units for households earning up to 60% of the AMI (i.e. \$68,850 for three people), and 5 units at market rate. The project would set aside 20% of units for Persons Experiencing Homelessness or persons who have disabilities, are victims of domestic violence, or have other special housing needs. The building would offer five (5) studio units, fifteen (15) one-bedroom units, sixteen (16) two-bedroom units, and nineteen (19) three-bedroom units.

PHDC is requesting two forms of financial assistance: (1) \$650,000 in Affordable Housing Development funding, and (2) Affordable Housing Tax Increment Financing (AHTIF). If approved, the AHTIF would be provided through a Credit Enhancement Agreement at 75% of the increased taxable value, currently estimated at an annual average of \$92,474 with an estimated total of \$1,849,475 over 20 years in captured increased assessed value tax-revenue returned to the project/developer to support the cash flow of the project. The proposed project would be taxable with an estimated annual assessment of \$6,905,000 and current annual tax of \$99,501 at the current 24 FY millage rate. The remaining increased taxable value, currently estimated at a 20-year average of \$30,825 with an estimated total of \$616,492, would be non-captured general fund revenue.

This item must be read on two separate occasions. Five affirmative votes are required for passage after public comment. To make this item effective immediately, staff is requesting that this item be passed as an emergency. Seven affirmative votes are required for passage as an emergency after public comment.

Order 21-24/25 Approving the COMB Block Affordable Housing Credit Enhancement Agreement with COMB Block Phase One, LP for the 70 East Oxford Street Affordable Housing Development and Tax Increment Financing District - Sponsored by the Housing and Economic Development Committee, Councilor Pious Ali, Chair

During a meeting held on June 25, 2024, the Housing and Economic Development Committee voted (3-1) to forward this item to the City Council with a recommendation for passage.

This is a companion order to the order above.

This item must be read on two separate occasions. Five affirmative votes are required for passage after public comment. To make this item effective immediately, staff is

requesting that this item be passed as an emergency. Seven affirmative votes are required for passage as an emergency after public comment.

Order 22-24/25 Appropriating \$650,000 from the Jill C. Duson Housing Trust Fund to Portland Housing Development Corporation, COMB Block Phase One, LP RE: 70 East Oxford Street - Sponsored by the Housing and Economic Development Committee, Councilor Pious Ali, Chair

During a meeting held on June 25, 2024, the Housing and Economic Development Committee voted (3-1) to forward this item to the City Council with a recommendation for passage.

The description of the project along with backup documentation, can be found in the previous Order Designating and Adopting the Municipal Development Program for the Portland Housing Development Corporation (PHDC) project at 70 East Oxford Street, also known as the COMB Block. PHDC is requesting financial assistance from the City in the form of a loan in the amount of \$650,000 from the Jill C. Duson Housing Trust Fund with a term of 30 years at 0% interest.

This item must be read on two separate occasions. Five affirmative votes are required for passage after public comment. To make this item effective immediately, staff is requesting that this item be passed as an emergency. Seven affirmative votes are required for passage as an emergency after public comment.

Order 24-24/25 Amendment to Portland City Code Chapter 9 RE: Peaks Island Council; Nomination and Appointment of Members; Procedural Requirements for Meetings - Sponsored by Danielle P. West, City Manager

This Order makes various amendments to the Peaks Island Council Ordinance related to nomination and appointment of members and procedural requirements for meetings, including allowing the appointment of Peaks Island Council members in the event that an election does not result in the election of a full seven member council.

This item must be read on two separate days. It received its first reading on July 15. Five affirmative votes are required for passage after public comment.

Order 28-24/25 Amendment to Portland City Code Chapter 6 RE: Short Term Rental Unit Registration Requirements - Sponsored by Housing and Economic Development Committee, Councilor Pious Ali, Chair

This order would approve certain amendments to the short term rental unit registration requirements in Chapter 6 of the City Code. At the July 2, 2024, Housing and Economic Development Committee meeting, the Committee voted 3-1 (Rodriguez) to forward proposed amendments to the City Council for approval. The amendments, which take effect January 1, 2026, include a requirement that booking services include a short term rental unit's registration number in all advertisements for a unit before accepting any charges; a requirement that the City publish the registration number and address of short term rental units on the City's website; a limitation on the number of non-owner occupied mainland short term rental units of 1.5% of the number of long term rental units in the City; a limitation of 40 non-owner occupied short term rental units on Peaks Island; a prohibition on new tenant occupied short term rental units; clarification that these new limitations do not apply to validly registered short term rental units that otherwise are in compliance with the city code; and other changes as set forth in the order.

These amendments do not affect portions of the code that were approved by a citizens initiative and may therefore be approved by the City Council without the need for a referendum. This item must be read on two separate days. It received its first reading on July 15. Five affirmative votes are required for passage after public comment.

Order 23-24/25 Setting an Election Date on an Amendment to the Portland City Code RE: an act to Amend Portland's Short Term Rental Unit Registration Requirements - Sponsored by the Housing and Economic Development Committee, Councilor Pious Ali, Chair

The public hearing for this Amendment is scheduled for the August 19, 2024 City Council meeting. Along with receiving public comment, the City Council will vote to set the election date of November 5, 2024 for this item and to approve the language of the summary that will appear on the ballot. That language is as follows:

An Act To Amend Portland's Short Term Rental Unit Registration Requirements amends the list of information required to register short term rental units in Portland.

This item must be read on two separate days. It received its first reading on July 15. Five affirmative votes are required for passage after public comment.

Order 25-24/25 Setting Election Date on an Amendment to Chapter 33 of the Portland City Code RE: an Act to Increase Portland's Minimum Wage - Sponsored by Councilor Regina Phillips, Councilor Anna Trevorow, Councilor Kate Sykes

The minimum wage in Portland was raised by citizen referendum in 2020 and cannot be amended for 5 years, except by referendum.

This item must be read on two separate days. It received its first reading on July 15. Five affirmative votes are required for passage after public comment.

Order 26-24/25 Setting Election Date on an Amendment to Chapter 33 of the Portland City Code RE: an Act to Eliminate Portland's Sub-Minimum Wage for Service Employees - Sponsored by Councilor Victoria Pelletier, Councilor Anna Trevorow, Councilor Kate Sykes

The minimum wage in Portland was raised by citizen referendum in 2020. The subminimum (tipped wage) was increased as a result. Amendments made by citizen referendum cannot be amended for 5 years, except by referendum.

This item must be read on two separate days. It received its first reading on July 15. Five affirmative votes are required for passage after public comment.

Order 27-24/25 Amendment to Portland City Code Chapter 17 RE: Repeal of Section 17-5 - Sponsored by Health and Human Services and Public Safety Committee, April Fournier, Chair

Repeal of section 17-5 of the Portland City Code, otherwise known as the "Cruising Ordinance," is presented for consideration by the City Council.

Section 17-5 of the Portland City Code was enacted in the 1990s and implemented restrictions on "cruising" by prohibiting a motor vehicle operator from driving past a traffic-control point three (3) times within a two-hour period in or around a posted "no

cruising" area. Since that time, the Portland Police Department has infrequently used this ordinance to intervene and prevent instances of commercial sexual exploitation, and conduct investigations of illegal drug sales. There are no indications the ordinance has been used to target any particular demographic group(s). However, the ordinance is infrequently used and staff do not believe its repeal would adversely impact public safety.

This item must be read on two separate days. It received its first reading on July 15. Five affirmative votes are required for passage after public comment.

ORDERS:

Order 35-24/25 Setting Election Date on a Citizen Initiative Amendment to the Portland City Code RE: An Act to Amend the City of Portland's Emergency Wage Provision - Sponsored by Ashley Rand, City Clerk

The public hearing for this Citizen Initiative was set at the July 15, 2023 City Council meeting by Order 10-24/25. Along with receiving public comment, the City Council will vote to set the election date of November 5, 2024.

Five affirmative votes are required for passage after public comment.

AMENDMENTS:

EXECUTIVE SESSION:

ADJOURNMENT:

ZOOM INFORMATION:

The City Council will conduct this meeting from Council Chambers, located on the second floor of City Hall.

To watch the meeting remotely, please visit <https://portlandme.portal.civicclerk.com/event/7270/media>

PLEDGE OF ALLEGIANCE:

Mayor Dion led all those present in the Pledge of Allegiance.

ROLL CALL:

Mayor Dion called the meeting to order at 4:00pm.

City Councilors Present: Councilor Fournier, Councilor Rodriguez, Councilor Sykes, Councilor Ali, Councilor Bullett, Councilor Trevorow, Mayor Dion

Councilors Absent: Councilor Rodriguez, Councilor Phillips

4:00 P.M. PUBLIC COMMENT PERIOD ON NON-AGENDA ITEMS:

Mayor Dion opened the floor for public comment. The following individuals spoke:

Winston Lumpkins, District 1 (Chair of Portland Bike Pedestrian Advisory Committee), Zack Barowitz (Huntress Street), John Clark (District 3 /Portland Bike Pedestrian Advisory Committee), Joey Lane (Bar Harbor Resident), Todd Morse (District 1), Bill Higgins (83 Mill Street), George Rheault (West Bayside)

RECOGNITIONS:

APPROVAL OF MINUTES OF PREVIOUS MEETING:

City Council Meeting Minutes-June 17, 2024

Motion was made by Councilor Ali and seconded by Councilor Sykes for passage.

Passage 7-0 (Councilor Rodriguez & Phillips Absent)

Mayor Dion opened the floor for public comment. No one spoke.

PROCLAMATIONS:

Proclamation 1-24/25 Celebrating the 25th Anniversary of the Bayside Neighborhood Association - Sponsored by Mark Dion, Mayor

Mayor Dion read Proclamation 1-24/25 Celebrating the 25th Anniversary of the Bayside Neighborhood Association into the record.

Proclamation 2-24/25 Celebrating the 20th Anniversary of the Sister City Relationship Between Portland, Maine, USA and Mytilene, Lesvos, Greece - Sponsored by Mark Dion, Mayor

Mayor Dion read Proclamation 2-24/25 Celebrating the 20th Anniversary of the Sister City Relationship Between Portland, Maine and Mytilene, Lesvos, Greece into the record.

Proclamation 3-24/25 Celebrating the 30th Anniversary of Coffee by Design - Sponsored by Pious Ali, City Councilor

Councilor Ali read Proclamation 3-24/25 Celebrating the 30th Anniversary of Coffee by Design into the record.

APPOINTMENTS:

Order 1-24/25 Appointing and Setting Salary of Kevin Kraft as Director of Planning and Urban Development - Sponsored by Danielle P. West, City Manager

Motion was made by Councilor Ali and seconded by Councilor Sykes for passage as an emergency. Passage 7-0 (Councilor Rodriguez & Phillips Absent)

Mayor Dion opened the floor for public comment. The following individuals spoke: George Rheault (West Bayside), Sarah Michniewicz (Bayside)

*Order passed as an emergency.

Order 2-24/25 Appointing and Setting Salary of Maggie McLoughlin as Health and Human Services Director - Sponsored by Danielle P. West, City Manager

Motion was made by Councilor Fournier and seconded by Councilor Ali for passage. Passage 7-0 (Councilor Rodriguez & Phillips Absent)

Mayor Dion opened the floor for public comment. The following individuals spoke: George Rheault (West Bayside)

CONSENT ITEMS:

Order 3-24/25 Granting Municipal Officers' Approval of Tokiyo Reman Sushi & Asia LLC, dba Tokiyo Reman Sushi. Application for Class I FSE at 11 Brown Street - Sponsored by Danielle P. West, City Manager

Orders 3-24/25 through 8-24/25 were all read and passed as consent items. Public comment was taken on all orders together.

Motion was made by Councilor Sykes and seconded by Councilor Fournier for passage. Passage 7-0 (Councilor Rodriguez & Phillips Absent)

Mayor Dion opened the floor for public comment. No one spoke.

Order 4-24/25 Granting Municipal Officers' Approval of TSNR Inc, dba Cantina Calafia. Application for Outdoor Dining on Public Property at 46 Pine Street - Sponsored by Danielle P. West, City Manager

Orders 3-24/25 through 8-24/25 were all read and passed as consent items. Public comment was taken on all orders together.

Motion was made by Councilor Sykes and seconded by Councilor Fournier for passage. Passage 7-0 (Councilor Rodriguez & Phillips Absent)

Mayor Dion opened the floor for public comment. No one spoke.

Order 5-24/25 Granting Municipal Officers' Approval of Longfellow Property LLC, dba Twin Flower. Application for Outdoor Dining on Public Property at 754 Congress Street - Sponsored by Danielle P. West, City Manager

Orders 3-24/25 through 8-24/25 were all read and passed as consent items. Public comment was taken on all orders together.

Motion was made by Councilor Sykes and seconded by Councilor Fournier for passage. Passage 7-0 (Councilor Rodriguez & Phillips Absent)

Mayor Dion opened the floor for public comment. No one spoke.

Order 6-24/25 Granting Municipal Officers' Approval of Hot Liquor Tank LLC, dba Hot Liquor Tank. Application for Outdoor Dining on Public Property at 43 Wharf Street - Sponsored by Danielle P. West, City Manager

Orders 3-24/25 through 8-24/25 were all read and passed as consent items. Public comment was taken on all orders together.

Motion was made by Councilor Sykes and seconded by Councilor Fournier for passage.

Passage 7-0 (Councilor Rodriguez & Phillips Absent)

Mayor Dion opened the floor for public comment. No one spoke.

Order 7-24/25 Granting Municipal Officers' Approval of Kendrick and Bloom LLC, dba Kendrick and Bloom. Application for Indoor Entertainment at 160 Presumpscot Street - Sponsored by Danielle P. West, City Manager

Orders 3-24/25 through 8-24/25 were all read and passed as consent items. Public comment was taken on all orders together.

Motion was made by Councilor Sykes and seconded by Councilor Fournier for passage.

Passage 7-0 (Councilor Rodriguez & Phillips Absent)

Mayor Dion opened the floor for public comment. No one spoke.

Order 8-24/25 Granting Municipal Officers' Approval of 15 Exchange St. LLC, dba Off Track Pizza. Application for Outdoor Dining on Public Property at 15 Exchange Street - Sponsored by Danielle P. West, City Manager

Orders 3-24/25 through 8-24/25 were all read and passed as consent items. Public comment was taken on all orders together.

Motion was made by Councilor Sykes and seconded by Councilor Fournier for passage.

Passage 7-0 (Councilor Rodriguez & Phillips Absent)

Mayor Dion opened the floor for public comment. No one spoke.

COMMUNICATIONS:

Communication 1-23/24 Monument Square Pedestrian Area - Greg Jordan, Assistant City Manager

Greg Jordan gave an overview of communication 1-24/25 Monument Square Pedestrian Area.

The following Councilors provided comment: Councilor Bullett

As a communication, no formal council action is required.

UNFINISHED BUSINESS:

Order 254-23/24 Accepting and Appropriating a \$425,000 Donation from the Congress Square Redesign Committee for Construction of Phase B of the Congress Square Redesign - Sponsored by Danielle P. West, City Manager

Motion was made by Councilor Ali and seconded by Councilor Sykes for passage.

Passage 7-0 (Councilor Rodriguez & Phillips Absent)

Mayor Dion opened the floor for public comment. The following individuals spoke: Councilor Fournier

Order 259-23/24 Accepting and Appropriating a \$200,000 State of Maine EMS Grant for the Portland Fire Department EMS Operations - Sponsored by Danielle P. West, City Manager

Motion was made by Councilor Ali and seconded by Councilor Sykes for passage.
Passage 7-0 (Councilor Rodriguez & Phillips Absent)
Mayor Dion opened the floor for public comment. No one spoke.

Order 258-23/24 Approving the Housing and Economic Development Department Shahnaz Mahager Hummingbird Grant Program and Accepting and Appropriating an \$18,105 Donation for its Creation - Sponsored by Danielle P. West, City Manager

Motion was made by Councilor Ali and seconded by Councilor Sykes for passage.
Passage 7-0 (Councilor Rodriguez & Phillips Absent)
Mayor Dion opened the floor for public comment. The following individuals spoke:
Stephen Scharff (Brackett Street)

ORDERS:

Order 9-24/25 Approving Amendments to the Rules of the Rent Board - Sponsored by Danielle P. West, City Manager

Motion was made by Councilor Ali and seconded by Councilor Sykes for passage.
Passage 7-0 (Councilor Rodriguez & Phillips Absent)
Mayor Dion opened the floor for public comment. The following individuals spoke: Zack Barowitz (District 3)

AMENDMENTS:

EXECUTIVE SESSION:

ADJOURNMENT:

Motion was made by Councilor Sykes and seconded by Councilor Ali to adjourn. Passage 7-0 (Councilors Rodriguez & Phillips absent) at 4:57pm.
A TRUE RECORD

Ashley Rand, City Clerk

ZOOM INFORMATION:

The City Council will conduct this meeting from Council Chambers, located on the second floor of City Hall.

To watch the meeting remotely, please visit <https://portlandme.portal.civicclerk.com/event/6490/media>

PLEDGE OF ALLEGIANCE:

Mayor Dion led all those present in the Pledge of Allegiance.

ROLL CALL:

Mayor Dion called the meeting to order at 5:30pm.

City Councilors Present: Councilor Fournier, Councilor Rodriguez, Councilor Sykes, Councilor Ali, Councilor Bullett, Councilor Trevorrow, Mayor Dion

Councilors Absent: Councilor Rodriguez, Councilor Phillips

5:30 P.M. PUBLIC COMMENT PERIOD ON NON-AGENDA ITEMS:

Mayor Dion opened the floor for public comment. The following individuals spoke:

Joey Brunelle (Parris Street), Zach Barowitz (Huntress Street)

APPROVAL OF MINUTES OF PREVIOUS MEETING:

ORDERS:

Order 10-24/25 Setting a Public Hearing on a Citizen Initiative Amendment to Portland City Code RE: An Act to Amend the City of Portland's Emergency Wage Provision - Sponsored by Ashley Rand, City Clerk

Motion was made by Councilor Ali and seconded by Councilor Fournier for passage.

Passage 7-0 (Councilor Rodriguez & Phillips Absent)

Mayor Dion opened the floor for public comment. No one spoke.

Order 11-24/25 Approving and Authorizing City Manager to Execute the Amended and Restated Lease Agreement With DBH Portland, LLC, for use of Hadlock Stadium for the Portland Seadogs - Sponsored by the Housing and Economic Development Committee, Pious Ali, Chair

Motion was made by Councilor Sykes and seconded by Councilor Fournier to postpone.

Passage 7-0 (Councilor Rodriguez & Phillips Absent)

Item postponed until August 19, 2024

Order 12-24/25 Accepting and Adopting the Amended Funding Budget for the 2024 Jill C. Duson Housing Trust Fund Annual Plan - Sponsored by the Housing and Economic Development Committee, Councilor Pious Ali, Chair

Motion was made by Councilor Ali and seconded by Councilor Sykes for passage.

Passage 7-0 (Councilor Rodriguez & Phillips Absent)

Mayor Dion opened the floor for public comment. No one spoke

Order 13-24/25 Designating 186 Woodford Street an Affordable Housing Development District and Tax Increment Financing District and Adopting the

Municipal Development Program for the District - Sponsored by the Housing and Economic Development Committee, Councilor Pious Ali, Chair

Motion was made by Councilor Ali and seconded by Councilor Fournier to wave the second read. Passage 7-0 (Councilor Rodriguez & Phillips Absent).
The second reading was waived.

Motion was made by Councilor Ali and seconded by Councilor Fournier for passage. Passage 7-0 (Councilor Rodriguez & Phillips Absent)
Mayor Dion opened the floor for public comment. No one spoke.

Order 14-24/25 Approving the Woodford Affordable Housing Credit Enhancement Agreement with Woodfords Phase 1, LP for the 186 Woodford Street Affordable Housing Development and Tax Increment Financing District - Sponsored by the Housing and Economic Development Committee, Councilor Pious Ali, Chair

Motion was made by Councilor Ali and seconded by Councilor Fournier to wave the second read. Passage 7-0 (Councilor Rodriguez & Phillips Absent).
The second reading was waived.

Motion was made by Councilor Ali and seconded by Councilor Fournier for passage. Passage 7-0 (Councilor Rodriguez & Phillips Absent)
Mayor Dion opened the floor for public comment. No one spoke.

Order 15-24/25 Appropriating \$492,000 from the Jill C. Duson Housing Trust Fund to Community Housing of Maine (CHOM), Woodfords Phase 1 LP RE: 186 Woodford Street - Sponsored by the Housing and Economic Development Committee, Councilor Pious Ali, Chair

Motion was made by Councilor Ali and seconded by Councilor Fournier to wave the second read. Passage 7-0 (Councilor Rodriguez & Phillips Absent).
The second reading was waived.

Motion was made by Councilor Ali and seconded by Councilor Fournier for passage. Passage 7-0, as amended. (Councilor Rodriguez & Phillips Absent)
Mayor Dion opened the floor for public comment. No one spoke.

Motion was made by Councilor Fournier and seconded by Councilor Bullett to amend Order 15-24/25. Passage 7-0 (Councilor Rodriguez & Phillips Absent)
The amendment is provided in backup material titled "Bullett amendment 1". The amendment reduces the interest rate to 0% in this Order.
Amendment passed.

Order 16-24/25 Designating 202 Woodford Street an Affordable Housing Development District and Tax Increment Financing District and Adopting the Municipal Development Program for the District - Sponsored by the Housing and Economic Development Committee, Councilor Pious Ali, Chair

Motion was made by Councilor Ali and seconded by Councilor Fournier to wave the second read. Passage 7-0 (Councilor Rodriguez & Phillips Absent).

The second reading was waived.

Motion was made by Councilor Fournier and seconded by Councilor Ali for passage. Passage 6-1, as amended. (Councilor Sykes-No, Councilor Rodriguez & Phillips Absent) Mayor Dion opened the floor for public comment. The following individuals spoke: Stephen Scharff (Brackett Street), Brian Kilgallen (Community Housing of Maine)

Motion was made by Councilor Bullett and seconded by Councilor Fournier to amend Order 16-24/25. Passage 6-1 (Councilor Sykes-No, Councilor Rodriguez & Phillips Absent)

The amendment is provided in backup material titled "Bullett amendment 1". The amendment increases the captured revenue rate to 75% in this Order.

The following Councilors and staff commented on this amendment: Councilor Sykes, Councilor Bullett, Greg Watson (Director of Housing and Economic Development) Amendment passed.

Order 17-24/25 Approving the Woodford Affordable Housing Credit Enhancement Agreement with Woodfords Phase II, LP for the 202 Woodford Street Affordable Housing Development and Tax Increment Financing District - Sponsored by the Housing and Economic Development Committee, Councilor Pious Ali, Chair

Motion was made by Councilor Ali and seconded by Councilor Fournier to wave the second read. Passage 7-0 (Councilor Rodriguez & Phillips Absent).

The second reading was waived.

Motion was made by Councilor Fournier and seconded by Councilor Ali for passage. Passage 6-1, as amended. (Councilor Sykes-No, Councilor Rodriguez & Phillips Absent) Mayor Dion opened the floor for public comment. The following individuals spoke: Stephen Scharff (Brackett Street), Brian Kilgallen (Community Housing of Maine)

Motion was made by Councilor Bullett and seconded by Councilor Fournier to amend Order 17-24/25. Passage 6-1 (Councilor Sykes-No, Councilor Rodriguez & Phillips Absent)

The amendment is provided in backup material titled "Bullett amendment 2". The amendment increases the captured revenue rate to 75% in this Order.

Amendment passed.

Order 18-24/25 Appropriating \$155,511 from the Jill C. Duson Housing Trust Fund and \$294,489 in HOME Funds to Community Housing of Maine, Woodfords Phase II LP, RE: 202 Woodford Street - Sponsored by the Housing and Economic Development Committee, Councilor Pious Ali, Chair

Motion was made by Councilor Ali and seconded by Councilor Fournier to wave the second read. Passage 7-0 (Councilor Rodriguez & Phillips Absent).

The second reading was waived.

Motion was made by Councilor Fournier and seconded by Councilor Ali for passage. Passage 7-0, as amended. (Councilor Rodriguez & Phillips Absent) Mayor Dion opened the floor for public comment. The following individuals spoke:

Stephen Scharff (Brackett Street), Brian Kilgallen (Community Housing of Maine)

Motion was made by Councilor Bullett and seconded by Councilor Fournier to amend Order 18-24/25. Passage 6-1 (Councilor Sykes-No, Councilor Rodriguez & Phillips Absent)

The amendment is provided in backup material titled "Bullett amendment 3". The amendment reduces the interest rate to 0% in this Order.

Amendment passed.

Order 19-24/25 Amending the Downtown Transit Oriented Development and Omnibus Tax Increment Financing District to Make 70 East Oxford Street an Affordable Housing Tax Increment Financing District - Sponsored by the Housing and Economic Development Committee, Councilor Pious Ali, Chair

Motion was made by Councilor Ali and seconded by Councilor Fournier to wave the second read. Failed 6-1 (Councilor Sykes-No, Councilor Rodriguez & Phillips Absent). The second reading was not waived.

This item received first reading only. Second reading will be on August 19, 2024.

Order 20-24/25 Designating and Adopting the Municipal Development Program for the 70 East Oxford Street Affordable Housing Development and Tax Increment Financing District - Sponsored by the Housing and Economic Development Committee, Councilor Pious Ali, Chair

This is first reading.

Order 21-24/25 Approving the COMB Block Affordable Housing Credit Enhancement Agreement with COMB Block Phase I, LP for the 70 East Oxford Street Affordable Housing Development and Tax Increment Financing District - Sponsored by the Housing and Economic Development Committee, Councilor Pious Ali, Chair

This is first reading.

Order 22-24/25 Appropriating \$650,000 from the Jill C. Duson Housing Trust Fund to Portland Housing Development Corporation, COMB Block Phase I, LP RE: 70 East Oxford Street - Sponsored by the Housing and Economic Development Committee, Councilor Pious Ali, Chair

This is first reading.

AMENDMENTS:

Order 24-24/25 Amendment to Portland City Code Chapter 9 RE: Peaks Island Council; Nomination and Appointment of Members; Procedural Requirements for Meetings - Sponsored by Danielle P. West, City Manager

This is first reading.

Order 25-24/25 Setting Election Date on an Amendment to Chapter 33 of the Portland City Code RE: an Act to Increase Portland's Minimum Wage - Sponsored by Councilor Regina Phillips, Councilor Anna Trevorow, Councilor Kate Sykes

This is first reading.

Order 26-24/25 Setting Election Date on an Amendment to Chapter 33 of the Portland City Code RE: an Act to Eliminate Portland's Sub-Minimum Wage for Service Employees - Sponsored by Councilor Victoria Pelletier, Councilor Anna Trevorrow, Councilor Kate Sykes

This is first reading.

Order 27-24/25 Amendment to Portland City Code Chapter 17 RE: Repeal of Section 17-5 - Sponsored by Health and Human Services and Public Safety Committee, April Fournier, Chair

This is first reading.

Order 28-24/25 Amendment to Portland City Code Chapter 6 RE: Short Term Rental Unit Registration Requirements - Sponsored by Housing and Economic Development Committee, Councilor Pious Ali, Chair

This is first reading.

Order 23-24/25 Setting an Election Date on an Amendment to the Portland City Code RE: an act to Amend Portland's Short Term Rental Unit Registration Requirements - Sponsored by the Housing and Economic Development Committee, Councilor Pious Ali, Chair

This is first reading.

EXECUTIVE SESSION:

ADJOURNMENT:

Motion was made by Councilor Ali and seconded by Councilor Fournier to adjourn. Passage 7-0 (Councilors Rodriguez & Phillips absent) at 6:38pm.

A TRUE RECORD

Ashley Rand, City Clerk

MEMORANDUM
City Council Agenda Item

FROM:

DATE: August 5, 2024

SUBJECT: Order 29-24/25 Granting Municipal Officers' Approval of TIQA, LLC, dba TIQA. Application for Class XI Restaurant/Lounge with Outdoor Dining on Private Property at 327 Commercial Street - Sponsored by Danielle P. West, City Manager

SPONSOR: The Mayor, City Manager, City Clerk, Corporation Counsel, the Planning Board, or up to three (3) members of the Council shall sponsor any orders or other items. If sponsored by a Council Committee, please include the date the committee met and the results of the vote.

(If sponsored by a Council committee, include the date the committee met and the results of the vote.)

COUNCIL MEETING DATE ACTION IS REQUESTED:

1st Reading

**Final
Action**

Can action be taken at a later date: No If action cannot be taken at a later date, please explain why. Do NOT write yes or no; that will be automatically generated by the checkbox.

Does this item involve a new contract with the City: n/a

PRESENTATION: Please list the presenter(s), type, and length of presentation

I. SUMMARY

II. AGENDA DESCRIPTION

Application was filed on 7/2/24. Previously existing establishment closed and is now reopening. New City and State applications.

Five affirmative votes are required for passage after public comment.

III. BACKGROUND

Background information that will not appear in the Agenda Description

IV. INTENDED RESULT AND/OR COUNCIL GOAL ADDRESSED

V. FINANCIAL IMPACT

Please indicate whether or not there is a financial impact. Please note that per Council Rule 12, this form must have "a separate fiscal impact statement memo attached if the impact of the item is \$50,000 or more in a given fiscal year. This memo shall include details and information describing the fiscal impact including, but not limited to, projected costs, revenues or savings over a three (3) year period and/or any potential impacts on the City tax levy."

VI. STAFF ANALYSIS AND BACKGROUND

Staff Analysis that will not appear in the Agenda Description.

VII. RECOMMENDATION

VIII. LIST ATTACHMENTS

1. 2024.08.19_TIQA_Council Order
2. 2024.08.19_TIQA_Council Packet

Prepared by:

Date: 08/05/2024

MARK DION (MAYOR)
PIOUS ALI (A/L)
APRIL D. FOURNIER(A/L)
ROBERTO RODRÍGUEZ (A/L)

CITY OF PORTLAND
IN THE CITY COUNCIL

ANNA TREVORROW (1)
VICTORIA L. PELLETIER (2)
REGINA L. PHILLIPS (3)
ANNA Y. BULLETT (4)
KATHRYN SYKES (5)

ORDER

GRANTING MUNICIPAL OFFICERS’

APPROVAL OF:

**TIQA, LLC, dba TIQA. Application for Class XI Restaurant/Lounge with Outdoor Dining
on Private Property at 327 Commercial Street**



327 Commercial St
Portland ME 04101
207-808-8840
Cell 570-862-2770

To: Portland City Council

Re: TIQA Liquor license

Dear Portland City Council Members,

Please accept this letter as our request to re-open our restaurant, TIQA LLC at 327 Commercial Street in Portland. We were previously open from December 28, 2014, until April 18, 2023, and operated as TIQA and had all necessary City of Portland and State of Maine licenses and renewals for that period of time.

We would be happy to respond to any questions.

Regards,

Deen N. Haleem
Owner



CITY OF PORTLAND
Permitting and Inspections Department

Application for Food Service Establishment with Alcoholic Beverages License

Business Information		
Legal Business Entity Applicant Name (corporation, LLC): TIQA, LLC		Business Name (D/B/A): TIQA
Individual or Sole Proprietor Applicant Name(s):		Physical Location: 327 Commercial Street
If applicable, what was formerly at this location: N/A (SAME)		Business Email Address: dhaleemny@yahoo.com
Mailing Address: 26 Deer Acres Road Raymond, Maine 04071		Contact Person: Deen Haleem
Contact Person Phone: (570)862-2700		Contact Person Email: dhaleemny@yahoo.com
Manager of Establishment: Deen Haleem	Date of Birth:	Manager Phone:
Owner of Premises (Landlord): TIQA Legacy, LLC		Address of Premises Owner (Landlord): 26 Deer Acres Road Raymond, Maine 04071

Sole Proprietor/Partnership Information (If Corporation, leave blank)		
Name of Owner(s):	Date of Birth:	Residence Address:
Name of Owner(s):	Date of Birth:	Residence Address:

Corporate/LLC/Non-Profit Organization Applicants (If Sole Proprietor or Partnership, leave blank)			
Corporate Name: TIQA, LLC		Corporate Mailing Address: 26 Deer Acres Road Raymond, Me 04071	
Contact Person: Deen Haleem		Contact Phone: (570)862-2770	
Principal Officers	Title	Date of Birth	Residence Address
Deen Haleem	Pres	9-29-64	26 Deer Acres Road Raymond, Me
Cassie Mitchell	VP	12-26-54	26 Deer Acres Rd Raymond, Me 04071



CITY OF PORTLAND
Permitting and Inspections Department

Class of Liquor License (see fee schedule): <u>CLAS XI</u>		
Type of food served:	<u>Fine Dining</u>	
Please select all that will be served:	☒ Beer ☒ Wine ☒ Liquor	
Projected percentage of sales:	Generated from Food:	Generated from Alcohol:
Hours & days of operation:		
QUESTIONS	YES	NO
Will full-course meals, only capable of consumption with the use of tableware, be served the entire time the establishment is open?	☒	☐
If No, please explain:		
Is the establishment less than 300 feet from a school, dormitory, church or parish house, or similar establishment?	☐	☒
If yes, give the distance:		
Will you have entertainment on the premises? (If yes, a Supplemental Application for Entertainment is required.)	☐	☒
Will you permit dancing after 1:00 a.m.?	☐	☒
Will you have outside dining? (If yes, an Outdoor Dining Application is required)	☒	☐
If yes, will the outside dining be on: ☐ PUBLIC property or ☒ PRIVATE property		
Will you have any amusement devices (pinball, video games, juke box)?	☐	☒
If yes, please list: # of amusements: and # of pool tables:		
What is your targeted opening date?: <u>As soon as possible</u>		
Does the issuance of this license directly or indirectly benefit any City employee(s)?	☐	☒
If Yes, list name(s) of employee(s) and department(s):		
Have any of the applicants, including the corporation (if applicable), ever held a business license with the City of Portland?	☒	☐
If Yes, please list business name(s) and location(s): <u>TIGA- 327 Commercial St, Portland</u>		
Is any principal officer under the age of 21?	☐	☒
Have applicant, partners, associates, or corporate officers ever been arrested, indicted, or convicted for any violation of law?	☐	☒
If Yes, please explain:		

I, Deen Hakeem do hereby swear and affirm that every employee in my establishment that serves alcohol to the public has attended server training, or will attend server training within 90 days of their hire. I also understand that at any time the City license administrator can, upon request, require me to produce Server Training certificates for each employee that serves alcohol to the public in my establishment. Failure to meet the training requirement imposed by section 15-41 may result in the denial of a liquor license pursuant to 28-A M.R.S.A. § 653 (2) (G).

Applicant, by signature below, agrees to abide by all laws, orders, ordinances, rules and regulations governing the above licensee and further agrees that any misstatement of material fact may result in refusal of license or revocation if one has been granted. Applicant agrees that all taxes and accounts pertaining to the premises will be paid prior to issuance of the license.

It is understood that this and any application(s) shall become public record and the applicant(s) hereby waive(s) any rights to privacy with respect thereto. I/We, hereby authorize the release of any criminal history record information to the City Clerk's Office or licensing authority. I/We, hereby waive any rights to privacy with respect thereto.

Signature

Title

Date



CITY OF PORTLAND
Permitting and Inspections Department

Outdoor Dining Permit on Private Property
Supplemental Application

License accompanies a City of Portland Food Service Establishment or Food Service Establishment with Liquor License

☒ Outdoor Dining on Private Property \$125.00 ☐ Legal Advertisement Deposit \$100.00

Business Information	
Business Name (d/b/a):	TIQA, LLC
Location Address:	327 Commercial St.
Mailing Address:	26 Deer Acres Road Raymond, ME
Contact Person:	Deen N. Haleem
Contact Person Email:	dhaleemny@yahoo.com
Manager of Establishment:	Deen Haleem
Owner of Premises (Landlord):	Deen Haleem (TIQA Legacy, LLC)
Address of Premises Owner:	26 Deer Acres Road Raymond, ME

Owner Information

Corporate Name		Corporate Mailing Address	
TIQA LLC		26 Deer Acres Rd Raymond, ME. 04071	
Contact Person:	Deen Haleem	Phone:	(570) 882-2770
Principal Officers			
Title		Date of Birth	
Deen Haleem		9-24-1964	
Carol Mitchell		12-26-1955	
Residence Address		26 Deer Acres Rd, Raymond, ME 04071	
(Same)		"	



CITY OF PORTLAND
Permitting and Inspections Department

Class of License:	XI, RL
Type of food served:	Fine dining
Please circle all that will be served:	☒ Beer ☒ Wine ☒ Liquor
Hours & days of operation:	
Number of Tables	
Number of Chairs	

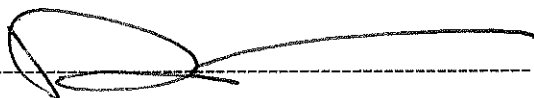
Design and Construction

- If you are building a structure or adding impervious surface for the outdoor dining area please contact the Permitting and Inspections Department for permitting requirements at permitting@portlandmaine.gov or 874-8703.

Maintenance and Operations

- Outdoor dining components must be within the permitted area and allow safe passage of pedestrian traffic. Failure to comply may result in a revocation of the permit.
- No food shall be prepared in the designated outdoor dining area.
- Outdoor dining areas must meet ADA regulations and accessible seating is required.

I/We fully understand that the City of Portland, its agents, officers and employees accept no responsibility and will not be liable for any injury, harm or damage to my/our person or property arising out of the establishment's occupancy of the sidewalk or park space. To the fullest extent permitted by law, I/We do hereby agree to assume all risk of injury, harm or damage to my/our person or property (including but not limited to all risk of injury, harm or damage to my/our property cause by the negligence of the City of Portland, its agents, officers or employees) arising out of the establishment's occupancy of the sidewalk or park space. I/We hereby agree, to the fullest extent permitted by law, to defend, indemnify and hold harmless the City of Portland, its agents, officers and employees, from and against all claims, damages, losses and expenses, just or unjust, including, but not limited to costs of defense and attorney's fees, arising out of the establishment's occupancy of the sidewalk or park space, provided that any such claims, damage, loss or expense (1) is attributable to bodily injury, sickness, disease, or death, or to injury to or destruction of tangible property including the loss of use there from, and (2) is caused in whole or in part by any negligent act or omission of the establishment, anyone directly or indirectly employed by it, or anyone for whose act it may be liable.

X Signature  Title OWNER Date 7/2/24

For Administrative Use Only

Amount: _____	Request Date /	Approval	Notes: _____
Date Paid: _____	FD: _____	/	_____
CC _____ CA _____ CK _____	Health: _____	/	_____
	PD: _____	/	_____
Amount: _____	PR: _____	/	_____
Date Paid: _____	Treasury: _____	/	_____
CC _____ CA _____ CK _____	Zoning: _____	/	_____

Tiqa

Dinner Menu

Starters

Gazpacho

Tomatoes, Onions, Cucumbers, Extra Virgin Olive Oil

Tabbouleh Salad

Pickled Onions

Greek Salad

Tomatoes, Peppers, Onions, Cucumbers, Feta, and Kalamata Olives

Falafel

Tahini, Warm Pita

Caponata

Warm Focaccia

Roasted Beet Tartar

Toasted Walnuts, Gorgonzola, Balsamic Glaze, Extra Virgin Olive Oil

Grilled & Roasted Vegetables

Aioli & Romesco

House Made Garlic Hummus

Za'Tar, Warm Pita

Spiced Olives

Garlic, Herbs, and Harissa

Warm Goat Cheese

Pistachios, Lavender Honey, Warm Pita Bread

Scallop Crudo

Blood Orange Syrup, Extra Virgin Olive Oil

Sous Vide Tuna Confit Nicoise

Haricot Vert, Poached Egg, Tomato, Olives

Tuscan Pork Belly

Balsamic Glaze, Calabrian Chili

Sautéed Mussels

Beer & Harissa Broth

Spanish Style Garlic Shrimp

White Beans

Skewers

All served with Spiced Rice and Grilled Seasonal Vegetables

Lamb Souvlaki

Tzatziki Sauce

Jumbo Shrimp

Charmoula

Lebanese Chicken Thighs

Lemon-Aleppo Chili Toun

Beef Tenderloin

Roasted Garlic-Oregano Oil

Day Boat Scallops

Harissa-Blood Orange Glaze

Pasta & Risotto

Lamb Osso Buco

Risotto Milanese, Gremolata

Caramelized Sea Scallops

Couscous Risotto with Tomatoes, Calabrian Chili, and Feta Cheese

Grilled Salmon

Pappardelle Pasta, Goat Cheese, & Spicy Pesto Butter

Beef & Pork Bolognese

Pappardelle Pasta, Parmesan Cheese

Entrée

Grilled Sliced Ribeye Steak

Herb de Provence Butter, Roasted Potatoes

Roasted Half Chicken

Lemon-Thyme Marinade, White Truffle Fries

Grilled Rack of Lamb

Onion Marmalade, Za Tar, Grilled Vegetables

Lobster Bouillabaisse

Rouille

Grilled Tuna Steak

Saffron-Walnut Aioli, White Bean Ragout

Pan Roasted Cod

Tomatoes, Kalamata Olives, and Harissa with Spiced Rice



Zachary Lenhart <zlenhart@portlandmaine.gov>

TIQA - Class A Rest/Lounge - 327 Commercial St

Zoning <zoning@portlandmaine.gov>

Mon, Aug 5, 2024 at 3:20 PM

To: Zoning <zoning@portlandmaine.gov>

Cc: Zachary Lenhart <zlenhart@portlandmaine.gov>, Zachary Finley <zackf@portlandmaine.gov>, Ron Kelton

<rkelton@portlandmaine.gov>, Fire Prevention <fireprevention@portlandmaine.gov>, Laurie Carlson

<lac@portlandmaine.gov>, Katlyn Sawyer <ksawyer@portlandmaine.gov>, Eric Cobb <ecobb@portlandmaine.gov>, "Lynch,

Kim" <kim.lynch@maine.gov>, Benjamin Pearson <bnp@portlandmaine.gov>, Tom Williams <tw@portlandmaine.gov>, Jason

Grant <jgrant@portlandmaine.gov>, Treasury Division <treasury@portlandmaine.gov>, Business Licensing

<bl@portlandmaine.gov>, cstacey <cstacey@portlandmaine.gov>

Good Afternoon,

The commercial condos are confusing here, but I believe this should be under 040 E00300R. The legal use for this space is restaurant. Zoning approves.

Thank you,

Mac

Mac

--

Mac Coldwell

City of Portland

Zoning Specialist

Permitting & Inspections Department

389 Congress ST, Room #315

Email: mcoldwell@portlandmaine.gov

he/him

Legal Advertisement

Notice of Public Hearing City of Portland

A Public Hearing will be held on August 19, 2024 at 4:00 P.M., in City Council Chambers, 389 Congress St. for approval of TIQA, LLC, dba TIQA. Application for Class XI Restaurant/Lounge with Outdoor Dining on Private Property at 327 Commercial Street - Sponsored by Danielle P. West, City Manager

City of Portland | Permitting and Inspections
Zachary Lenhert, Licensing and Housing Safety Manager



August 13, 2024

Belleflower Brewing LLC
66 Cove Street
Portland, Maine 04101

Re: Belleflower Brewing LLC, dba Belleflower Brewing. Application for Class A Lounge with Combined Entertainment and Outdoor Dining on Private Property at 66 Cove Street

Dear Belleflower Brewing LLC:

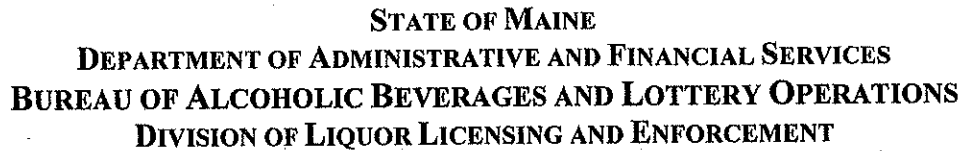
This letter shall serve as a reminder of the public hearing before the Portland City Council on Monday August 19, 2024 at 4:00 p.m., for the review of application for Class A Lounge with Combined Entertainment and Outdoor Dining on Private Property at 66 Cove Street. The meeting will take place in person at Portland City Hall, in City Council Chambers on the 2nd Floor of 389 Congress Street.

You or a representative of the business must be present at this meeting in the event that the city council has questions regarding the license application. If there is no representation and questions arise, the item may be postponed.

Please contact our office directly with questions at (207) 874-8557 or at bl@portlandmaine.gov.

Sincerely,

Zachary J. Lenhert
Licensing and Housing Safety Manager



All Questions Must Be Answered Completely. Please print legibly.

Division Use Only	
License No:	
Class:	By:
Deposit Date:	
Amt. Deposited:	
Payment Type:	
OK with SOS: Yes ☐ No ☐	

**Section I: Licensee/Applicant(s) Information;
Type of License and Status**

Legal Business Entity Applicant Name (corporation, LLC): TIQA, LLC	Business Name (D/B/A): TIQA
Individual or Sole Proprietor Applicant Name(s):	Physical Location: 327 Commercial St., Portland, Me
Individual or Sole Proprietor Applicant Name(s):	Mailing address, if different:
Mailing address, if different from DBA address: 26 Deer Acres Road Portland, Me 04071	Email Address: dhaleemny@yahoo.com
Telephone # Fax #: (570)862-2770	Business Telephone # Fax #:
Federal Tax Identification Number: 465266285	Maine Seller Certificate # or Sales Tax #:
Retail Beverage Alcohol Dealers Permit:	Website address:

1. New license or renewal of existing license? ☒ New Expected Start date: ASAP
☐ Renewal Expiration Date: _____
2. The dollar amount of gross income for the licensure period that will end on the expiration date above:
Food: ~ 700,000 Beer, Wine or Spirits: 300,000 Guest Rooms: N/A
3. Please indicate the type of alcoholic beverage to be sold: (check all that apply)
☒ Malt Liquor (beer) ☒ Wine ☒ Spirits

4. Indicate the type of license applying for: (choose only one)

- | | | |
|--|---|---|
| ☐ Restaurant
(Class I, II, III, IV) | ☒ Class A Restaurant/Lounge
(Class XI) | ☐ Class A Lounge
(Class X) |
| ☐ Hotel
(Class I, II, III, IV) | ☐ Hotel – Food Optional
(Class I-A) | ☐ Bed & Breakfast
(Class V) |
| ☐ Golf Course (included optional licenses, please check if apply)
(Class I, II, III, IV) | ☐ Auxiliary | ☐ Mobile Cart |
| ☐ Tavern
(Class IV) | ☐ Other: _____ | |
| ☐ Qualified Caterer | ☐ Self-Sponsored Events (Qualified Caterers Only) | |

Refer to Section V for the License Fee Schedule on page 9

5. Business records are located at the following address:

26 Deer Acres Road, Raymond, Maine 04071

6. Is the licensee/applicant(s) citizens of the United States? ☒ Yes ☐ No

7. Is the licensee/applicant(s) a resident of the State of Maine? ☒ Yes ☐ No

NOTE: Applicants that are not citizens of the United States are required to file for the license as a business entity.

8. Is licensee/applicant(s) a business entity like a corporation or limited liability company?

☒ Yes ☐ No If Yes, complete Section VII at the end of this application

9. For a licensee/applicant who is a business entity as noted in Section I, does any officer, director, member, manager, shareholder or partner have in any way an interest, directly or indirectly, in their capacity in any other business entity which is a holder of a wholesaler license granted by the State of Maine?

☐ Yes ☒ No

☐ Not applicable – licensee/applicant(s) is a sole proprietor

10. Is the licensee or applicant for a license receiving, directly or indirectly, any money, credit, thing of value, endorsement of commercial paper, guarantee of credit or financial assistance of any sort from any person or entity within or without the State, if the person or entity is engaged, directly or indirectly, in the manufacture, distribution, wholesale sale, storage or transportation of liquor.

☐ Yes ☒ No

If yes, please provide details: _____

11. Do you own or have any interest in any another Maine Liquor License? ☐ Yes ☒ No

If yes, please list license number, business name, and complete physical location address: (attach additional pages as needed using the same format)

Name of Business	License Number	Complete Physical Address

12. List name, date of birth, place of birth for all applicants including any manager(s) employed by the licensee/applicant. Provide maiden name, if married. (attach additional pages as needed using the same format)

Full Name	DOB	Place of Birth
Deen W. Hakeem	9-24-1963	Kuwait
Carol L. Mitchell	12-26-1955	Waterville, Me.
Philip		
Residence address on all the above for previous 5 years		
Name Deen W. Hakeem	Address: 26 Deer Acres Rd Raymond, Me 04071	
Name Carol L. Mitchell	Address: 26 Deer Acres Road Raymond, Me 04071	
Name Philip	Address:	
Name	Address:	

13. Will any law enforcement officer directly benefit financially from this license, if issued?

☐ Yes ☒ No

If Yes, provide name of law enforcement officer and department where employed:

14. Has the licensee/applicant(s) ever been convicted of any violation of the liquor laws in Maine or any State of the United States? ☐ Yes ☒ No

If Yes, please provide the following information and attach additional pages as needed using the same format.

Name: _____ Date of Conviction: _____

Offense: _____ Location: _____

Disposition: _____

15. Has the licensee/applicant(s) ever been convicted of any violation of any law, other than minor traffic violations, in Maine or any State of the United States? ☐ Yes ☒ No

If Yes, please provide the following information and attach additional pages as needed using the same format.

Name: _____ Date of Conviction: _____

Offense: _____ Location: _____

Disposition: _____

16. Has the licensee/applicant(s) formerly held a Maine liquor license? ☒ Yes ☐ No

17. Does the licensee/applicant(s) own the premises? ☒ Yes ☐ No

If No, please provide the name and address of the owner:

18. If you are applying for a liquor license for a Hotel or Bed & Breakfast, please provide the number of guest rooms available: _____

19. Please describe in detail the area(s) within the premises to be licensed. This description is in addition to the diagram in Section VI. (Use additional pages as needed)

Main diningroom, Lounge and private dining
space are all to be licensed space along
with outdoor patio

20. What is the distance from the premises to the nearest school, school dormitory, church, chapel or parish house, measured from the main entrance of the premises to the main entrance of the school, school dormitory, church, chapel or parish house by the ordinary course of travel?

Name: Unitarian Church on Congress St, State Street Church

Distance: 1 mile ±

Section II: Signature of Applicant(s)

By signing this application, the licensee/applicant understands that false statements made on this application are punishable by law. Knowingly supplying false information on this application is a Class D Offense under Maine's Criminal Code, punishable by confinement of up to one year, or by monetary fine of up to \$2,000 or by both.

Please sign and date in blue ink.

Dated: 7/2/24



Signature of Duly Authorized Person

Deen N. Haleem
Printed Name Duly Authorized Person

Signature of Duly Authorized Person

Printed Name of Duly Authorized Person

Section III: For use by Municipal Officers and County Commissioners only

The undersigned hereby certifies that we have complied with the process outlined in 28-A M.R.S. §653 and approve this on-premises liquor license application.

Dated: _____

Who is approving this application? ☐ Municipal Officers of _____

☐ County Commissioners of _____ County

- ☐ **Please Note:** The Municipal Officers or County Commissioners must confirm that the records of Local Option Votes have been verified that allows this type of establishment to be licensed by the Bureau for the type of alcohol to be sold for the appropriate days of the week. Please check this box to indicate this verification was completed.

Signature of Officials	Printed Name and Title

**This Application will Expire 60 Days from the date of
Municipal or County Approval unless submitted to the Bureau**

Included below is the section of Maine's liquor laws regarding the approval process by the municipalities or the county commissioners. This is provided as a courtesy only and may not reflect the law in effect at the time of application. Please see <http://www.mainelegislature.org/legis/statutes/28-A/title28-Asec653.html>

§653. Hearings; bureau review; appeal

1. Hearings. The municipal officers or, in the case of unincorporated places, the county commissioners of the county in which the unincorporated place is located, may hold a public hearing for the consideration of applications for new on-premises licenses and applications for transfer of location of existing on-premises licenses. The municipal officers or county commissioners may hold a public hearing for the consideration of requests for renewal of licenses, except that when an applicant has held a license for the prior 5 years and a complaint has not been filed against the applicant within that time, the applicant may request a waiver of the hearing.

A. The bureau shall prepare and supply application forms.

Section VI Premises Floor Plan

In an effort to clearly define your license premise and the areas that consumption and storage of liquor authorized by your license type is allowed, the Bureau requires all applications to include a diagram of the premise to be licensed.

Diagrams should be submitted on this form and should be as accurate as possible. Be sure to label the following areas: entrances, office area, coolers, storage areas, display cases, shelves, restroom, point of sale area, area for on-premise consumption, dining rooms, event/function rooms, lounges, outside area/decks or any other areas on the premise that you are requesting approval. Attached an additional page as needed to fully describe the premise.

See Attached diagram

Section VII: Required Additional Information for a Licensee/Applicant for an On-Premises Liquor License Who are Legal Business Entities

Questions 1 to 4 of this part of the application must match information in Section I of the application above and match the information on file with the Maine Secretary of State's office. If you have questions regarding your legal entity name or DBA, please call the Secretary of State's office at (207) 624-7752.

All Questions Must Be Answered Completely. Please print legibly.

1. Exact legal name: TIQA, LLC
2. Doing Business As, if any: TIQA
3. Date of filing with Secretary of State: _____ State in which you are formed: Maine
4. If not a Maine business entity, date on which you were authorized to transact business in the State of Maine:

5. List the name and addresses for previous 5 years, birth dates, titles of officers, directors, managers, members or partners and the percentage ownership any person listed: (attached additional pages as needed)

Name	Address (5 Years)	Date of Birth	Title	Percentage of Ownership
Deen Haleem	26 Deer Acres Road Raymond, Me	9-24-64	Pres	50%
Carol Mitchell	" "	12-26-55	V.P	50%

(Ownership in non-publicly traded companies must add up to 100%.)

MEMORANDUM
City Council Agenda Item

FROM:

DATE: August 5, 2024

SUBJECT: Order 30-24/25 Granting Municipal Officers' Approval of Belleflower Brewing LLC, dba Belleflower Brewing. Application for Class A Lounge with Combined Entertainment and Outdoor Dining on Private Property at 66 Cove Street - Sponsored by Danielle P. West, City Manager

SPONSOR: The Mayor, City Manager, City Clerk, Corporation Counsel, the Planning Board, or up to three (3) members of the Council shall sponsor any orders or other items. If sponsored by a Council Committee, please include the date the committee met and the results of the vote.

(If sponsored by a Council committee, include the date the committee met and the results of the vote.)

COUNCIL MEETING DATE ACTION IS REQUESTED:

1st Reading

**Final
Action**

Can action be taken at a later date: No If action cannot be taken at a later date, please explain why. Do NOT write yes or no; that will be automatically generated by the checkbox.

Does this item involve a new contract with the City: n/a

PRESENTATION: Please list the presenter(s), type, and length of presentation

I. SUMMARY

II. AGENDA DESCRIPTION

Application was filed on 7/12/24. Existing establishment currently holds Brewery/Winery/Distillery license with combined entertainment and private outdoor dining upgrading to Class A Lounge. New City and State applications.

Five affirmative votes are required for passage after public comment.

III. BACKGROUND

Background information that will not appear in the Agenda Description

IV. INTENDED RESULT AND/OR COUNCIL GOAL ADDRESSED

V. FINANCIAL IMPACT

Please indicate whether or not there is a financial impact. Please note that per Council Rule 12, this form must have "a separate fiscal impact statement memo attached if the impact of the item is \$50,000 or more in a given fiscal year. This memo shall include details and information describing the fiscal impact including, but not limited to, projected costs, revenues or savings over a three (3) year period and/or any potential impacts on the City tax levy."

VI. STAFF ANALYSIS AND BACKGROUND

Staff Analysis that will not appear in the Agenda Description.

VII. RECOMMENDATION

VIII. LIST ATTACHMENTS

1. 2024.08.19_Belleflower_Council Order
2. 2024.08.19_Belleflower_Council Packet

Prepared by:

Date: 08/05/2024

MARK DION (MAYOR)
PIOUS ALI (A/L)
APRIL D. FOURNIER(A/L)
ROBERTO RODRÍGUEZ (A/L)

CITY OF PORTLAND
IN THE CITY COUNCIL

ANNA TREVORROW (1)
VICTORIA L. PELLETIER (2)
REGINA L. PHILLIPS (3)
ANNA Y. BULLETT (4)
KATHRYN SYKES (5)

ORDER

GRANTING MUNICIPAL OFFICERS’

APPROVAL OF:

**Belleflower Brewing LLC, dba Belleflower Brewing. Application for Class A Lounge with
Combined Entertainment and Outdoor Dining on Private Property at 66 Cove Street**



July 8, 2024

Mayor Mark Dion
Portland City Council
389 Congress Street
Portland, ME 04101

Re: Letter of Intent – Application for City Food Establishment with Alcoholic Beverages License (Class A Lounge) – Belleflower Brewing Company, LLC

Dear Mayor Dion and City Council Members:

I am writing to notify you that Belleflower Brewing Company, LLC (the “**Company**”) intends to apply for a City Food Service Establishment with Alcoholic Beverages License (Class A Lounge) with respect to the Company’s place of business that is located at 66 Cove Street in East Bayside.

The Company currently holds a City Food Service Establishment with Alcoholic Beverages License (Brewery, Distillery, or Winery), and the Company will surrender that license simultaneously in connection with the requested issuance of the City Food Service Establishment with Alcoholic Beverages License (Class A Lounge).

The Company’s current city license allows the Company to sell its own beer products for on-premises consumption, and the City Food Service Establishment with Alcoholic Beverages License (Class A Lounge) will allow the Company to sell its own beer products, as well as other breweries’, distilleries’, and wineries’ alcoholic beverage products, for on-premises consumption. The Company also plans to sell limited food offerings, which will include ramen noodles. We will also limit beverages produced off-site to 10% of our beverage menu to comply with zoning restrictions for our area.

Accordingly, please find enclosed for your review, consideration, and requested approval the following documents in connection with the Company’s application for the City Food Service Establishment with Alcoholic Beverages License (Class A Lounge), together with the applications for the related state and local licenses and permits.

Thank you very much for your time and consideration, and we very much look forward to receiving your anticipated approval of the enclosed applications.

Sincerely,

A handwritten signature in black ink, appearing to read "Nicholas", is written over a horizontal line.

Nicholas Bonadies, President of Belleflower Brewing Company, LLC



CITY OF PORTLAND
Permitting and Inspections Department
Application for Food Service Establishment with Alcoholic Beverages License

Business Information	
Establishment Name (d/b/a):	Belleflower Brewing Company, LLC Phone: 207-805-1696
Location Address:	66 Cove Street, Portland ME 04101 Zip:
If new, what was formerly at this location:	
Mailing Address:	66 Cove Street, Portland ME 04101 Zip:
Contact Person:	Nicholas Bonadies Phone: 617-365-9536
Contact Person Email:	nick@belleflowerbrewing.com
Manager of Establishment:	Nicholas Bonadies Date of Birth: 04/03/1984 Phone: 617-365-9536
Owner of Premises (Landlord):	Sleepy Hollow Development
Address of Premises Owner (Landlord):	P.O. Box 2198, Windham, ME 04062 Zip:

Sole Proprietor/Partnership Information (If Corporation, leave blank)

Name of Owner(s)	Date of Birth	Residence Address

Corporate Name	Corporate Mailing Address
Belleflower Brewing Company, LLC	66 Cove Street, Portland ME 04101 Zip:

Corporate/LLC/Non-Profit Organization Applicants (If Sole Proprietor or Partnership, leave blank)

Contact Person:	Nick Bonadies	Phone: 6173659536	
Principal Officers	Title	Date of Birth	Residence Address
Katherine Bonadies	co-owner	11/02/1984	104 Frost Hill Road, Portland, ME 04103
Nicholas Bonadies	President	4/3/1984	104 Frost Hill Road, Portland, ME 04103
Melissa Page	co-owner	10/06/1987	49 Broadway, Portland, ME 04103
Zachary Page	co-owner	5/23/1987	49 Broadway, Portland, ME 04103
Class of Liquor License:		Class A Lounge	

389 Congress Street, Room 307 • Portland, Maine 04101 • 207-874-8557

bl@portlandmaine.gov • www.portlandmaine.gov



CITY OF PORTLAND
Permitting and Inspections Department

Type of food served:	Instant Ramen Noodles, Instant Mac and Cheese, pre-packaged foods		
Please circle all that will be served:	Beer ☒ Wine ☒ Liquor ☒		
Projected percentage of sales:	Generated from Food: 5%	Generated from Alcohol: 95%	
Hours & days of operation:	M, Tu, W, Th. 12P.M.-8P.M., F, Sa. 12P.M.-9P.M., Su. 12P.M.-7P.M.		
QUESTIONS			Y/N
Will full-course meals, only capable of consumption with the use of tableware, be served the entire time the establishment is open?			Y/N y
If No, please explain:			
Is the establishment less than 300 feet from a school, dormitory, church or parish house, or similar establishment?			Y/N n
If yes, give the distance:			
Will you have entertainment on the premises? (If yes, a Supplemental Application for Entertainment is required.)			Y/N y
Will you permit dancing after 1:00 a.m.?			Y/N n
Will you have outside dining? (If yes, an Outdoor Dining Application is required)			Y/N y
If yes, will the outside dining be on PUBLIC or PRIVATE property (circle one).			Private
Will you have any amusement devices (pinball, video games, juke box)?			Y/N n
If yes, please list: # of pinball machines: _____ # of amusements: _____ # of pool tables: _____			
What is your targeted opening date?			
Does the Issuance of this license directly or indirectly benefit any City employee(s)?			Y/N n
If Yes, list name(s) of employee(s) and department(s):			
Have any of the applicants, including the corporation (if applicable), ever held a business license with the City of Portland?			Y/N y
If Yes, please list business name(s) and location(s):			Yes, Brewery - Alcohol On-Premises Liquor License 66 Cove Street, Portland, ME 04101
Is any principal officer under the age of 21?			Y/N n
Have applicant, partners, associates, or corporate officers ever been arrested, indicted, or convicted for any violation of law?			Y/N n
If Yes, please explain:			

I Nicholas Bonadies do hereby swear and affirm that every employee in my establishment that serves alcohol to the public has attended server training, or will attend server training within 90 days of their hire. I also understand that at any time the City license administrator can, upon request, require me to produce Server Training certificates for each employee that serves alcohol to the public in my establishment. Failure to meet the training requirement imposed by section 15-41 may result in the denial of a liquor license pursuant to 28-A M.R.S.A. § 653 (2) (G).

Applicant, by signature below, agrees to abide by all laws, orders, ordinances, rules and regulations governing the above licensee and further agrees that any misstatement of material fact may result in refusal of license or revocation if one has been granted. Applicant agrees that all taxes and accounts pertaining to the premises will be paid prior to issuance of the license.

It is understood that this and any application(s) shall become public record and the applicant(s) hereby waive(s) any rights to privacy with respect thereto. I/We, hereby authorize the release of any criminal history record information to the City Clerk's Office or licensing authority. I/We, hereby waive any rights to privacy with respect thereto.

Signature [Signature] Title President Date 7/2024 7/8/24



CITY OF PORTLAND
Permitting and Inspections Department

**Outdoor Dining Permit on Private Property
Supplemental Application**

License accompanies a City of Portland Food Service Establishment or Food Service Establishment with Liquor License

☐ Outdoor Dining on Private Property \$125.00 ☐ Legal Advertisement Deposit \$100.00

Business Information			
Business Name (d/b/a):	Belleflower Brewing Company, LLC	Phone:	207-855-1696 207-905-1696
Location Address:	66 Cove Street, Portland, ME 04101	Zip:	
Mailing Address:	66 Cove Street, Portland, ME 04101	Zip:	
Contact Person:	Nick Bonadies	Phone:	6173659536
Contact Person Email:	nick@belleflowerbrewing.com		
Manager of Establishment:	Nick Bonadies	Date of Birth:	4/3/1984
		Phone:	6173659536
Owner of Premises (Landlord):	Sleepy Hollow Development		
Address of Premises Owner:	P.O. Box 2198, Windham, ME 04062	Zip:	

Owner Information

Corporate Name		Corporate Mailing Address	
Belleflower Brewing Company, LLC		66 Cove Street, Portland ME 04101	
		Zip:	
Contact Person:	Nick Bonadies	Phone:	6173659536
Principal Officers	Title	Date of Birth	Residence Address
Katherine Bonadies	co-owner	11/02/1984	104 Frost Hill Road, Portland, ME 04103
Nicholas Bonadies	President	4/3/1984	104 Frost Hill Road, Portland, ME 04103
Melissa Page	co-owner	10/06/1987	49 Broadway, Portland, ME 04103
Zachary Page	co-owner	5/23/1987	49 Broadway, Portland, ME 04103



CITY OF PORTLAND
Permitting and Inspections Department

Class of License:	Class A Lounge
Type of food served:	Instant Ramen Noodles, Instant Mac and Cheese, pre-packaged foods
Please circle all that will be served:	Beer X Wine X Liquor X
Hours & days of operation:	M, Tu, W, Th. 12P.M.-8P.M., F, Sa. 12P.M.-9P.M., Su. 12P.M.-7P.M.
Number of Tables	12
Number of Chairs	48

Design and Construction

- If you are building a structure or adding impervious surface for the outdoor dining area please contact the Permitting and Inspections Department for permitting requirements at permitting@portlandmaine.gov or 874-8703.

Maintenance and Operations

- Outdoor dining components must be within the permitted area and allow safe passage of pedestrian traffic. Failure to comply may result in a revocation of the permit.
- No food shall be prepared in the designated outdoor dining area.
- Outdoor dining areas must meet ADA regulations and accessible seating is required.

I/We fully understand that the City of Portland, its agents, officers and employees accept no responsibility and will not be liable for any injury, harm or damage to my/our person or property arising out of the establishment's occupancy of the sidewalk or park space. To the fullest extent permitted by law, I/We do hereby agree to assume all risk of injury, harm or damage to my/our person or property (including but not limited to all risk of injury, harm or damage to my/our property cause by the negligence of the City of Portland, its agents, officers or employees) arising out of the establishment's occupancy of the sidewalk or park space. I/We hereby agree, to the fullest extent permitted by law, to defend, indemnify and hold harmless the City of Portland, its agents, officers and employees, from and against all claims, damages, losses and expenses, just or unjust, including, but not limited to costs of defense and attorney's fees, arising out of the establishment's occupancy of the sidewalk or park space, provided that any such claims, damage, loss or expense (1) is attributable to bodily injury, sickness, disease, or death, or to injury to or destruction of tangible property including the loss of use there from, and (2) is caused in whole or in part by any negligent act or omission of the establishment, anyone directly or indirectly employed by it, or anyone for whose act it may be liable.

Signature  Title President Date 7/8/2024

For Administrative Use Only

Amount: _____	Request Date / Approval	Notes: _____
Date Paid: _____	FD: _____	_____
CC _____ CA _____ CK _____	Health: _____	_____
	PD: _____	_____
Amount: _____	PR: _____	_____
Date Paid: _____	Treasury: _____	_____
CC _____ CA _____ CK _____	Zoning: _____	_____

Class A Lounge



CITY OF PORTLAND
Permitting and Inspections Department

Application for an Entertainment License

☐ Indoor Entertainment \$500.00	☐ Outdoor Entertainment \$700.00	☒ Combined Entertainment \$800.00
☐ Sound Mitigation Fee \$150.00		

Business Information			
Establishment Name (d/b/a):	Bellefleur Brewing Company, LLC	Phone:	2078051696
Location Address:	66 Cove Street, Portland, ME 04101		Zip:
Owner Name:	Nick Bonadies	Phone:	6173659536
Owner Email:	nick@bellefleurbrewing.com		
Contact Person responsible for Entertainment:	Nick Bonadies	Phone:	6173659536
Contact Person Email:	nick@bellefleurbrewing.com		
Manager of Establishment:	Nick Bonadies	Phone:	6173659536
Manager Email:	nick@bellefleurbrewing.com		

About Your Establishment

Describe in detail the type and nature of the business and proposed entertainment:

The business is a brewery with an attached taproom. The entertainment will consist of live and pre-recorded entertainment.
We already have a sound mitigation plan on file.

Applicant, by signature below, agrees to abide by all laws, orders, ordinances, rules and regulations governing the above license and further agrees that any misstatement of material fact may result in refusal of license or revocation, if one has been granted. Applicant agrees that all taxes and accounts pertaining to the premises will be paid prior to issuance of the license.

Signature  Title president Date 7/8/2024

For more information, refer to the City Code of Ordinance: Chapter 4 Amusements, at www.portlandmaine.gov

Sound Mitigation Plan - Belleflower Brewing Company

Purpose: To minimize the impact of our outdoor entertainment on the surrounding neighborhoods while promoting local musical acts to our patrons and the community. A small area located on the south/southwest side of the building, against the wall will be leveled to accommodate the musicians. Most acts will be one or two performers only. Speakers will be located just in front of the musicians about 6' from the wall facing southwest. The sound system will include a small powered mixing station and 2 portable speakers on stands. Max peak output of 800 watts with a 200 watts RMS. Master volume controls with independent level controls and equalization are included. The speakers would be 10" woofers and a piezo tweeter with 200 watts RMS. No subwoofer will be included.

Sound levels will be monitored using an SPL meter and levels will not exceed 85db at 8' from the main speakers.

This building is located in an industrial area with a variety of mixed uses. Most businesses are closed in the evening when we are most likely to have entertainment. Residential homes are quite far away from this location and will not be impacted at all by the outdoor entertainment we will be providing. The direction of the music will actually be facing 295 and Back Bay.



Belleflower Brewing Company Food Menu

Brewers Chips w/Harvest Maine Spreads: Broccomolé, Celery Root and Red Pepper,
or Beet and Carrot - \$10

Deep River Chips: Plain, Salt and Vinegar, Maui Onion, or Zesty Jalapeño - \$3

Cheese Charcuterie board by Charcutemarie (serves 2) - \$15.50

Vermont Meat Sticks - \$3

Kraft Macaroni and Cheese - \$2

Nissin Cup Noodles - \$2

Non-Alcoholic Beverages

Athletic Brewing NA Beer: Free Wave Hazy IPA, Golden Ale - \$6

Bissell Bubbles Hop Water - \$3

NOBL Cold Brew Coffee: Nitro Cold Brew, Oat Milk Latte, Dirty Chai Latte - \$4

Olipop Soda: Root Beer, Strawberry Vanilla, Barbie Peaches and Cream - \$3.50

Spindrift Seltzer: Raspberry Lime, Grapefruit, Lime, Lemon Limeade, Mango Black
Tea - \$3



Zachary Lenhart <zlenhart@portlandmaine.gov>

Belleflower Brewing - Class A Lounge with Combined Entertainment at 66 Cove St

Christopher Mitchell <chrism@portlandmaine.gov>

Tue, Aug 6, 2024 at 4:45 PM

To: Zachary Lenhart <zlenhart@portlandmaine.gov>

Cc: Zachary Finley <zackf@portlandmaine.gov>, Ron Kelton <rkelton@portlandmaine.gov>, Fire Prevention

<fireprevention@portlandmaine.gov>, Laurie Carlson <lac@portlandmaine.gov>, Katlyn Sawyer

<ksawyer@portlandmaine.gov>, Zoning <zoning@portlandmaine.gov>, Eric Cobb <ecobb@portlandmaine.gov>, "Lynch,

Kim" <Kim.Lynch@maine.gov>, Benjamin Pearson <bnp@portlandmaine.gov>, Tom Williams <tw@portlandmaine.gov>,

Jason Grant <jgrant@portlandmaine.gov>, Treasury Division <treasury@portlandmaine.gov>, Business Licensing

<bl@portlandmaine.gov>, Christina Stacey <cstacey@portlandmaine.gov>, Kevin Schneck <kschneck@portlandmaine.gov>

PD approves

Lt. Chris Mitchell
Portland Police Department
Patrol Operations

On Thu, Aug 1, 2024 at 4:00 PM Zachary Lenhart <zlenhart@portlandmaine.gov> wrote:

[Quoted text hidden]



Zachary Lenhert <zlenhert@portlandmaine.gov>

Belleflower Brewing - Class A Lounge with Combined Entertainment at 66 Cove St

Zoning <zoning@portlandmaine.gov>

Mon, Aug 5, 2024 at 3:33 PM

To: Zoning <zoning@portlandmaine.gov>

Cc: Zachary Lenhert <zlenhert@portlandmaine.gov>, Zachary Finley <zackf@portlandmaine.gov>, Ron Kelton <rkelton@portlandmaine.gov>, Fire Prevention <fireprevention@portlandmaine.gov>, Laurie Carlson <lac@portlandmaine.gov>, Katlyn Sawyer <ksawyer@portlandmaine.gov>, Eric Cobb <ecobb@portlandmaine.gov>, "Lynch, Kim" <kim.lynch@maine.gov>, Benjamin Pearson <bnp@portlandmaine.gov>, Tom Williams <tw@portlandmaine.gov>, Jason Grant <jgrant@portlandmaine.gov>, Treasury Division <treasury@portlandmaine.gov>, Business Licensing <bl@portlandmaine.gov>, cstacey <cstacey@portlandmaine.gov>, Christopher Mitchell <chrism@portlandmaine.gov>, Kevin Schneck <kschneck@portlandmaine.gov>

Good Afternoon,

66 Cove ST is in the IL-b industrial zone. Bar and restaurant are not permitted uses. Please add the following condition for a tasting room:

As required under Section 6.6.2.I of Chapter 14, the service of food in the approved accessory tasting room shall be limited to that which does not constitute a full course meal. No more than 10% of the beverage (food) menu in tasting rooms accessory to beverage production (food production) may be produced or manufactured off-site. Merchandise sales shall be limited branded products, products manufactured by this business, and products related to this business's core activities. Regular events shall be limited to tours, seminars, product releases, and lectures that are related this business's manufacturing activities. Unrelated special events in the I-M and I-H zone are limited to no more than 20 per calendar year. In the I-Lb zone, unrelated special events are limited to 28 hours per week, per Section 6.6.2.H of Chapter 14.

They will need to change their letter as well as it implies their beverage menu will offer more than 10% of product produced off the property.

Do you need me to reach out to the applicant?

Also, I believe this space is under CBL: 010 H006002 and not 001. The change of use permit and C of O are on this CBL.

Thank you,

Mac

[Quoted text hidden]

City of Portland

Sound Mitigation Review

Date: 8/12/2024

Business Belleflower Brewing

Applicant Nicholas Bonadies

DESCRIPTION		yes	no
Sound system appropriate for the size venue			Yes
Performance space located in an appropriate location			Yes
Performance space facing in an appropriate direction to control sound			Yes
Surrounding surfaces appropriate to control sound			Yes
Additional sound absorbing features			
additional notes			
Approved			Yes
DIRECT ALL INQUIRIES TO:			
Kevin Schneck			
(207) 756-8433			
kschneck@portlandmaine.gov			

City of Portland | Permitting and Inspections
Zachary Lenhert, Licensing and Housing Safety Manager



August 13, 2024

Belleflower Brewing LLC
66 Cove Street
Portland, Maine 04101

Re: Belleflower Brewing LLC, dba Belleflower Brewing. Application for Class A Lounge with Combined Entertainment and Outdoor Dining on Private Property at 66 Cove Street

Dear Belleflower Brewing LLC:

This letter shall serve as a reminder of the public hearing before the Portland City Council on Monday August 19, 2024 at 4:00 p.m., for the review of application for Class A Lounge with Combined Entertainment and Outdoor Dining on Private Property at 66 Cove Street. The meeting will take place in person at Portland City Hall, in City Council Chambers on the 2nd Floor of 389 Congress Street.

You or a representative of the business must be present at this meeting in the event that the city council has questions regarding the license application. If there is no representation and questions arise, the item may be postponed.

Please contact our office directly with questions at (207) 874-8557 or at bl@portlandmaine.gov.

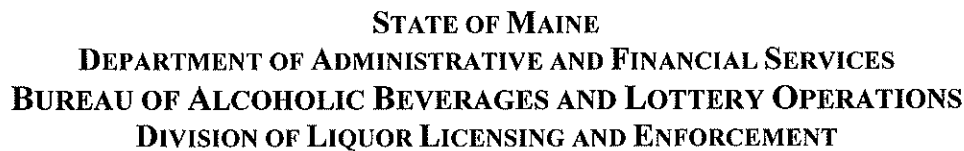
Sincerely,

Zachary J. Lenhert
Licensing and Housing Safety Manager

Legal Advertisement

Notice of Public Hearing City of Portland

A Public Hearing will be held on August 19, 2024 at 4:00 P.M., in City Council Chambers, 389 Congress St. for approval of Belleflower Brewing LLC, dba Belleflower Brewing. Application for Class A Lounge with Combined Entertainment and Outdoor Dining on Private Property at 66 Cove Street - Sponsored by Danielle P. West, City Manager



All Questions Must Be Answered Completely. Please print legibly.

Division Use Only	
License No:	
Class:	By:
Deposit Date:	
Amt. Deposited:	
Payment Type:	
OK with SOS: Yes ☐ No ☐	

**Section I: Licensee/Applicant(s) Information;
Type of License and Status**

Legal Business Entity Applicant Name (corporation, LLC): Belleflower Brewing Company, LLC	Business Name (D/B/A):
Individual or Sole Proprietor Applicant Name(s):	Physical Location: 66 Cove Street, Portland, ME 04101
Individual or Sole Proprietor Applicant Name(s):	Mailing address, if different:
Mailing address, if different from DBA address:	Email Address: nick@belleflowerbrewing.com
Telephone # Fax #: 617365-9536	Business Telephone # Fax #: (207) 805-1696
Federal Tax Identification Number: 85-3220928	Maine Seller Certificate # or Sales Tax #: 1212035
Retail Beverage Alcohol Dealers Permit:	Website address: https://belleflowerbeer.com

1. New license or renewal of existing license? ☒ New Expected Start date: 8/1/2024
☐ Renewal Expiration Date: _____
2. The dollar amount of gross income for the licensure period that will end on the expiration date above:
Food: _____ Beer, Wine or Spirits: _____ Guest Rooms: _____
3. Please indicate the type of alcoholic beverage to be sold: (check all that apply)
☒ Malt Liquor (beer) ☒ Wine ☒ Spirits

4. Indicate the type of license applying for: (choose only one)

- | | | |
|--|--|---|
| ☐ Restaurant
(Class I, II, III, IV) | ☐ Class A Restaurant/Lounge
(Class XI) | ☒ Class A Lounge
(Class X) |
| ☐ Hotel
(Class I, II, III, IV) | ☐ Hotel – Food Optional
(Class I-A) | ☐ Bed & Breakfast
(Class V) |
| ☐ Golf Course (included optional licenses, please check if apply)
(Class I, II, III, IV) | ☐ Auxiliary | ☐ Mobile Cart |
| ☐ Tavern
(Class IV) | ☐ Other: _____ | |
| ☐ Qualified Caterer | ☐ Self-Sponsored Events (Qualified Caterers Only) | |

Refer to Section V for the License Fee Schedule on page 9

5. Business records are located at the following address:

66 Cove Street, Portland, ME 04101

6. Is the licensee/applicant(s) citizens of the United States? ☒ Yes ☐ No

7. Is the licensee/applicant(s) a resident of the State of Maine? ☒ Yes ☐ No

NOTE: Applicants that are not citizens of the United States are required to file for the license as a business entity.

8. Is licensee/applicant(s) a business entity like a corporation or limited liability company?

☒ Yes ☐ No If **Yes**, complete Section VII at the end of this application

9. For a licensee/applicant who is a business entity as noted in Section I, does any officer, director, member, manager, shareholder or partner have in any way an interest, directly or indirectly, in their capacity in any other business entity which is a holder of a wholesaler license granted by the State of Maine?

☐ Yes ☒ No

☐ Not applicable – licensee/applicant(s) is a sole proprietor

10. Is the licensee or applicant for a license receiving, directly or indirectly, any money, credit, thing of value, endorsement of commercial paper, guarantee of credit or financial assistance of any sort from any person or entity within or without the State, if the person or entity is engaged, directly or indirectly, in the manufacture, distribution, wholesale sale, storage or transportation of liquor.

☐ Yes ☒ No

If yes, please provide details: _____

11. Do you own or have any interest in any another Maine Liquor License? ☐ Yes ☒ No

If yes, please list license number, business name, and complete physical location address: (attach additional pages as needed using the same format)

Name of Business	License Number	Complete Physical Address

12. List name, date of birth, place of birth for all applicants including any manager(s) employed by the licensee/applicant. Provide maiden name, if married. (attach additional pages as needed using the same format)

Full Name	DOB	Place of Birth
Nicholas Bonadies	4/3/1984	Vernon, CT
Katherine R. Bonadies (Browne)	11/2/1984	Hyannis, MA
Melissa H. Page (Hacker)	10/6/1987	Indianapolis, IN
Zachary L. Page	5/23/1987	Beech Grove, IN
Residence address on all the above for previous 5 years		
Name Nicholas M. Bonadies	Address:	104 Frost Hill Rd, Portland, ME 04103 12 Samuel Rd, Portland, ME 04103 5 Woodbury St, Providence, RI 02906
Name Katherine R. Bonadies	Address:	104 Frost Hill Rd, Portland, ME 04103 12 Samuel Rd, Portland, ME 04103 5 Woodbury St, Providence, RI 02906
Name Melissa H. Page	Address:	49 Broadway, Portland, ME 04103 73 Canco Rd Portland, ME 04103
Name Zachary L. Page	Address:	49 Broadway, Portland, ME 04103 73 Canco Rd Portland, ME 04103

13. Will any law enforcement officer directly benefit financially from this license, if issued?

☐ Yes ☒ No

If **Yes**, provide name of law enforcement officer and department where employed:

14. Has the licensee/applicant(s) ever been convicted of any violation of the liquor laws in Maine or any State of the United States? ☐ Yes ☒ No

If Yes, please provide the following information and attach additional pages as needed using the same format.

Name: _____ Date of Conviction: _____

Offense: _____ Location: _____

Disposition: _____

15. Has the licensee/applicant(s) ever been convicted of any violation of any law, other than minor traffic violations, in Maine or any State of the United States? ☐ Yes ☒ No

If Yes, please provide the following information and attach additional pages as needed using the same format.

Name: _____ Date of Conviction: _____

Offense: _____ Location: _____

Disposition: _____

16. Has the licensee/applicant(s) formerly held a Maine liquor license? ☒ Yes ☐ No

17. Does the licensee/applicant(s) own the premises? ☐ Yes ☒ No

If No, please provide the name and address of the owner:

Sleepy Hollow Development, P.O. Box 2198, Windham, ME 04062

18. If you are applying for a liquor license for a Hotel or Bed & Breakfast, please provide the number of guest rooms available: _____

19. Please describe in detail the area(s) within the premises to be licensed. This description is in addition to the diagram in Section VI. (Use additional pages as needed)

The licensed premises will consist of a tasting room / bar with indoor and outdoor seating both of which
seating areas will be located on private property.

20. What is the distance from the premises to the **nearest** school, school dormitory, church, chapel or parish house, measured from the main entrance of the premises to the main entrance of the school, school dormitory, church, chapel or parish house by the ordinary course of travel?

Name: Missio Dei Church, 94 Washington Avenue, Portland 04101

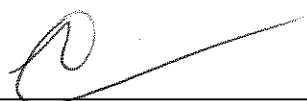
Distance: 0.4 miles

Section II: Signature of Applicant(s)

By signing this application, the licensee/applicant understands that false statements made on this application are punishable by law. Knowingly supplying false information on this application is a Class D Offense under Maine's Criminal Code, punishable by confinement of up to one year, or by monetary fine of up to \$2,000 or by both.

Please sign and date in blue ink.

Dated: 7/8/2024



Signature of Duly Authorized Person

Nicholas Bonadies

Printed Name Duly Authorized Person

Signature of Duly Authorized Person

Printed Name of Duly Authorized Person

Section III: For use by Municipal Officers and County Commissioners only

The undersigned hereby certifies that we have complied with the process outlined in 28-A M.R.S. §653 and approve this on-premises liquor license application.

Dated: _____

Who is approving this application? ☐ Municipal Officers of _____

☐ County Commissioners of _____ County

- ☐ **Please Note:** The Municipal Officers or County Commissioners must confirm that the records of Local Option Votes have been verified that allows this type of establishment to be licensed by the Bureau for the type of alcohol to be sold for the appropriate days of the week. Please check this box to indicate this verification was completed.

Signature of Officials	Printed Name and Title

**This Application will Expire 60 Days from the date of
Municipal or County Approval unless submitted to the Bureau**

Included below is the section of Maine's liquor laws regarding the approval process by the municipalities or the county commissioners. This is provided as a courtesy only and may not reflect the law in effect at the time of application. Please see <http://www.mainelegislature.org/legis/statutes/28-A/title28-Asec653.html>

§653. Hearings; bureau review; appeal

1. Hearings. The municipal officers or, in the case of unincorporated places, the county commissioners of the county in which the unincorporated place is located, may hold a public hearing for the consideration of applications for new on-premises licenses and applications for transfer of location of existing on-premises licenses. The municipal officers or county commissioners may hold a public hearing for the consideration of requests for renewal of licenses, except that when an applicant has held a license for the prior 5 years and a complaint has not been filed against the applicant within that time, the applicant may request a waiver of the hearing.

A. The bureau shall prepare and supply application forms.

Section VI Premises Floor Plan

In an effort to clearly define your license premise and the areas that consumption and storage of liquor authorized by your license type is allowed, the Bureau requires all applications to include a diagram of the premise to be licensed.

Diagrams should be submitted on this form and should be as accurate as possible. Be sure to label the following areas: entrances, office area, coolers, storage areas, display cases, shelves, restroom, point of sale area, area for on-premise consumption, dining rooms, event/function rooms, lounges, outside area/decks or any other areas on the premise that you are requesting approval. Attached an additional page as needed to fully describe the premise.

Please see attachment

Section VII: Required Additional Information for a Licensee/Applicant for an On-Premises Liquor License Who are Legal Business Entities

Questions 1 to 4 of this part of the application must match information in Section I of the application above and match the information on file with the Maine Secretary of State's office. If you have questions regarding your legal entity name or DBA, please call the Secretary of State's office at (207) 624-7752.

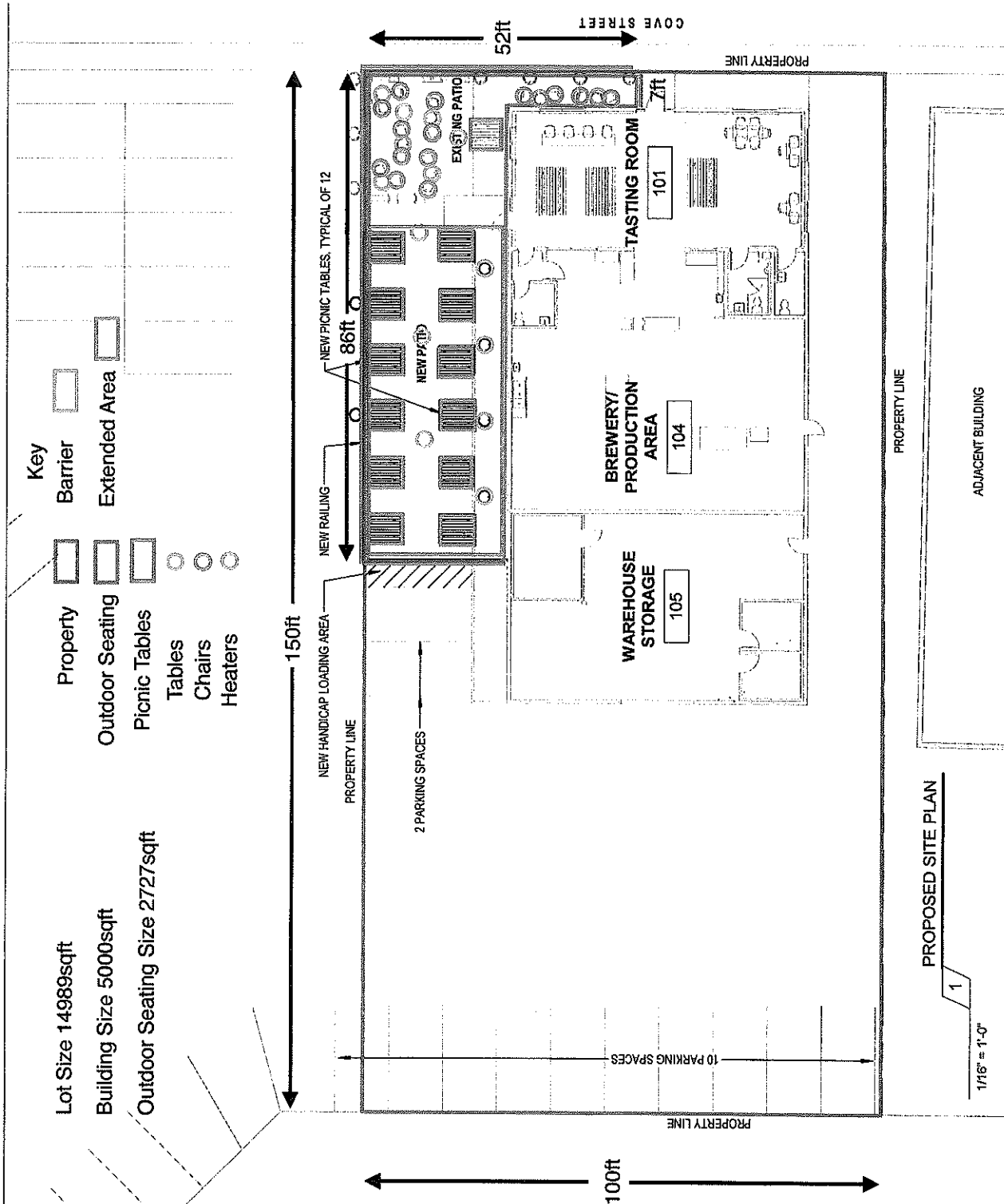
All Questions Must Be Answered Completely. Please print legibly.

1. Exact legal name: Belleflower Brewing Company, LLC
2. Doing Business As, if any: _____
3. Date of filing with Secretary of State: 9/25/2020 State in which you are formed: ME
4. If not a Maine business entity, date on which you were authorized to transact business in the State of Maine:

5. List the name and addresses for previous 5 years, birth dates, titles of officers, directors, managers, members or partners and the percentage ownership any person listed: (attached additional pages as needed)

Name	Address (5 Years)	Date of Birth	Title	Percentage of Ownership
Nicholas Bonadies	104 Frost Hill Rd, Portland, ME 04103 12 Samuel Rd, Portland, ME 04103 5 Woodbury St. Providence, RI 02906	4/3/1984	President	24.5
Katherine Bonadies	104 Frost Hill Rd, Portland, ME 04103 12 Samuel Rd, Portland, ME 04103 5 Woodbury St. Providence, RI 02906	11/2/1984	Co-Owners	25.5
Melissa H. Page	49 Broadway, Portland, ME 04103 73 Canco Rd Portland, ME 04103	10/6/1987	Co-Owners	25.5
Zachary L. Page	49 Broadway, Portland, ME 04103 73 Canco Rd Portland, ME 04103	5/23/1987	Co-Owners	24.5

(Ownership in non-publicly traded companies must add up to 100%.)



MEMORANDUM
City Council Agenda Item

FROM:

DATE: August 5, 2024

SUBJECT: Order 31-24/25 Granting Municipal Officers' Approval of Olive Cafe LLC, dba Olive Cafe. Application for Class I FSE at 127 Commercial Street - Sponsored by Danielle P. West, City Manager

SPONSOR: The Mayor, City Manager, City Clerk, Corporation Counsel, the Planning Board, or up to three (3) members of the Council shall sponsor any orders or other items. If sponsored by a Council Committee, please include the date the committee met and the results of the vote.

(If sponsored by a Council committee, include the date the committee met and the results of the vote.)

COUNCIL MEETING DATE ACTION IS REQUESTED:

1st Reading

**Final
Action**

Can action be taken at a later date: No If action cannot be taken at a later date, please explain why. Do NOT write yes or no; that will be automatically generated by the checkbox.

Does this item involve a new contract with the City: n/a

PRESENTATION: Please list the presenter(s), type, and length of presentation

I. SUMMARY

II. AGENDA DESCRIPTION

Application was filed on 7/9/24. Existing food service establishment upgrading license to serve alcohol. New City and State applications.

Five affirmative votes are required for passage after public comment.

III. BACKGROUND

Background information that will not appear in the Agenda Description

IV. INTENDED RESULT AND/OR COUNCIL GOAL ADDRESSED

V. FINANCIAL IMPACT

Please indicate whether or not there is a financial impact. Please note that per Council Rule 12, this form must have "a separate fiscal impact statement memo attached if the impact of the item is \$50,000 or more in a given fiscal year. This memo shall include details and information describing the fiscal impact including, but not limited to, projected costs, revenues or savings over a three (3) year period and/or any potential impacts on the City tax levy."

VI. STAFF ANALYSIS AND BACKGROUND

Staff Analysis that will not appear in the Agenda Description.

VII. RECOMMENDATION

VIII. LIST ATTACHMENTS

1. 2024.08.19_Olive Cafe_Council Order
2. 2024.08.19_Olive Cafe_Council Packet

Prepared by:

Date: 08/05/2024

MARK DION (MAYOR)
PIOUS ALI (A/L)
APRIL D. FOURNIER(A/L)
ROBERTO RODRÍGUEZ (A/L)

CITY OF PORTLAND
IN THE CITY COUNCIL

ANNA TREVORROW (1)
VICTORIA L. PELLETIER (2)
REGINA L. PHILLIPS (3)
ANNA Y. BULLETT (4)
KATHRYN SYKES (5)

ORDER

GRANTING MUNICIPAL OFFICERS’

APPROVAL OF:

Olive Cafe LLC, dba Olive Cafe. Application for Class I FSE at 127 Commercial Street

Rayan Elkhatab
127 Commercial Street
Portland Maine,
04101
Olivecafeportlandmaine@gmail.com
207-772-6200

To Whom It May Concern:

I am writing this letter of intent to formally apply for a liquor license for Olive Cafe. As the owner/operator of Olive Cafe, I am committed to operating a responsible and successful business that complies with all state and local regulations regarding the sale and service of alcohol.

I understand the importance of adhering to the laws and regulations governing the sale of alcoholic beverages, and I am prepared to take the necessary steps to ensure that my establishment operates in a safe and responsible manner. I have completed the necessary training and certifications required to obtain a liquor license and am dedicated to maintaining a safe and welcoming environment for my customers.

I believe that obtaining a liquor license will enhance the overall experience for my patrons and help to grow my business. I am confident that with the proper oversight and training, I can successfully manage the sale and service of alcohol in a responsible and lawful manner.

I am fully committed to upholding the laws and regulations governing the sale of alcohol, and I am prepared to work closely with the Liquor License Board to ensure that my establishment operates in compliance.



CITY OF PORTLAND
Permitting and Inspections Department

Application for Food Service Establishment with Alcoholic Beverages License

Business Information		
Legal Business Entity Applicant Name (corporation, LLC): <i>Rayan Elkhatib LLC</i>	Business Name (D/B/A): <i>Olive Cafe LLC</i>	
Individual or Sole Proprietor Applicant Name(s): <i>Rayan Elkhatib</i>	Physical Location: <i>127 Commercial St.</i>	
If applicable, what was formerly at this location:	Business Email Address: <i>olivecafeportlandmaine@gmail.com</i>	
Mailing Address: <i>127 commercial street Portland ME 04101</i>	Contact Person: <i>Rayan Elkhatib</i>	
Contact Person Phone: <i>207-329-6067</i>	Contact Person Email: <i>olivecafeportlandmaine@gmail.com</i>	
Manager of Establishment:	Date of Birth:	Manager Phone:
Owner of Premises (Landlord): <i>Carol R.S.B. LLC</i>	Address of Premises Owner (Landlord):	

Sole Proprietor/Partnership Information (If Corporation, leave blank)		
Name of Owner(s):	Date of Birth:	Residence Address:
Name of Owner(s):	Date of Birth:	Residence Address:

Corporate/LLC/Non-Profit Organization Applicants (If Sole Proprietor or Partnership, leave blank)			
Corporate Name: <i>Olive Cafe LLC</i>		Corporate Mailing Address:	
Contact Person:		Contact Phone:	
Principal Officers	Title	Date of Birth	Residence Address
<i>Rayan Elkhatib</i>	<i>owner</i>	<i>08-27-1978</i>	<i>26 powderhorn drive scarborough me.</i>



CITY OF PORTLAND
Permitting and Inspections Department

Class of Liquor License (see fee schedule): <u>Class 1 FSC</u>		
Type of food served:	<u>Lebanese mediterranean</u>	
Please select all that will be served:	☒ Beer ☒ Wine ☒ Liquor	
Projected percentage of sales:	Generated from Food: <u>70%</u> Generated from Alcohol: <u>30%</u>	
Hours & days of operation:	<u>M-S 11:30 am - 2:30 pm 5:00 pm - 9:00 pm</u>	
QUESTIONS	YES	NO
Will full-course meals, only capable of consumption with the use of tableware, be served the entire time the establishment is open?	☒	☐
If No, please explain:		
Is the establishment less than 300 feet from a school, dormitory, church or parish house, or similar establishment?	☐	☒
If yes, give the distance:		
Will you have entertainment on the premises? (If yes, a Supplemental Application for Entertainment is required.)	☐	☒
Will you permit dancing after 1:00 a.m.?	☐	☒
Will you have outside dining? (If yes, an Outdoor Dining Application is required)	☐	☒
If yes, will the outside dining be on: ☐ PUBLIC property or ☐ PRIVATE property		
Will you have any amusement devices (pinball, video games, juke box)?	☐	☒
If yes, please list: # of amusements: and # of pool tables:		
What is your targeted opening date? : <u>upgrading / open since 2008</u>		
Does the Issuance of this license directly or indirectly benefit any City employee(s)?	☐	☒
If Yes, list name(s) of employee(s) and department(s):		
Have any of the applicants, including the corporation (if applicable), ever held a business license with the City of Portland?	☒	☐
If Yes, please list business name(s) and location(s): <u>Beer and Wine</u>		
Is any principal officer under the age of 21?	☐	☒
Have applicant, partners, associates, or corporate officers ever been arrested, indicted, or convicted for any violation of law?	☐	☒
If Yes, please explain:		

I, Ramon Elhabib, do hereby swear and affirm that every employee in my establishment that serves alcohol to the public has attended server training, or will attend server training within 90 days of their hire. I also understand that at any time the City license administrator can, upon request, require me to produce Server Training certificates for each employee that serves alcohol to the public in my establishment. Failure to meet the training requirement imposed by section 15-41 may result in the denial of a liquor license pursuant to 28-A M.R.S.A. § 653 (2) (G).

Applicant, by signature below, agrees to abide by all laws, orders, ordinances, rules and regulations governing the above licensee and further agrees that any misstatement of material fact may result in refusal of license or revocation if one has been granted. Applicant agrees that all taxes and accounts pertaining to the premises will be paid prior to issuance of the license.

It is understood that this and any application(s) shall become public record and the applicant(s) hereby waive(s) any rights to privacy with respect thereto. I/We, hereby authorize the release of any criminal history record information to the City Clerk's Office or licensing authority. I/We, hereby waive any rights to privacy with respect thereto.

Signature [Signature] Title owner Date 7-9-24

SALADS

ADD ON SALAD

CHICKEN \$6 - SHRIMP \$7
FALAFEL \$5- HADDOCK \$7- LAMB \$7

BEIRUT \$14

GREENS, SHREDDED CARROTS, TOMATOES,
FRIED CAULIFLOWER, CHICKPEAS,
SESAME SEEDS, TAHINI VINAIGRETTE

COUSCOUS \$14

GREENS, CUCUMBERS, TOMATOES, FETA CHEESE,
TOASTED COUSCOUS, BALSAMIC VINAIGRETTE

GREEK \$14

GREENS, CUCUMBERS, TOMATOES, ONIONS, KALAMATA
OLIVES, FETA CHEESE, BALSAMIC VINAIGRETTE

FATTOUSH \$14

GREENS, CUCUMBERS, TOMATOES,
PITA CHIPS, LEMON GARLIC VINAIGRETTE

GYRO IN NAAN

(OR BOWL NO PITA \$14)

ADD CHEESE OR PICKLED TURNIPS \$1
HUMMUS, CUCUMBERS, TOMATOES, ONIONS, TZATZIKI

FALAFEL \$13

CHICKEN \$13

BEEF \$13

HADDOCK \$13

LAMB \$13

SIDES

BRUSSELS SPROUTS \$6

CAULIFLOWER \$6

HAND CUT FRIES \$6

SWEET POTATO FRIES \$6

PITA CHIPS W/ TAHINI \$4

(3) FALAFEL SIDE \$5

ASSORTED PICKLES \$5

OLIVES \$5

SHAWARMA

IN PITA

(OR BOWL NO PITA \$14)

ADD CHEESE OR PICKLED TURNIPS \$1

HADDOCK \$13

GARLIC SAUCE, LETTUCE,
TOMATOES, PICKLES, TAHINI

CHICKEN \$13

GARLIC SAUCE, LETTUCE,
TOMATOES, PICKLES, TAHINI

BEEF \$13

HUMMUS, ONIONS, TOMATOES,
LETTUCE, PICKLES, TAHINI

LAMB \$13

HUMMUS, ONIONS, TOMATOES,
LETTUCE, PICKLES, TAHINI

SHRIMP \$13

GARLIC SAUCE, LETTUCE,
TOMATOES, BANANA PEPPERS, TAHINI

VEGGIE SHAWARMA

IN PITA

(OR BOWL NO PITA \$14)

ADD CHEESE OR PICKLED TURNIPS \$1

FALAFEL \$13

TOMATOES, LETTUCE, PICKLES, TAHINI

FATTOUSH \$13

HUMMUS, LETTUCE, TOMATOES,
CUCUMBERS, OLIVES, PITA CHIPS, TAHINI

YA BABBA \$13

BABA GANOUSH, FRIED CAULIFLOWER, LETTUCE,
TOMATOES, BANANA PEPPERS, TAHINI

BRUSSELS \$13

BABA GANOUSH, LETTUCE, TOMATOES,
BANANA PEPPERS, TAHINI

**ADD RICE OR COUSCOUS
TO BOWL \$5**

WHITE BOTTLES

**PINOT GRIGIO/
CALIFORNIA**

\$30

**SAUVIGNON BLANC/
CALIFORNIA**

\$30

**CHARDONNAY/
CALIFORNIA**

\$30

RED BOTTLES

TEMPRANILLO/SPAIN

\$30

CABERNET/CALIFORNIA

\$30

MALBEC/ARGENTINA

\$30

WINE SPECIAL MP

BY THE GLASS

PROSECCO \$9

RED \$9

WHITE \$9

BEERS

MILLER LIGHT \$5

CIDER DOWNEAST \$6

SHIPYARD \$6

ALLAGASH WHITE \$6

STELLA ARTOIS \$6

PERONI \$6

GUINNESS \$6

NON-ALCOHOLIC \$5

LAGER LOCAL \$6

IPA LOCAL \$8

PILSNER LOCAL \$8

PALE ALE LOCAL \$8



Zachary Lenhart <zlenhart@portlandmaine.gov>

Olive Cafe - Class I FSE at 127 Commercial St

Zoning <zoning@portlandmaine.gov>

Mon, Aug 5, 2024 at 4:05 PM

To: Zoning <zoning@portlandmaine.gov>

Cc: Zachary Lenhart <zlenhart@portlandmaine.gov>, Zachary Finley <zackf@portlandmaine.gov>, Ron Kelton <rkelton@portlandmaine.gov>, Fire Prevention <fireprevention@portlandmaine.gov>, Laurie Carlson <lac@portlandmaine.gov>, Katlyn Sawyer <ksawyer@portlandmaine.gov>, Eric Cobb <ecobb@portlandmaine.gov>, "Lynch, Kim" <kim.lynch@maine.gov>, Benjamin Pearson <bnp@portlandmaine.gov>, Tom Williams <tw@portlandmaine.gov>, Jason Grant <jgrant@portlandmaine.gov>, Treasury Division <treasury@portlandmaine.gov>, Business Licensing <bl@portlandmaine.gov>, cstacey <cstacey@portlandmaine.gov>

Good Afternoon,

The legal use for 127 Commercial ST , CBL: 029 D001001, is restaurant. Zoning approves.

Thank you,

Mac

--

Mac Coldwell

City of Portland
Zoning Specialist
Permitting & Inspections Department
389 Congress ST, Room #315
Email: mcoldwell@portlandmaine.gov
he/him

[Quoted text hidden]

City of Portland | Permitting and Inspections
Zachary Lenhert, Licensing and Housing Safety Manager



August 13, 2024

Olive Cafe LLC
127 Commercial Street
Portland, Maine 04101

Re: Olive Cafe LLC, dba Olive Cafe. Application for Class I FSE at 127 Commercial Street

Dear Olive Cafe LLC:

This letter shall serve as a reminder of the public hearing before the Portland City Council on Monday August 19, 2024 at 4:00 p.m., for the review of application for Class I FSE at 127 Commercial Street. The meeting will take place in person at Portland City Hall, in City Council Chambers on the 2nd Floor of 389 Congress Street.

You or a representative of the business must be present at this meeting in the event that the city council has questions regarding the license application. If there is no representation and questions arise, the item may be postponed.

Please contact our office directly with questions at (207) 874-8557 or at bl@portlandmaine.gov.

Sincerely,

Zachary J. Lenhert
Licensing and Housing Safety Manager

Legal Advertisement

Notice of Public Hearing City of Portland

A Public Hearing will be held on August 19, 2024 at 4:00 P.M., in City Council Chambers, 389 Congress St. for approval of Olive Cafe LLC, dba Olive Cafe. Application for Class I FSE at 127 Commercial Street - Sponsored by Danielle P. West, City Manager



STATE OF MAINE
DEPARTMENT OF ADMINISTRATIVE AND FINANCIAL SERVICES
BUREAU OF ALCOHOLIC BEVERAGES AND LOTTERY OPERATIONS
DIVISION OF LIQUOR LICENSING AND ENFORCEMENT

Application for an On-Premises License

All Questions Must Be Answered Completely. Please print legibly.

Division Use Only	
License No:	
Class:	By:
Deposit Date:	
Amt. Deposited:	
Payment Type:	
OK with SOS: Yes ☐ No ☐	

Section I: Licensee/Applicant(s) Information; Type of License and Status

Legal Business Entity Applicant Name (corporation, LLC): <u>Olive Cafe, LLC</u>	Business Name (D/B/A): <u>Olive Cafe</u>
Individual or Sole Proprietor Applicant Name(s): <u>Ryan Elkhartib</u>	Physical Location: <u>127 Commercial St. Portland, ME 04101</u>
Individual or Sole Proprietor Applicant Name(s):	Mailing address, if different:
Mailing address, if different from DBA address: <u>26 Powderhorn Drive Scarborough, ME 04074</u>	Email Address: <u>olivecafep@portlandmaine.com</u>
Telephone # Fax #: <u>207-329-6067</u>	Business Telephone # Fax #: <u>207-772-6200</u>
Federal Tax Identification Number: <u>80-0269328</u> ^{REG #1424}	Maine Seller Certificate # or Sales Tax #: <u>1136829</u>
Retail Beverage Alcohol Dealers Permit:	Website address: <u>www.olivecafeportland.com</u>

1. New license or renewal of existing license? ☐ New Expected Start date: _____
- ☐ Renewal Expiration Date: _____

2. The dollar amount of gross income for the licensure period that will end on the expiration date above:

Food: _____ Beer, Wine or Spirits: _____ Guest Rooms: N/A

3. Please indicate the type of alcoholic beverage to be sold: (check all that apply)

☒ Malt Liquor (beer) ☒ Wine ☒ Spirits

4. Indicate the type of license applying for: (choose only one)

- | | | |
|--|--|---|
| ☒ Restaurant
(Class I, II, III, IV) | ☐ Class A Restaurant/Lounge
(Class XI) | ☐ Class A Lounge
(Class X) |
| ☐ Hotel
(Class I, II, III, IV) | ☐ Hotel – Food Optional
(Class I-A) | ☐ Bed & Breakfast
(Class V) |
| ☐ Golf Course (included optional licenses, please check if apply)
(Class I, II, III, IV) | ☐ Auxiliary | ☐ Mobile Cart |
| ☐ Tavern
(Class IV) | ☐ Other: _____ | |
| ☐ Qualified Caterer | ☐ Self-Sponsored Events (Qualified Caterers Only) | |

Refer to Section V for the License Fee Schedule on page 9

5. Business records are located at the following address:

127 Commercial St. Portland, ME 04107 ^{101 R-7/6/24}

6. Is the licensee/applicant(s) citizens of the United States?

☒ Yes ☐ No

7. Is the licensee/applicant(s) a resident of the State of Maine?

☒ Yes ☐ No

NOTE: Applicants that are not citizens of the United States are required to file for the license as a business entity.

8. Is licensee/applicant(s) a business entity like a corporation or limited liability company?

☒ Yes ☐ No If Yes, complete Section VII at the end of this application

9. For a licensee/applicant who is a business entity as noted in Section I, does any officer, director, member, manager, shareholder or partner have in any way an interest, directly or indirectly, in their capacity in any other business entity which is a holder of a wholesaler license granted by the State of Maine?

☐ Yes ☒ No

☐ Not applicable – licensee/applicant(s) is a sole proprietor

10. Is the licensee or applicant for a license receiving, directly or indirectly, any money, credit, thing of value, endorsement of commercial paper, guarantee of credit or financial assistance of any sort from any person or entity within or without the State, if the person or entity is engaged, directly or indirectly, in the manufacture, distribution, wholesale sale, storage or transportation of liquor.

☐ Yes ☒ No

If yes, please provide details: _____

11. Do you own or have any interest in any another Maine Liquor License? ☐ Yes ☒ No

If yes, please list license number, business name, and complete physical location address: (attach additional pages as needed using the same format)

Name of Business	License Number	Complete Physical Address

12. List name, date of birth, place of birth for all applicants including any manager(s) employed by the licensee/applicant. Provide maiden name, if married. (attach additional pages as needed using the same format)

Full Name	DOB	Place of Birth
Rayan Elkhartib	8/27/78	Beirut Lebanon
Charlotte Elkhartib	8/21/77	NY, NY
Residence address on all the above for previous 5 years		
Name <i>Rayan & Charlotte Elkhartib</i>	Address: <i>26 Powderhorn Drive</i>	
Name	Address:	
Name	Address:	
Name	Address:	

13. Will any law enforcement officer directly benefit financially from this license, if issued?

☐ Yes ☒ No

If Yes, provide name of law enforcement officer and department where employed:

14. Has the licensee/applicant(s) ever been convicted of any violation of the liquor laws in Maine or any State of the United States? ☐ Yes ☒ No

If Yes, please provide the following information and attach additional pages as needed using the same format.

Name: _____ Date of Conviction: _____

Offense: _____ Location: _____

Disposition: _____

15. Has the licensee/applicant(s) ever been convicted of any violation of any law, other than minor traffic violations, in Maine or any State of the United States? ☐ Yes ☒ No

If Yes, please provide the following information and attach additional pages as needed using the same format.

Name: _____ Date of Conviction: _____

Offense: _____ Location: _____

Disposition: _____

16. Has the licensee/applicant(s) formerly held a Maine liquor license? ☒ Yes ☐ No

17. Does the licensee/applicant(s) own the premises? ☐ Yes ☒ No

If No, please provide the name and address of the owner:

Rosanne Curbeil (agent to owner) CPA c/o Wm Ely
Associates 37A St. South Portland, ME 04106

18. If you are applying for a liquor license for a Hotel or Bed & Breakfast, please provide the number of guest rooms available: _____

19. Please describe in detail the area(s) within the premises to be licensed. This description is in addition to the diagram in Section VI. (Use additional pages as needed)

Small cafe/restaurant
serving lunch & dinner
table service, take out, delivery
alcohol drinking

20. What is the distance from the premises to the nearest school, school dormitory, church, chapel or parish house, measured from the main entrance of the premises to the main entrance of the school, school dormitory, church, chapel or parish house by the ordinary course of travel?

Name: ME College of Arts

Distance: 0.75m

Section II: Signature of Applicant(s)

By signing this application, the licensee/applicant understands that false statements made on this application are punishable by law. Knowingly supplying false information on this application is a Class D Offense under Maine's Criminal Code, punishable by confinement of up to one year, or by monetary fine of up to \$2,000 or by both.

Please sign and date in blue ink.

Dated: 7-10-24


Signature of Duly Authorized Person

Rayan Elkhatab
Printed Name Duly Authorized Person

Signature of Duly Authorized Person

Printed Name of Duly Authorized Person

Section III: For use by Municipal Officers and County Commissioners only

The undersigned hereby certifies that we have complied with the process outlined in 28-A M.R.S. §653 and approve this on-premises liquor license application.

Dated: _____

Who is approving this application? ☐ Municipal Officers of _____

☐ County Commissioners of _____ County

- ☐ **Please Note:** The Municipal Officers or County Commissioners must confirm that the records of Local Option Votes have been verified that allows this type of establishment to be licensed by the Bureau for the type of alcohol to be sold for the appropriate days of the week. Please check this box to indicate this verification was completed.

Signature of Officials	Printed Name and Title

**This Application will Expire 60 Days from the date of
Municipal or County Approval unless submitted to the Bureau**

Included below is the section of Maine's liquor laws regarding the approval process by the municipalities or the county commissioners. This is provided as a courtesy only and may not reflect the law in effect at the time of application. Please see <http://www.mainelegislature.org/legis/statutes/28-A/title28-Asec653.html>

§653. Hearings; bureau review; appeal

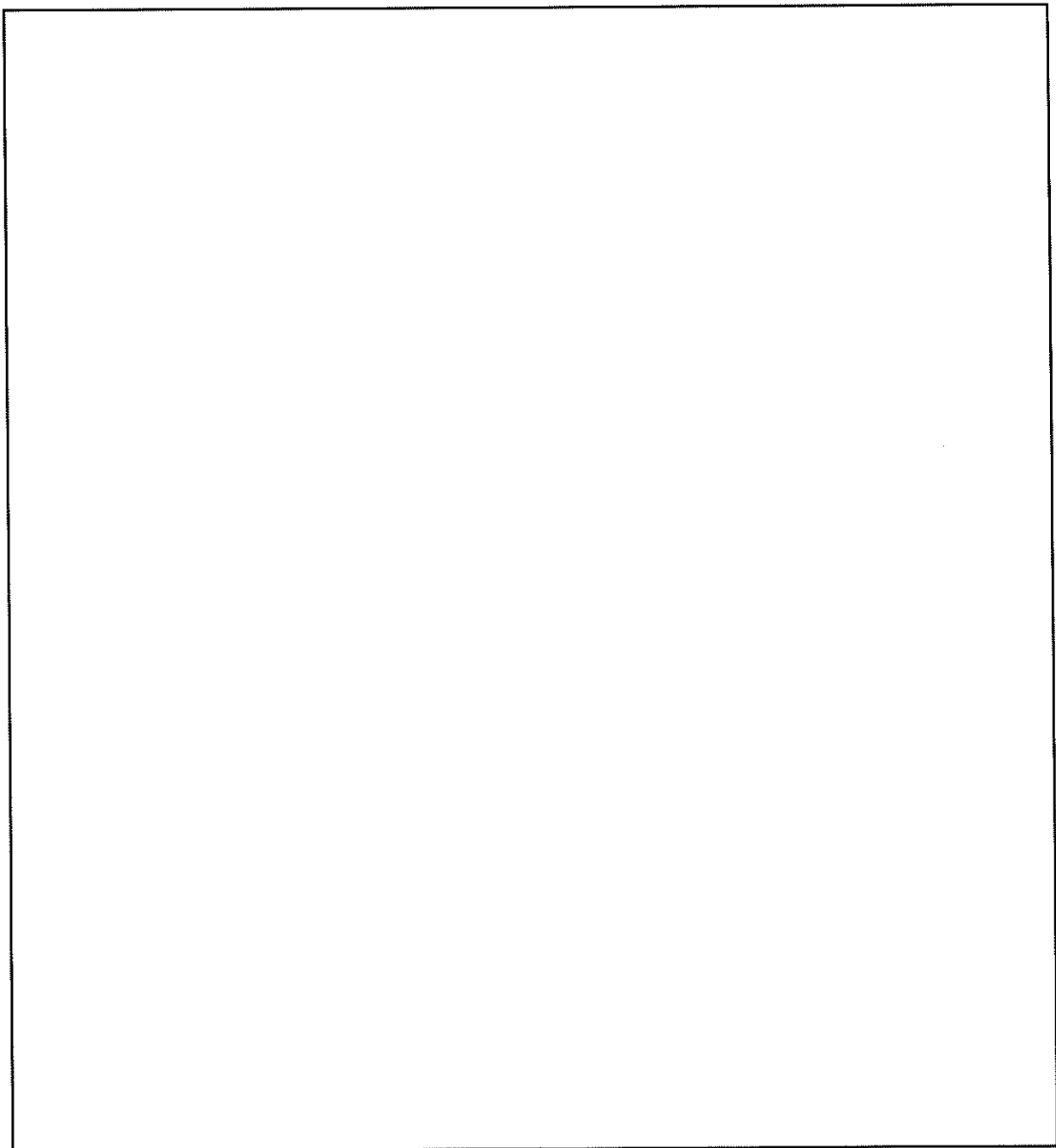
1. Hearings. The municipal officers or, in the case of unincorporated places, the county commissioners of the county in which the unincorporated place is located, may hold a public hearing for the consideration of applications for new on-premises licenses and applications for transfer of location of existing on-premises licenses. The municipal officers or county commissioners may hold a public hearing for the consideration of requests for renewal of licenses, except that when an applicant has held a license for the prior 5 years and a complaint has not been filed against the applicant within that time, the applicant may request a waiver of the hearing.

A. The bureau shall prepare and supply application forms.

Section VI Premises Floor Plan

In an effort to clearly define your license premise and the areas that consumption and storage of liquor authorized by your license type is allowed, the Bureau requires all applications to include a diagram of the premise to be licensed.

Diagrams should be submitted on this form and should be as accurate as possible. Be sure to label the following areas: entrances, office area, coolers, storage areas, display cases, shelves, restroom, point of sale area, area for on-premise consumption, dining rooms, event/function rooms, lounges, outside area/decks or any other areas on the premise that you are requesting approval. Attached an additional page as needed to fully describe the premise.



MAINE DEPT OF PUBLIC SAFETY

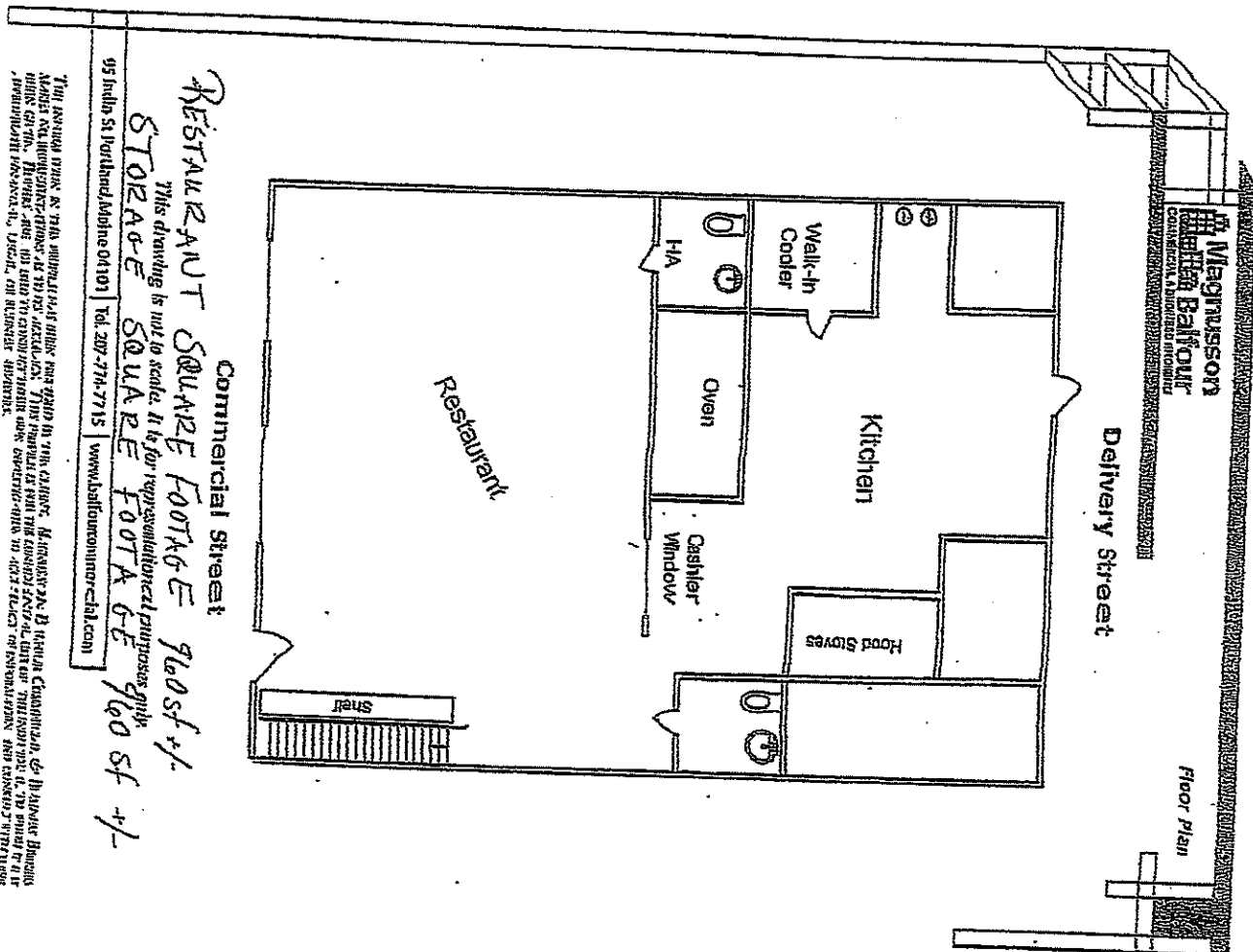
STATE OF MAINE
Liquor Licensing & Inspection Division
164 State House Station
Augusta ME 04333-0164
Tel: (207) 624-7220 Fax: (207) 287-3424



SUPPLEMENTAL APPLICATION FORM ON-PREMISE DIAGRAM

In an effort to clearly define your license premise and the areas that consumption and storage of liquor is allowed, The Liquor Licensing & Inspection Division is requiring all applicants to submit a diagram of the premise to be licensed in addition to a completed license application.

Diagrams should be submitted on this form and should be as accurate as possible. Be sure to label the areas of your diagram including entrances, office area, kitchen, storage areas, dining rooms, lounges, function rooms, decks and all areas that you are requesting approval from the Department for liquor consumption.



Section VII: Required Additional Information for a Licensee/Applicant for an On-Premises Liquor License Who are Legal Business Entities

Questions 1 to 4 of this part of the application must match information in Section I of the application above and match the information on file with the Maine Secretary of State's office. If you have questions regarding your legal entity name or DBA, please call the Secretary of State's office at (207) 624-7752.

All Questions Must Be Answered Completely. Please print legibly.

1. Exact legal name: Olive Cafe, LLC
2. Doing Business As, if any: Olive Cafe
3. Date of filing with Secretary of State: ME 9/30/08 State in which you are formed: ME
4. If not a Maine business entity, date on which you were authorized to transact business in the State of Maine:

5. List the name and addresses for previous 5 years, birth dates, titles of officers, directors, managers, members or partners and the percentage ownership any person listed: (attached additional pages as needed)

Name	Address (5 Years)	Date of Birth	Title	Percentage of Ownership
Rayan Elkhatab	26 Ponderbarn Dr.	8/22/78	owner	50%
Charlotte Elkhatab	Scarborough ME 04074	8/21/77	owner	50%

(Ownership in non-publicly traded companies must add up to 100%.)

MEMORANDUM
City Council Agenda Item

FROM:

DATE: August 5, 2024

SUBJECT: Order 32-24/25 Granting Municipal Officers' Approval of Sissle and Daughters LLC, dba Sissle and Daughters. Application for Class III & IV FSE at 634 Forest Avenue - Sponsored by Danielle P. West, City Manager

SPONSOR: The Mayor, City Manager, City Clerk, Corporation Counsel, the Planning Board, or up to three (3) members of the Council shall sponsor any orders or other items. If sponsored by a Council Committee, please include the date the committee met and the results of the vote.

(If sponsored by a Council committee, include the date the committee met and the results of the vote.)

COUNCIL MEETING DATE ACTION IS REQUESTED:

1st Reading

**Final
Action**

Can action be taken at a later date: No If action cannot be taken at a later date, please explain why. Do NOT write yes or no; that will be automatically generated by the checkbox.

Does this item involve a new contract with the City: n/a

PRESENTATION: Please list the presenter(s), type, and length of presentation

I. SUMMARY

II. AGENDA DESCRIPTION

Application was filed on 7/17/24. Location was previously an auto repair shop. New City and State applications.

Five affirmative votes are required for passage after public comment.

III. BACKGROUND

Background information that will not appear in the Agenda Description

IV. INTENDED RESULT AND/OR COUNCIL GOAL ADDRESSED

V. FINANCIAL IMPACT

Please indicate whether or not there is a financial impact. Please note that per Council Rule 12, this form must have "a separate fiscal impact statement memo attached if the impact of the item is \$50,000 or more in a given fiscal year. This memo shall include details and information describing the fiscal impact including, but not limited to, projected costs, revenues or savings over a three (3) year period and/or any potential impacts on the City tax levy."

VI. STAFF ANALYSIS AND BACKGROUND

Staff Analysis that will not appear in the Agenda Description.

VII. RECOMMENDATION

VIII. LIST ATTACHMENTS

1. 2024.08.19_Sissle and Daughter_Council Order
2. 2024.08.19_Sissle and Daughters_Council Packet

Prepared by:

Date: 08/05/2024

MARK DION (MAYOR)
PIOUS ALI (A/L)
APRIL D. FOURNIER(A/L)
ROBERTO RODRÍGUEZ (A/L)

CITY OF PORTLAND
IN THE CITY COUNCIL

ANNA TREVORROW (1)
VICTORIA L. PELLETIER (2)
REGINA L. PHILLIPS (3)
ANNA Y. BULLETT (4)
KATHRYN SYKES (5)

ORDER

GRANTING MUNICIPAL OFFICERS’

APPROVAL OF:

**Sissle and Daughters LLC, dba Sissle and Daughters. Application for Class III & IV FSE
at 634 Forest Avenue**

Sissle & Daughters
634 Forest Avenue, Portland, ME 04101
207-653-3086
sissleanddaughters@gmail.com
www.sissleanddaughters.com (under construction)

JULY 17, 2024

Mayor Mark Dion & Members of the Portland City Council:

Anna Trevorrow

Victoria Pelletier

Regina Phillips

Anna Bullett

Kate Sykes

Pious Ali

April Fournier

Roberto Rodriguez

389 Congress Street, Portland, ME 04101

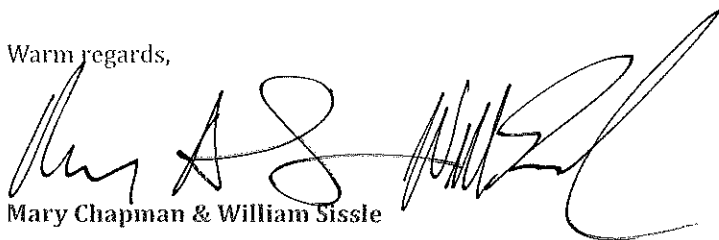
Dear Mayor Dion & Members of the City Council,

We are Mary Chapman & William Sissle and we are opening an all-day café, wine bar, and grocer in Portland's bustling Woodford's Corner neighborhood. We are writing in support of our application for a Class III & IV On-Premise License. Sissle & Daughters seeks to be a neighborhood refuge, serving coffee and pastries in the mornings, grab-and-go sandwiches during the busy lunchtime, and transitioning to a casual wine bar serving beer and wine alongside light bistro fare in the afternoon and evenings. We aim to be a peaceful spot where friends and families can gather to enjoy tasty food and beverages in a casual but refined setting.

As owners of The Cheese Shop of Portland on Washington Avenue for the past 6 years, we are excited to continue to contribute to Portland's economic vitality and create additional jobs with this new venture. We have received an outpouring of support and enthusiasm from current customers of The Cheese Shop and residents of the Woodford's Corner area. We believe we will become a core business of that great area of Portland.

Thank you for your time and consideration of our Class III & IV licenses. We are happy to address any questions or concerns you may have.

Warm regards,

A handwritten signature in black ink, appearing to be a stylized combination of 'M' and 'W' followed by a large flourish, representing Mary Chapman and William Sissle.

Mary Chapman & William Sissle



CITY OF PORTLAND
Permitting and Inspections Department

Application for Food Service Establishment with Alcoholic Beverages License

Business Information		
Legal Business Entity Applicant Name (corporation, LLC):	Business Name (D/B/A):	
Sissle & Daughters LLC	Sissle and Daughters	
Individual or Sole Proprietor Applicant Name(s):	Physical Location:	
	634 Forest Ave	
If applicable, what was formerly at this location:	Business Email Address:	
auto repair shop	Sissleanddaughters@gmail.com	
Mailing Address:	Contact Person:	
252 Mitchell Rd Cape Elizabeth, ME 04107	William Sissle	
Contact Person Phone:	Contact Person Email:	
707-570-7627	Sissleanddaughters@gmail.com	
Manager of Establishment:	Date of Birth:	Manager Phone:
Mary Chapman	08/15/1985	207-653-3086
Owner of Premises (Landlord):	Address of Premises Owner (Landlord):	
Jake Edwards Merlin 634 LLC	75 Washington Ave, 2H Portland, ME 04101	

Sole Proprietor/Partnership Information (If Corporation, leave blank)		
Name of Owner(s):	Date of Birth:	Residence Address:
Name of Owner(s):	Date of Birth:	Residence Address:

Corporate/LLC/Non-Profit Organization Applicants (If Sole Proprietor or Partnership, leave blank)			
Corporate Name:	Corporate Mailing Address:		
Sissle & Daughters LLC	252 Mitchell Rd Cape Elizabeth, ME 04107		
Contact Person:	Contact Phone:		
Mary Chapman	207-653-3086		
Principal Officers	Title	Date of Birth	Residence Address
William Sissle	co-owner	02/13/1989	252 Mitchell Rd Cape Elizabeth, ME 04107
Mary Chapman	co-owner	08/15/1985	252 Mitchell Rd Cape Elizabeth, ME 04107



CITY OF PORTLAND

Permitting and Inspections Department

Class of Liquor License (see fee schedule): <u>class 3 and class 4</u>		
Type of food served:	<u>light fare - cheese plates, soup, charcuterie</u>	
Please select all that will be served:	☒ Beer ☒ Wine ☐ Liquor	
Projected percentage of sales:	Generated from Food: <u>750</u>	Generated from Alcohol: <u>150</u>
Hours & days of operation:	<u>Monday - Sunday 8:00 am - 8:00 pm</u>	
QUESTIONS	YES	NO
Will full-course meals, only capable of consumption with the use of tableware, be served the entire time the establishment is open?	☐	☒
If No, please explain: <u>coffee and pastries served in the a.m. hours</u>		
Is the establishment less than 300 feet from a school, dormitory, church or parish house, or similar establishment?	☐	☒
If yes, give the distance:		
Will you have entertainment on the premises? (If yes, a Supplemental Application for Entertainment is required.)	☐	☒
Will you permit dancing after 1:00 a.m.?	☐	☒
Will you have outside dining? (If yes, an Outdoor Dining Application is required)	☐	☒
If yes, will the outside dining be on: ☐ PUBLIC property or ☐ PRIVATE property		
Will you have any amusement devices (pinball, video games, juke box)?	☐	☒
If yes, please list: # of amusements: and # of pool tables:		
What is your targeted opening date? : <u>October 1, 2024</u>		
Does the Issuance of this license directly or indirectly benefit any City employee(s)?	☐	☒
If Yes, list name(s) of employee(s) and department(s):		
Have any of the applicants, including the corporation (if applicable), ever held a business license with the City of Portland?	☒	☐
If Yes, please list business name(s) and location(s): <u>The Cheese Shop of Portland 107 Washington Ave</u>		
Is any principal officer under the age of 21?	☐	☒
Have applicant, partners, associates, or corporate officers ever been arrested, indicted, or convicted for any violation of law?	☒	☐
If Yes, please explain: <u>Misdemeanor DUI - 4/29/2011 - conviction dismissed 7/14/2014</u>		

I Mary Chapman do hereby swear and affirm that every employee in my establishment that serves alcohol to the public has attended server training, or will attend server training within 90 days of their hire. I also understand that at any time the City license administrator can, upon request, require me to produce Server Training certificates for each employee that serves alcohol to the public in my establishment. Failure to meet the training requirement imposed by section 15-41 may result in the denial of a liquor license pursuant to 28-A M.R.S.A. § 653 (2) (G).

Applicant, by signature below, agrees to abide by all laws, orders, ordinances, rules and regulations governing the above licensee and further agrees that any misstatement of material fact may result in refusal of license or revocation if one has been granted. Applicant agrees that all taxes and accounts pertaining to the premises will be paid prior to issuance of the license.

It is understood that this and any application(s) shall become public record and the applicant(s) hereby waive(s) any rights to privacy with respect thereto. I/We, hereby authorize the release of any criminal history record information to the City Clerk's Office or licensing authority. I/We, hereby waive any rights to privacy with respect thereto.

Signature

Title

co-owner

Date

7/17/24



Zachary Lenhart <zlenhart@portlandmaine.gov>

Sissle and Daughters - Class III & IV at 634 Forest Ave

Zoning <zoning@portlandmaine.gov>

Mon, Aug 5, 2024 at 3:43 PM

To: Zoning <zoning@portlandmaine.gov>

Cc: Zachary Lenhart <zlenhart@portlandmaine.gov>, Zachary Finley <zackf@portlandmaine.gov>, Ron Kelton <rkelton@portlandmaine.gov>, Fire Prevention <fireprevention@portlandmaine.gov>, Laurie Carlson <lac@portlandmaine.gov>, Katlyn Sawyer <ksawyer@portlandmaine.gov>, Eric Cobb <ecobb@portlandmaine.gov>, "Lynch, Kim" <kim.lynch@maine.gov>, Benjamin Pearson <bnp@portlandmaine.gov>, Tom Williams <tw@portlandmaine.gov>, Jason Grant <jgrant@portlandmaine.gov>, Treasury Division <treasury@portlandmaine.gov>, Business Licensing <bl@portlandmaine.gov>, cstacey <cstacey@portlandmaine.gov>

Good Afternoon,

The legal use for 634 Forest AVE, CBL: 125 M001001, is restaurant and retail under issued permit, BLDC2024-03738. Zoning approves.

Thank you,

Mac

--

Mac Coldwell

City of Portland
Zoning Specialist
Permitting & Inspections Department
389 Congress ST, Room #315
Email: mcoldwell@portlandmaine.gov
he/him

[Quoted text hidden]

Legal Advertisement

Notice of Public Hearing City of Portland

A Public Hearing will be held on August 19, 2024 at 4:00 P.M., in City Council Chambers, 389 Congress St. for approval of Sissle and Daughters LLC, dba Sissle and Daughters. Application for Class III & IV FSE at 634 Forest Avenue - Sponsored by Danielle P. West, City Manager

City of Portland | Permitting and Inspections
Zachary Lenhert, Licensing and Housing Safety Manager



August 13, 2024

Sissle and Daughters LLC
252 Mitchell Road
Cape Elizabeth, Maine 04107

Re: Sissle and Daughters LLC, dba Sissle and Daughters. Application for Class III & IV FSE at 634 Forest Avenue

Dear Sissle and Daughters LLC:

This letter shall serve as a reminder of the public hearing before the Portland City Council on Monday August 19, 2024 at 4:00 p.m., for the review of application for Class III & IV FSE at 634 Forest Avenue. The meeting will take place in person at Portland City Hall, in City Council Chambers on the 2nd Floor of 389 Congress Street.

You or a representative of the business must be present at this meeting in the event that the city council has questions regarding the license application. If there is no representation and questions arise, the item may be postponed.

Please contact our office directly with questions at (207) 874-8557 or at bl@portlandmaine.gov.

Sincerely,

Zachary J. Lenhert
Licensing and Housing Safety Manager



STATE OF MAINE
DEPARTMENT OF ADMINISTRATIVE AND FINANCIAL SERVICES
BUREAU OF ALCOHOLIC BEVERAGES AND LOTTERY OPERATIONS
DIVISION OF LIQUOR LICENSING AND ENFORCEMENT

Application for an On-Premises License

All Questions Must Be Answered Completely. Please print legibly.

Division Use Only	
License No:	
Class:	By:
Deposit Date:	
Amt. Deposited:	
Payment Type:	
OK with SOS: Yes ☐ No ☐	

Section I: Licensee/Applicant(s) Information;
Type of License and Status

Legal Business Entity Applicant Name (corporation, LLC): Sissle & Daughters LLC	Business Name (D/B/A): Sissle and Daughters
Individual or Sole Proprietor Applicant Name(s):	Physical Location: 634 Forest Ave. Portland, ME 04101
Individual or Sole Proprietor Applicant Name(s):	Mailing address, if different: 252 Mitchell Rd. Cape Elizabeth, ME 04107
Mailing address, if different from DBA address:	Email Address: sissleanddaughters@gmail.com
Telephone # Fax #: 207-653-3086	Business Telephone # Fax #:
Federal Tax Identification Number: 99-2391268	Maine Seller Certificate # or Sales Tax #: 762044
Retail Beverage Alcohol Dealers Permit:	Website address: under construction www.sissleanddaughters.com

1. New license or renewal of existing license? ☒ New Expected Start date: 10/1/2024
☐ Renewal Expiration Date: ~~10/1/2025~~

2. The dollar amount of gross income for the licensure period that will end on the expiration date above:

Food: ~~XXXXXX~~ Beer, Wine or Spirits: ~~XXXXXX~~ Guest Rooms: _____

3. Please indicate the type of alcoholic beverage to be sold: (check all that apply)

☒ Malt Liquor (beer) ☒ Wine ☐ Spirits

4. Indicate the type of license applying for: (choose only one)

- | | | |
|--|--|---|
| ☒ Restaurant
(Class I, II, III, IV) | ☐ Class A Restaurant/Lounge
(Class XI) | ☐ Class A Lounge
(Class X) |
| ☐ Hotel
(Class I, II, III, IV) | ☐ Hotel – Food Optional
(Class I-A) | ☐ Bed & Breakfast
(Class V) |
| ☐ Golf Course (included optional licenses, please check if apply)
(Class I, II, III, IV) | ☐ Auxiliary | ☐ Mobile Cart |
| ☐ Tavern
(Class IV) | ☐ Other: _____ | |
| ☐ Qualified Caterer | ☐ Self-Sponsored Events (Qualified Caterers Only) | |

Refer to Section V for the License Fee Schedule on page 9

5. Business records are located at the following address:

252 Mitchell Rd Cape Elizabeth, ME 04107

6. Is the licensee/applicant(s) citizens of the United States? ☒ Yes ☐ No

7. Is the licensee/applicant(s) a resident of the State of Maine? ☒ Yes ☐ No

NOTE: Applicants that are not citizens of the United States are required to file for the license as a business entity.

8. Is licensee/applicant(s) a business entity like a corporation or limited liability company?

☒ Yes ☐ No If Yes, complete Section VII at the end of this application

9. For a licensee/applicant who is a business entity as noted in Section I, does any officer, director, member, manager, shareholder or partner have in any way an interest, directly or indirectly, in their capacity in any other business entity which is a holder of a wholesaler license granted by the State of Maine?

☐ Yes ☒ No

☐ Not applicable – licensee/applicant(s) is a sole proprietor

10. Is the licensee or applicant for a license receiving, directly or indirectly, any money, credit, thing of value, endorsement of commercial paper, guarantee of credit or financial assistance of any sort from any person or entity within or without the State, if the person or entity is engaged, directly or indirectly, in the manufacture, distribution, wholesale sale, storage or transportation of liquor.

☐ Yes ☒ No

If yes, please provide details: _____

11. Do you own or have any interest in any another Maine Liquor License? ☒ Yes ☐ No

If yes, please list license number, business name, and complete physical location address: (attach additional pages as needed using the same format)

Name of Business	License Number	Complete Physical Address
The Cheese Shop of Portland	RET-2018-11412	107 Washington Ave. Unit 1 Portland, ME 04101

12. List name, date of birth, place of birth for all applicants including any manager(s) employed by the licensee/applicant. Provide maiden name, if married. (attach additional pages as needed using the same format)

Full Name	DOB	Place of Birth
William Andrew Sissle	02/13/1989	Santa Rosa, CA
Mary Ann Chapman	08/15/1985	Portland, ME
Residence address on all the above for previous 5 years		
Name	Address:	
Mary Chapman and Will Sissle	252 Mitchell Rd. Cape Elizabeth, ME 04107	
Name	Address:	
Mary Chapman and Will Sissle	59 Cumberland Ave. # 3 Portland, ME 04101	
Name	Address:	
Name	Address:	

13. Will any law enforcement officer directly benefit financially from this license, if issued?

☐ Yes ☒ No

If Yes, provide name of law enforcement officer and department where employed:

14. Has the licensee/applicant(s) ever been convicted of any violation of the liquor laws in Maine or any State of the United States? ☒ Yes ☐ No

If Yes, please provide the following information and attach additional pages as needed using the same format.

Name: Mary Chapman Date of Conviction: 4/29/2011
Offense: misdemeanor dui Location: Marin County, CA
Disposition: Conviction dismissed 7/14/2014

15. Has the licensee/applicant(s) ever been convicted of any violation of any law, other than minor traffic violations, in Maine or any State of the United States? ☒ Yes ☐ No

If Yes, please provide the following information and attach additional pages as needed using the same format.

Name: same as above Date of Conviction: _____
Offense: _____ Location: _____
Disposition: _____

16. Has the licensee/applicant(s) formerly held a Maine liquor license? ☒ Yes ☐ No

17. Does the licensee/applicant(s) own the premises? ☐ Yes ☒ No

If No, please provide the name and address of the owner:

Take Edwards, Merlin 634 LLC, 75 Washington Ave 2H Portland,
ME 04101

18. If you are applying for a liquor license for a Hotel or Bed & Breakfast, please provide the number of guest rooms available: _____

19. Please describe in detail the area(s) within the premises to be licensed. This description is in addition to the diagram in Section VI. (Use additional pages as needed) *ON PREMISE*

WE WILL HAVE COUNTER/BAR SERVICE FOR BEER AND WINE POURERS. BACKSTICK WILL BE IN COOLERS AT BACK BAR. WE EXPECT TO HAVE 3-4 TABLES WITH A BUILT IN BENCH. ALL ALCOHOLIC BEVERAGES WILL BE CONSUMED IN THIS ROOM.

20. What is the distance from the premises to the nearest school, school dormitory, church, chapel or parish house, measured from the main entrance of the premises to the main entrance of the school, school dormitory, church, chapel or parish house by the ordinary course of travel?

Name: Universal Church

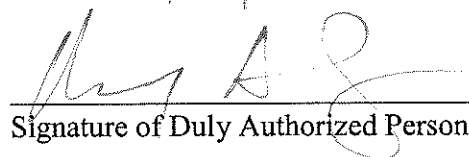
Distance: 700 feet

Section II: Signature of Applicant(s)

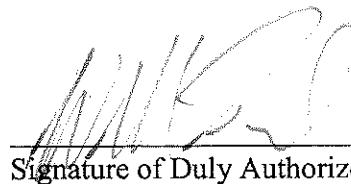
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Please sign and date in blue ink.

Dated: 7/17/24


Signature of Duly Authorized Person

Mary A. Chapman
Printed Name Duly Authorized Person


Signature of Duly Authorized Person

Will Sissle
Printed Name of Duly Authorized Person

Section III: For use by Municipal Officers and County Commissioners only

The undersigned hereby certifies that we have complied with the process outlined in 28-A M.R.S. §653 and approve this on-premises liquor license application.

Dated: _____

Who is approving this application? ☐ Municipal Officers of _____

☐ County Commissioners of _____ County

- ☐ **Please Note:** The Municipal Officers or County Commissioners must confirm that the records of Local Option Votes have been verified that allows this type of establishment to be licensed by the Bureau for the type of alcohol to be sold for the appropriate days of the week. Please check this box to indicate this verification was completed.

Signature of Officials	Printed Name and Title

**This Application will Expire 60 Days from the date of
Municipal or County Approval unless submitted to the Bureau**

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§653. Hearings; bureau review; appeal

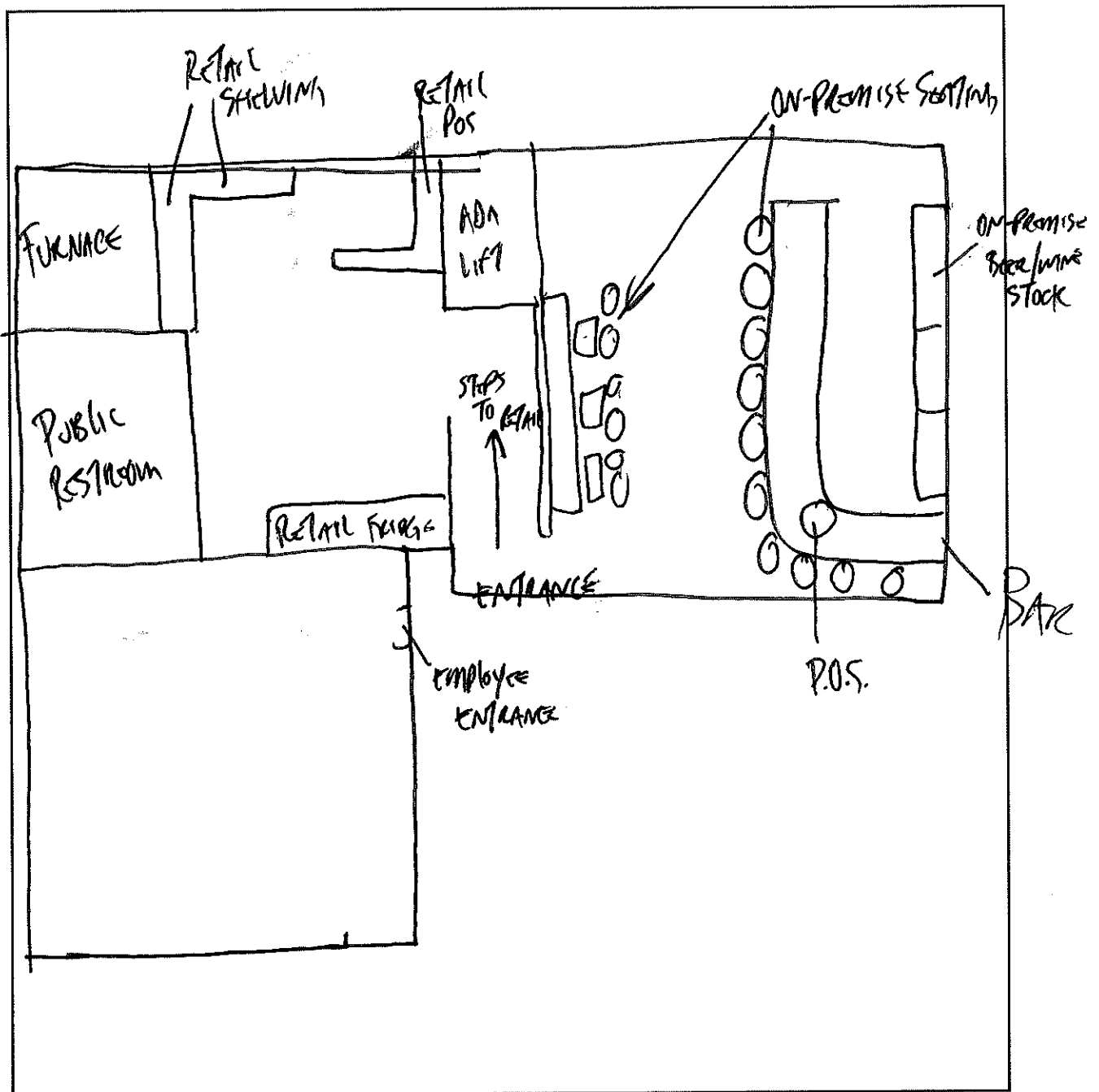
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A. The bureau shall prepare and supply application forms.

Section VI Premises Floor Plan

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Section VII: Required Additional Information for a Licensee/Applicant for an On-Premises Liquor License Who are Legal Business Entities

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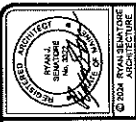
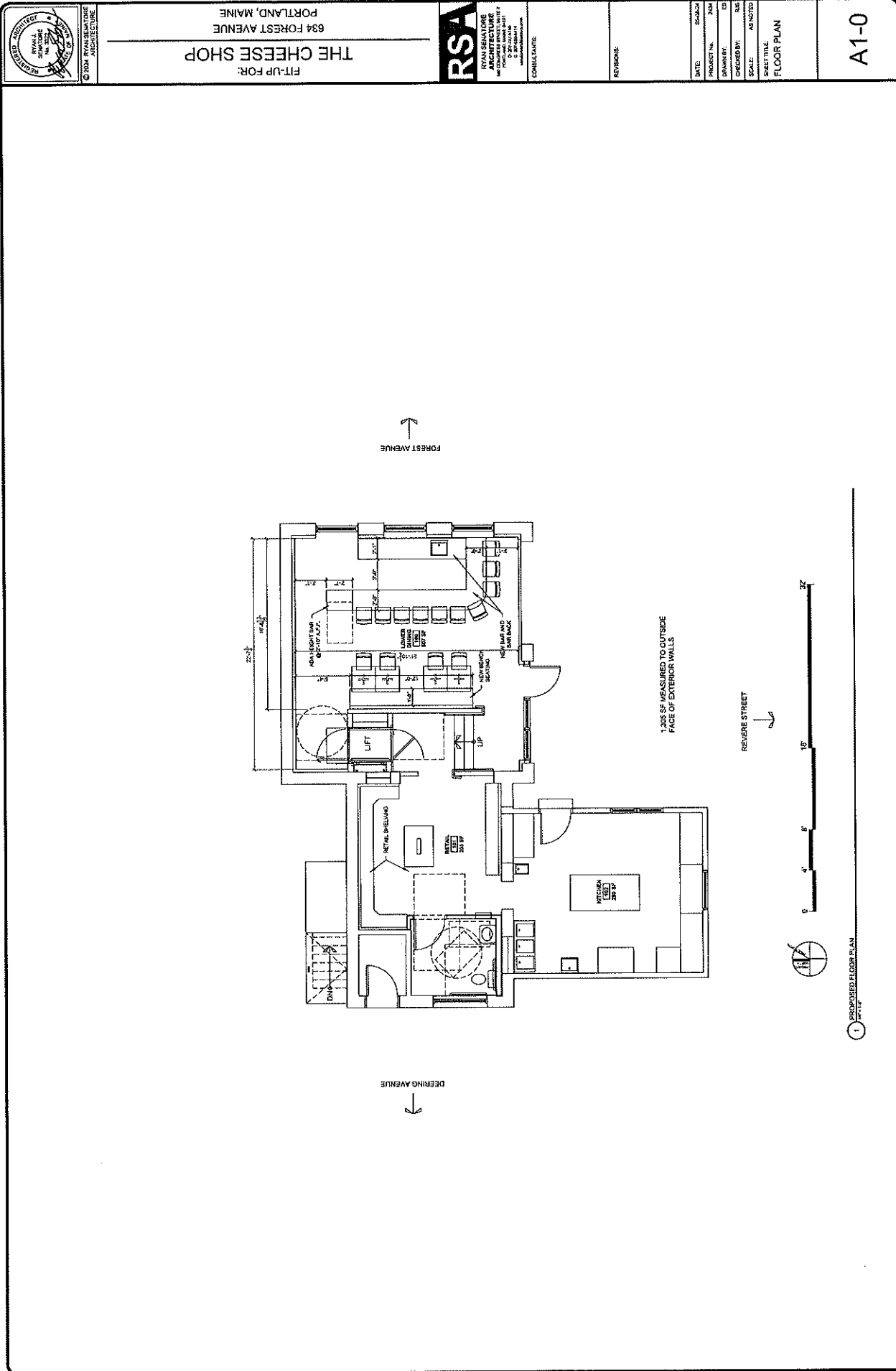
All Questions Must Be Answered Completely. Please print legibly.

1. Exact legal name: Sissle & Daughters LLC
2. Doing Business As, if any: Sissle and Daughters
3. Date of filing with Secretary of State: 04/05/24 State in which you are formed: ME
4. If not a Maine business entity, date on which you were authorized to transact business in the State of Maine:

5. List the name and addresses for previous 5 years, birth dates, titles of officers, directors, managers, members or partners and the percentage ownership any person listed: (attached additional pages as needed)

Name	Address (5 Years)	Date of Birth	Title	Percentage of Ownership
Mary Chapman <i>current→</i>	252 Mitchell Rd Cape Elizabeth, ME 04107	8/15/85	co-owner	50%
<i>former→</i>	59 Cumberland Ave #3 Portland, ME 04101			
William Sissle <i>current→</i>	252 Mitchell Rd. Cape Elizabeth, ME	2/13/89	co-owner	50%
<i>former→</i>	59 Cumberland Ave #3 Portland, ME 04101			

(Ownership in non-publicly traded companies must add up to 100%.)



RYAN SENATORE
ARCHITECTURE
634 FOREST AVENUE
PORTLAND, MAINE
THE CHEESE SHOP
FIT-UP FOR



RYAN SENATORE
ARCHITECTURE
634 FOREST AVENUE
PORTLAND, MAINE 04103
TEL: 207.773.7777
WWW.RSARCHITECTURE.COM

CONSULTANT
REVISIONS

DATE: 06/20/20
PROJECT NO.: 2004
DRAWN BY: ES
CHECKED BY: DE
SCALE: AS NOTED
SHEET TITLE: FLOOR PLAN

A1-0

Sissle & Daughters Wine Bar Menu

Warm Marinated Olives & Caper Berries \$5

Daily Housemade Soup & Bread \$8

Chips & Dip \$6

Rabbit Pate, House Pickles, Mustard, Crusty Bread \$14

Daily Cheese Selection, House Pickles, Preserves, Crusty Bread \$14

"The Grande Aioli," seasonal housemade aioli with fresh & house pickled veggies, jammy eggs, and crusty bread for dipping \$14

Prosciutto & Pecorino with Honey Vinegar Agrodulce \$18

For the kiddos:

Bread & Butter \$3

Veggies & Dip \$6

Kid's cheese plate with tasty cheese, bread and fruit \$8

- add genoa salami or cooked ham +\$3

MEMORANDUM
City Council Agenda Item

FROM:

DATE: August 5, 2024

SUBJECT: Order 33-24/25 Granting Municipal Officers' Approval of Allagash Brewing Company, dba Allagash Brewing Company. Application for Class A Lounge with Combined Entertainment and Outdoor Dining on Private Property at 50 Industrial Way - Sponsored by Danielle P. West, City Manager

SPONSOR: The Mayor, City Manager, City Clerk, Corporation Counsel, the Planning Board, or up to three (3) members of the Council shall sponsor any orders or other items. If sponsored by a Council Committee, please include the date the committee met and the results of the vote.

(If sponsored by a Council committee, include the date the committee met and the results of the vote.)

COUNCIL MEETING DATE ACTION IS REQUESTED:

1st Reading

**Final
Action**

Can action be taken at a later date: No If action cannot be taken at a later date, please explain why. Do NOT write yes or no; that will be automatically generated by the checkbox.

Does this item involve a new contract with the City: n/a

PRESENTATION: Please list the presenter(s), type, and length of presentation

I. SUMMARY

II. AGENDA DESCRIPTION

Application was filed on 7/26/24. Existing establishment currently holds Brewery/Winery/Distillery license with combined entertainment and private outdoor dining upgrading to Class A Lounge. New City and State applications.

Five affirmative votes are required for passage after public comment.

III. BACKGROUND

Background information that will not appear in the Agenda Description

IV. INTENDED RESULT AND/OR COUNCIL GOAL ADDRESSED

V. FINANCIAL IMPACT

Please indicate whether or not there is a financial impact. Please note that per Council Rule 12, this form must have "a separate fiscal impact statement memo attached if the impact of the item is \$50,000 or more in a given fiscal year. This memo shall include details and information describing the fiscal impact including, but not limited to, projected costs, revenues or savings over a three (3) year period and/or any potential impacts on the City tax levy."

VI. STAFF ANALYSIS AND BACKGROUND

Staff Analysis that will not appear in the Agenda Description.

VII. RECOMMENDATION

VIII. LIST ATTACHMENTS

1. 2024.08.19_Allagash_Council Order
2. 2024.08.19_Allagash_Council Packet

Prepared by:

Date: 08/05/2024

MARK DION (MAYOR)
PIOUS ALI (A/L)
APRIL D. FOURNIER(A/L)
ROBERTO RODRÍGUEZ (A/L)

CITY OF PORTLAND
IN THE CITY COUNCIL

ANNA TREVORROW (1)
VICTORIA L. PELLETIER (2)
REGINA L. PHILLIPS (3)
ANNA Y. BULLETT (4)
KATHRYN SYKES (5)

ORDER

GRANTING MUNICIPAL OFFICERS’

APPROVAL OF:

Allagash Brewing Company, dba Allagash Brewing Company. Application for Class A Lounge with Combined Entertainment and Outdoor Dining on Private Property at 50 Industrial Way



July 15, 2024

Mayor Dion & City Council Members
City of Portland
389 Congress Street, Rm 307
Portland, ME 04101

**Subject: Notice of Intent to Apply: Class X Liquor License (Class A Lounge)
and Outdoor Dining permit on Private Property Supplemental
Application
Allagash Brewing Company**

Dear Mayor Dion and City Council Members:

This letter is to notify you that Allagash Brewing Company intends to apply for a Class X Liquor License (Class A Lounge). This new license will not replace any of our existing licenses but will serve as an additional permit.

Per instructions by the City of Portland's Licensing department, we have submitted a "Food Service Establishment with Alcoholic Beverages License" application and an "Outdoor Dining permit on Private Property Supplemental Application" to the City. The State of Maine's application has also been provided to the City for approval.

We look forward to communicating with you regarding this matter.

Thank you,

Jessica Caruso
Compliance
Allagash Brewing Company
50 Industrial Way
Portland, ME 04103
(207) 878-5385
compliance@allagash.com



CITY OF PORTLAND
Permitting and Inspections Department

Application for Food Service Establishment with Alcoholic Beverages License

Business Information		
Legal Business Entity Applicant Name (corporation, LLC): Allagash Brewing Company		Business Name (D/B/A):
Individual or Sole Proprietor Applicant Name(s):		Physical Location: 50 Industrial Way, Portland, ME
If applicable, what was formerly at this location:		Business Email Address: compliance@allagash.com
Mailing Address: 50 Industrial Way, Portland, ME 04103		Contact Person: Jessica Caruso
Contact Person Phone: 207-878-8385		Contact Person Email: compliance@allagash.com
Manager of Establishment: Emily Wallace	Date of Birth: 9/16/91	Manager Phone: 207-878-5385
Owner of Premises (Landlord): 50 Industrial Way, LLC		Address of Premises Owner (Landlord): 50 Industrial Way, Portland, ME

Sole Proprietor/Partnership Information (If Corporation, leave blank)		
Name of Owner(s):	Date of Birth:	Residence Address:
Name of Owner(s):	Date of Birth:	Residence Address:

Corporate/LLC/Non-Profit Organization Applicants (If Sole Proprietor or Partnership, leave blank)			
Corporate Name: Allagash Brewing Company		Corporate Mailing Address: 50 Industrial Way, Portland, ME 04103	
Contact Person: G. Robert Tod, Jr		Contact Phone: 207-878-5385	
Principal Officers	Title	Date of Birth	Residence Address
G. Robert Tod, Jr	Founder/President	07/08/1968	156 Woodville Rd, Falmouth, ME



CITY OF PORTLAND
Permitting and Inspections Department

Class of Liquor License (see fee schedule): Class X (Class A Lounge)			
Type of food served:	packaged snacks		
Please select all that will be served:	☒ Beer ☒ Wine ☒ Liquor		
Projected percentage of sales:	Generated from Food:		Generated from Alcohol:
Hours & days of operation:	S-W: 11-6, Th 11-7, F+S 11-8		
QUESTIONS	YES	NO	
Will full-course meals, only capable of consumption with the use of tableware, be served the entire time the establishment is open?	☐	☒	
If No, please explain: A food truck is on-site. They are serving during our hours of operation. Their meals can be enjoyed on-site or to-go.			
Is the establishment less than 300 feet from a school, dormitory, church or parish house, or similar establishment?	☐	☒	
If yes, give the distance:			
Will you have entertainment on the premises? (If yes, a Supplemental Application for Entertainment is required.)	☒	☐	
Will you permit dancing after 1:00 a.m.?	☐	☒	
Will you have outside dining? (If yes, an Outdoor Dining Application is required)	☒	☐	
If yes, will the outside dining be on: ☐ PUBLIC property or ☒ PRIVATE property			
Will you have any amusement devices (pinball, video games, juke box)?	☐	☒	
If yes, please list: # of amusements: and # of pool tables:			
What is your targeted opening date? : 9/1/2024			
Does the Issuance of this license directly or indirectly benefit any City employee(s)?	☐	☒	
If Yes, list name(s) of employee(s) and department(s):			
Have any of the applicants, including the corporation (if applicable), ever held a business license with the City of Portland?	☒	☐	
If Yes, please list business name(s) and location(s): see attached			
Is any principal officer under the age of 21?	☐	☒	
Have applicant, partners, associates, or corporate officers ever been arrested, indicted, or convicted for any violation of law?	☐	☒	
If Yes, please explain:			

I, G Robert Todd, Jr. do hereby swear and affirm that every employee in my establishment that serves alcohol to the public has attended server training, or will attend server training within 90 days of their hire. I also understand that at any time the City license administrator can, upon request, require me to produce Server Training certificates for each employee that serves alcohol to the public in my establishment. Failure to meet the training requirement imposed by section 15-41 may result in the denial of a liquor license pursuant to 28-A M.R.S.A. § 653 (2) (G).

Applicant, by signature below, agrees to abide by all laws, orders, ordinances, rules and regulations governing the above licensee and further agrees that any misstatement of material fact may result in refusal of license or revocation if one has been granted. Applicant agrees that all taxes and accounts pertaining to the premises will be paid prior to issuance of the license.

It is understood that this and any application(s) shall become public record and the applicant(s) hereby waive(s) any rights to privacy with respect thereto. I/We, hereby authorize the release of any criminal history record information to the City Clerk's Office or licensing authority. I/We, hereby waive any rights to privacy with respect thereto.

Signature [Signature] Title President Date 7/12/24

Sample Menu
 Allagash Brewing Company
 July 2024
 Highlighted items fall under Class A Lounge license

	Beverage Name	Size	Price
Beer	Allagash White	16oz	\$8
	Allagash Hop Reach	16oz	\$8
	Allagash Hazy IPA	16oz	\$8
	Allagash Upward Movement	16oz	\$8
	Allagash North Sky Stout	12oz	\$8
	Allagash From Maine With Love #35	12oz	\$8
	Allagash From Maine With Love #36	12oz	\$8
	Allagash From Maine With Love #37	12oz	\$8
	Allagash Coolship Resurgam	12oz	\$8
	Allagash Floating Holiday	16oz	\$8
	Allagash Two Lights	16oz	\$8
	Allagash Curieux	12oz	\$8
	Allagash Surf House Lager	16oz	\$8
Wine	Allagash Wild Blueberry Wine	5oz	\$9
	Sauvignon Blanc	5oz	\$9
	Grenache Blanc	5oz	\$9
Cider			
	Allagash Dry Cider	12oz	\$9
Cocktails			
	Gin & Tonic (Canned)	12oz	\$9
	Margarita (Canned)	12oz	\$9
Non-Alcoholic			
	Cold Brew Coffee	12oz	\$4
	Green Bee Soda	12oz	\$3
	Kombucha	12oz	\$4
	Lemonade	12oz	\$3
	Maine Root Soda	12oz	\$3
	Spindrift Seltzer	12oz	\$2
	Allagash Hop Water	12oz	\$2
Pre-packaged Snacks			
	Hippeas		\$2
	Pretzels		\$2
	Chips		\$2
	Trail Mix		\$3

Bite Into Maine food truck independently operates on-site during Allagash hours, offering their full menu



CITY OF PORTLAND
Permitting and Inspections Department

**Outdoor Dining Permit on Private Property
Supplemental Application**

License accompanies a City of Portland Food Service Establishment or Food Service Establishment with Liquor License

☒ Outdoor Dining on Private Property \$125.00 ☒ Legal Advertisement Deposit \$100.00

Business Information					
Business Name (d/b/a):	Allagash Brewing Company	Phone:	207-878-5385		
Location Address:	50 Industrial Way, Portland, ME	Zip:	04103		
Mailing Address:	50 Industrial Way, Portland, ME	Zip:	04103		
Contact Person:	Jessica Caruso	Phone:	207-878-5385		
Contact Person Email:	compliance@allagash.com				
Manager of Establishment:	Emily Wallace	Date of Birth:	9/16/1991	Phone:	207-878-5385
Owner of Premises (Landlord):	50 Industrial, LLC				
Address of Premises Owner:	50 Industrial Way, Portland, ME	Zip:	04103		

Owner Information

Corporate Name		Corporate Mailing Address	
Allagash Brewing Company		50 Industrial Way, Portland, ME	Zip: 04103
Contact Person:	G. Robert Tod, Jr	Phone:	207-878-5385
Principal Officers			
Title	Date of Birth	Residence Address	
G Robert Tod, Jr	Founder/President	7/8/1968	156 Woodville Rd, Falmouth, ME



CITY OF PORTLAND
Permitting and Inspections Department

Class of License:	Class x (Class A Lounge)
Type of food served:	packaged snacks
Please circle all that will be served:	☒ Beer ☒ Wine ☒ Liquor
Hours & days of operation:	Sun-Weds: 11-6, Th: 11-7, Fri+Sat: 11-8
Number of Tables	74 (59 @ 50 IND; 15 @ 100 IND)
Number of Chairs	303 (240 @ 50 IND; 63 @ 100 IND)

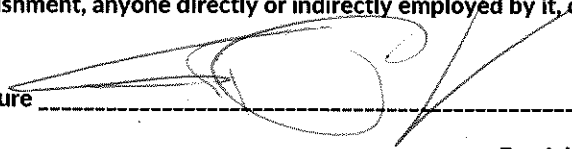
Design and Construction

- If you are building a structure or adding impervious surface for the outdoor dining area please contact the Permitting and Inspections Department for permitting requirements at permitting@portlandmaine.gov or 874-8703.

Maintenance and Operations

- Outdoor dining components must be within the permitted area and allow safe passage of pedestrian traffic. Failure to comply may result in a revocation of the permit.
- No food shall be prepared in the designated outdoor dining area.
- Outdoor dining areas must meet ADA regulations and accessible seating is required.

I/We fully understand that the City of Portland, its agents, officers and employees accept no responsibility and will not be liable for any injury, harm or damage to my/our person or property arising out of the establishment's occupancy of the sidewalk or park space. To the fullest extent permitted by law, I/We do hereby agree to assume all risk of injury, harm or damage to my/our person or property (including but not limited to all risk of injury, harm or damage to my/our property cause by the negligence of the City of Portland, its agents, officers or employees) arising out of the establishment's occupancy of the sidewalk or park space. I/We hereby agree, to the fullest extent permitted by law, to defend, indemnify and hold harmless the City of Portland, its agents, officers and employees, from and against all claims, damages, losses and expenses, just or unjust, including, but not limited to costs of defense and attorney's fees, arising out of the establishment's occupancy of the sidewalk or park space, provided that any such claims, damage, loss or expense (1) is attributable to bodily injury, sickness, disease, or death, or to injury to or destruction of tangible property including the loss of use there from, and (2) is caused in whole or in part by any negligent act or omission of the establishment, anyone directly or indirectly employed by it, or anyone for whose act it may be liable.

Signature  Title Founder/President Date 7/16/2024

For Administrative Use Only

Amount: _____	Request Date / Approval	Notes: _____
Date Paid: _____	FD: _____	_____
CC _____ CA _____ CK _____	Health: _____	_____
	PD: _____	_____
Amount: _____	PR: _____	_____
Date Paid: _____	Treasury: _____	_____
CC _____ CA _____ CK _____	Zoning: _____	_____

Approved Tasting Room space (50 Industrial Way) and extensions (@50 Ind Way and 100 Ind Way) where we would like to add Class A Lounge license

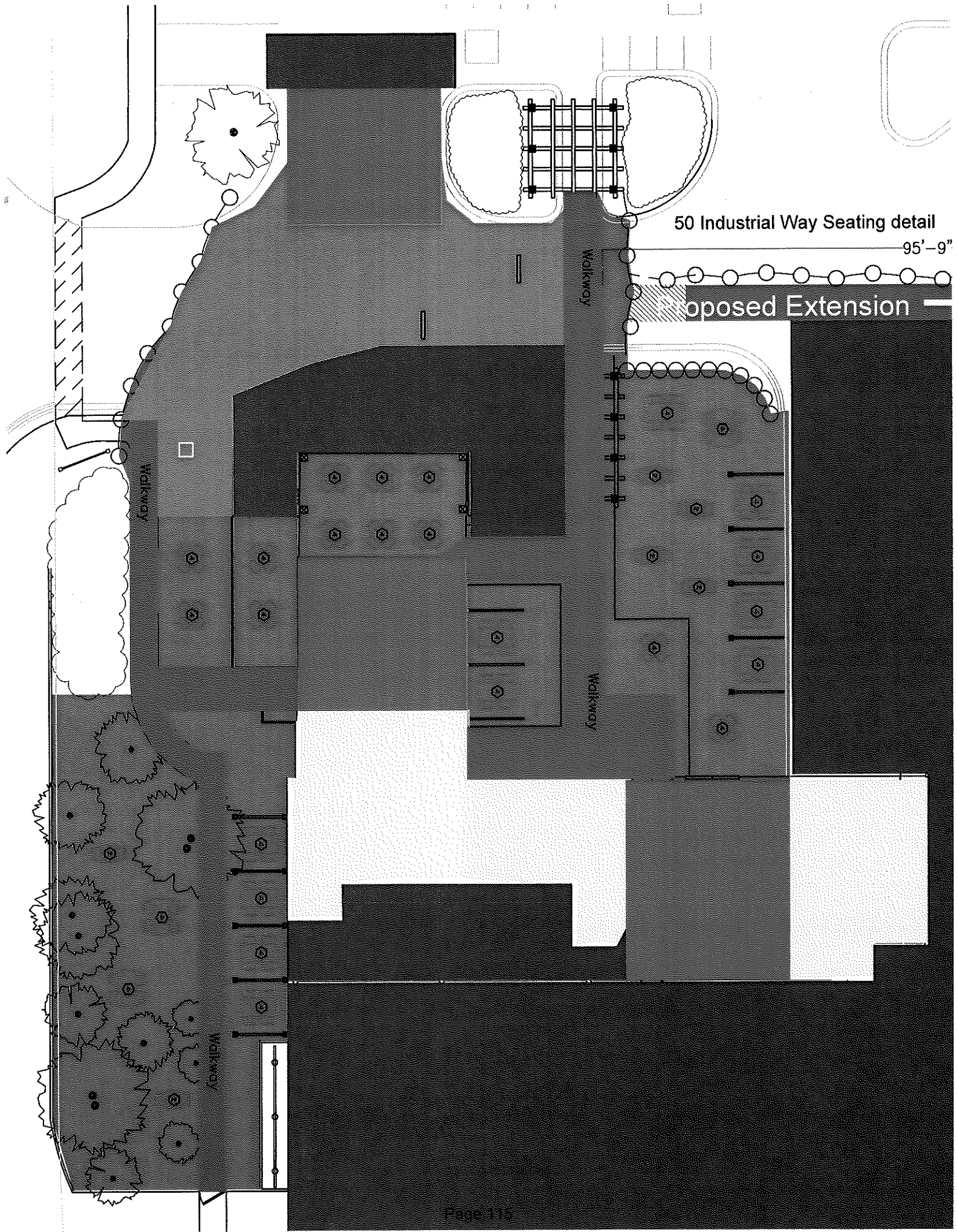
Outdoor Dining

100 Industrial Way: Outdoor capacity: 15 tables, 63 chairs
For detail see: PDF: 100 Seating

50 Industrial Way:
Outdoor capacity: 59 tables, 240 chairs
For detail see: PDFs: Backyard seating and 50 Seating

On-Prem
Tax Paid Beer Storage
Public Entrances
Area of Retail Sales, POS, Display cases
Walking Path

APPROVED TASTING ROOM SPACE (50 INDUSTRIAL WAY) AND EXTENSIONS (@50 IND WAY AND 100 IND WAY) WHERE WE WOULD LIKE TO ADD CLASS A LOUNGE LICENSE	
100 INDUSTRIAL WAY: OUTDOOR CAPACITY: 15 TABLES, 63 CHAIRS FOR DETAIL SEE: PDF: 100 SEATING	
50 INDUSTRIAL WAY: OUTDOOR CAPACITY: 59 TABLES, 240 CHAIRS FOR DETAIL SEE: PDFs: BACKYARD SEATING AND 50 SEATING	
ON-PREM TAX PAID BEER STORAGE PUBLIC ENTRANCES AREA OF RETAIL SALES, POS, DISPLAY CASES WALKING PATH	
APPROVED TASTING ROOM SPACE (50 INDUSTRIAL WAY) AND EXTENSIONS (@50 IND WAY AND 100 IND WAY) WHERE WE WOULD LIKE TO ADD CLASS A LOUNGE LICENSE	
100 INDUSTRIAL WAY: OUTDOOR CAPACITY: 15 TABLES, 63 CHAIRS FOR DETAIL SEE: PDF: 100 SEATING	
50 INDUSTRIAL WAY: OUTDOOR CAPACITY: 59 TABLES, 240 CHAIRS FOR DETAIL SEE: PDFs: BACKYARD SEATING AND 50 SEATING	
ON-PREM TAX PAID BEER STORAGE PUBLIC ENTRANCES AREA OF RETAIL SALES, POS, DISPLAY CASES WALKING PATH	

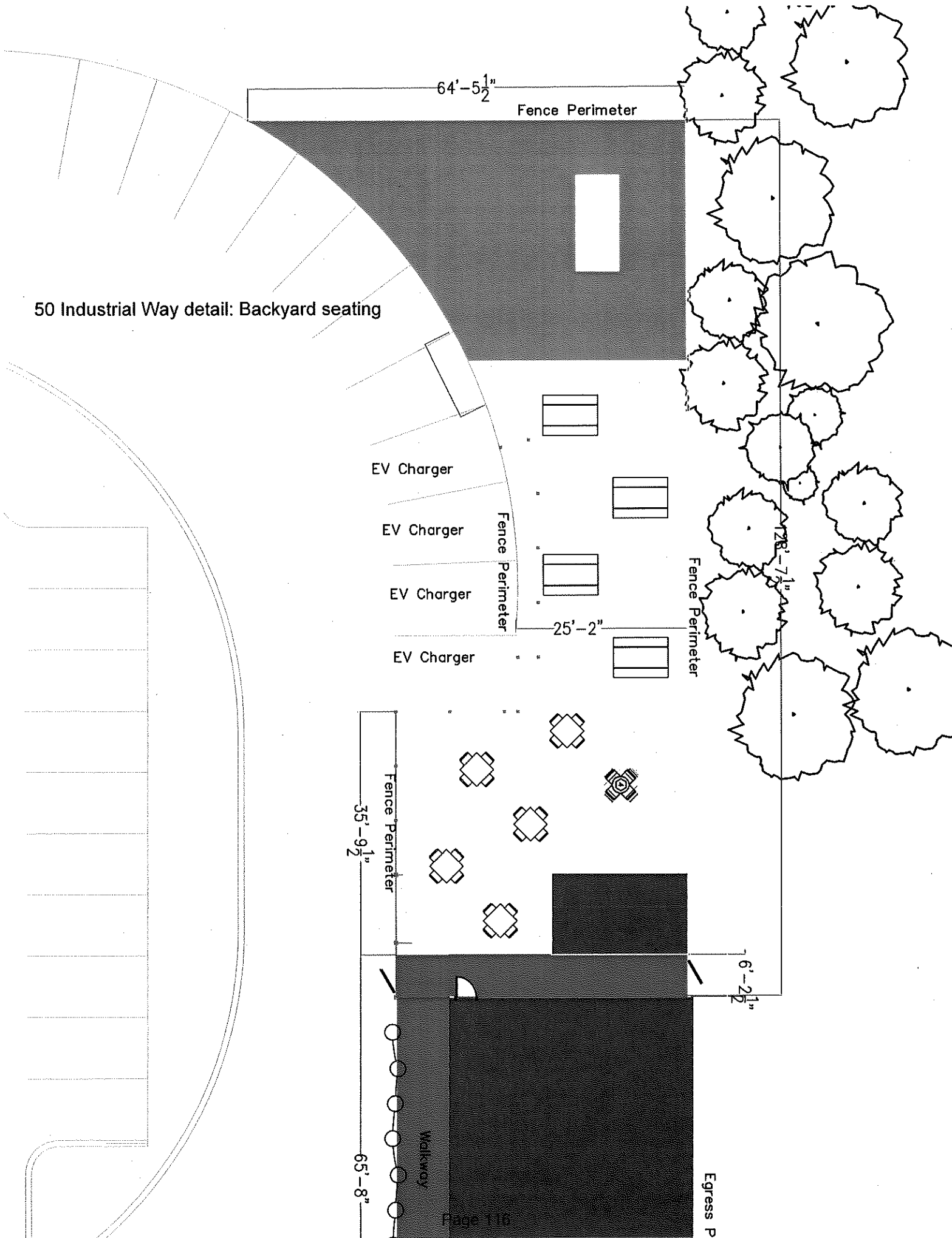


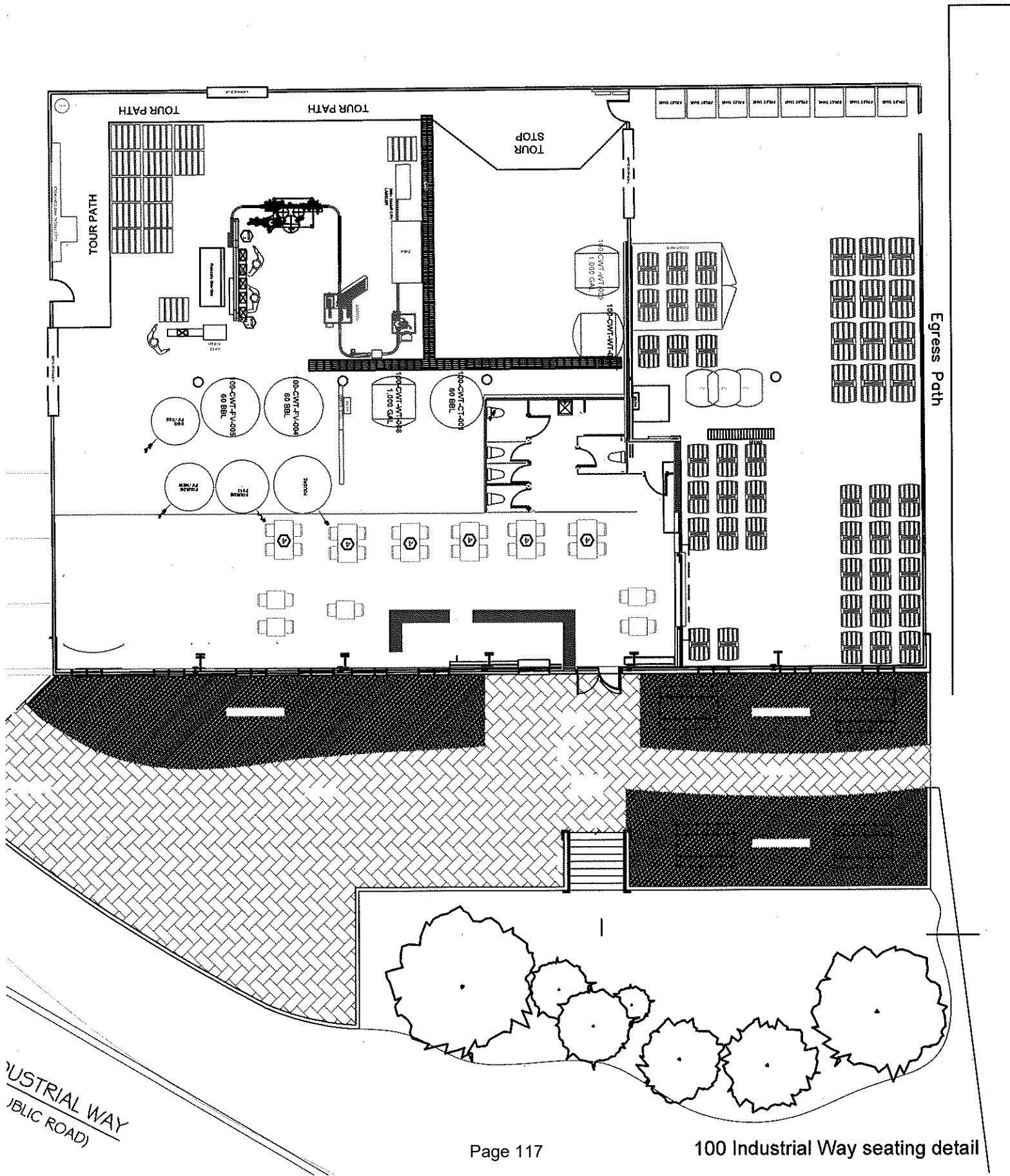
50 Industrial Way Seating detail

95'-9"

Proposed Extension

50 Industrial Way detail: Backyard seating





1 2 3 4 5 6 ...

PROPERTY CURVE TABLE

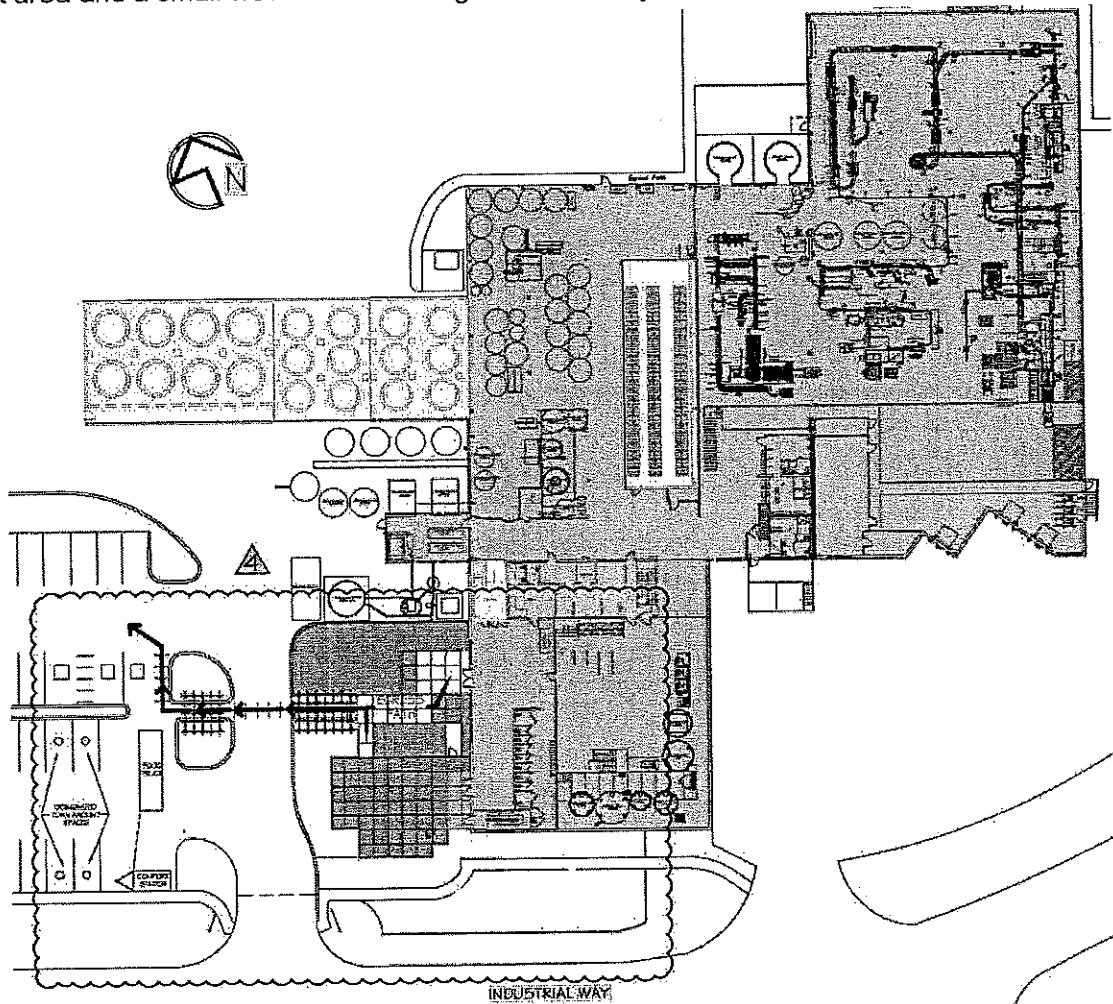
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CHORD	1.000	1.414	1.732	2.000	2.236	2.449	2.618	2.750	2.857	2.944	3.014	3.069	3.110	3.147	3.181	3.211	3.238	3.262	3.283
ARC	1.000	1.107	1.221	1.342	1.469	1.602	1.740	1.883	2.031	2.183	2.339	2.499	2.663	2.831	2.999	3.167	3.334	3.500	3.665
ANGLE	90°	108°	126°	144°	162°	180°	196°	212°	227°	242°	257°	271°	285°	299°	313°	327°	341°	355°	369°

STRUCTURE SCHEDULE

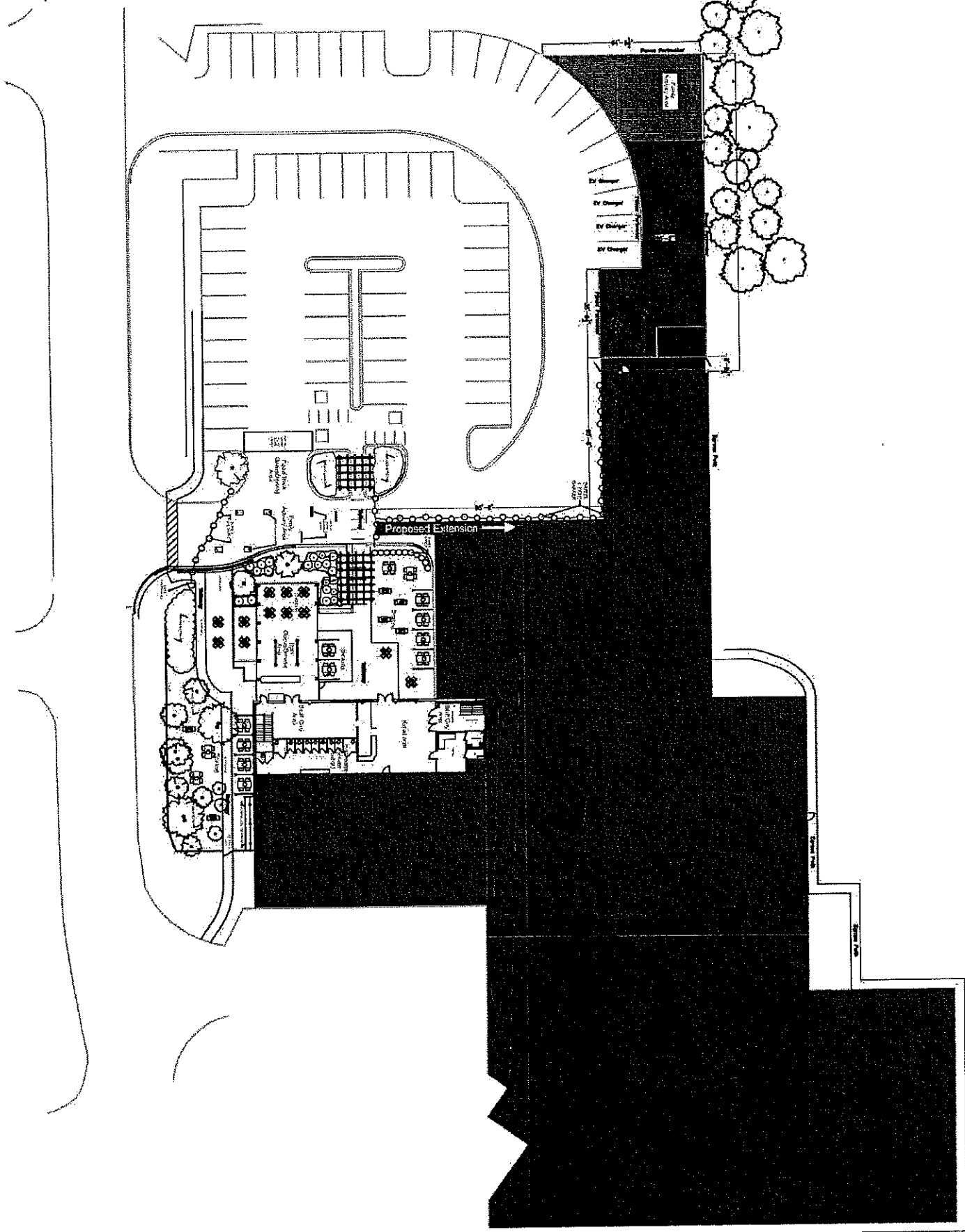
NO.	DESCRIPTION	QTY	UNIT	PRICE	TOTAL	DATE
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2	STEEL	50	TON	20.00	1000.00	10/10
3	BRICK	1000	SQ YD	1.00	1000.00	10/10
4	ROOF	100	SQ YD	1.00	100.00	10/10
5	PAINT	100	GA	1.00	100.00	10/10
6	LABOR	100	HOUR	1.00	100.00	10/10
7	TRUCK	100	HOUR	1.00	100.00	10/10
8	WATER	100	CU YD	1.00	100.00	10/10
9	CEMENT	100	CU YD	1.00	100.00	10/10
10	SAND	100	CU YD	1.00	100.00	10/10
11	GRAVEL	100	CU YD	1.00	100.00	10/10
12	ASPHALT	100	SQ YD	1.00	100.00	10/10
13	PAVING	100	SQ YD	1.00	100.00	10/10
14	CONCRETE	100	CU YD	1.00	100.00	10/10
15	STEEL	50	TON	20.00	1000.00	10/10
16	BRICK	1000	SQ YD	1.00	1000.00	10/10
17	ROOF	100	SQ YD	1.00	100.00	10/10
18	PAINT	100	GA	1.00	100.00	10/10
19	LABOR	100	HOUR	1.00	100.00	10/10
20	TRUCK	100	HOUR	1.00	100.00	10/10
21	WATER	100	CU YD	1.00	100.00	10/10
22	CEMENT	100	CU YD	1.00	100.00	10/10
23	SAND	100	CU YD	1.00	100.00	10/10
24	GRAVEL	100	CU YD	1.00	100.00	10/10
25	ASPHALT	100	SQ YD	1.00	100.00	10/10
26	PAVING	100	SQ YD	1.00	100.00	10/10
27	CONCRETE	100	CU YD	1.00	100.00	10/10
28	STEEL	50	TON	20.00	1000.00	10/10
29	BRICK	1000	SQ YD	1.00	1000.00	10/10
30	ROOF	100	SQ YD	1.00	100.00	10/10
31	PAINT	100	GA	1.00	100.00	10/10
32	LABOR	100	HOUR	1.00	100.00	10/10
33	TRUCK	100	HOUR	1.00	100.00	10/10
34	WATER	100	CU YD	1.00	100.00	10/10
35	CEMENT	100	CU YD	1.00	100.00	10/10
36	SAND	100	CU YD	1.00	100.00	10/10
37	GRAVEL	100	CU YD	1.00	100.00	10/10
38	ASPHALT	100	SQ YD	1.00	100.00	10/10
39	PAVING	100	SQ YD	1.00	100.00	10/10
40	CONCRETE	100	CU YD	1.00	100.00	10/10
41	STEEL	50	TON	20.00	1000.00	10/10
42	BRICK	1000	SQ YD	1.00	1000.00	10/10
43	ROOF	100	SQ YD	1.00	100.00	10/10
44	PAINT	100	GA	1.00	100.00	10/10
45	LABOR	100	HOUR	1.00	100.00	10/10
46	TRUCK	100	HOUR	1.00	100.00	10/10
47	WATER	100	CU YD	1.00	100.00	10/10
48	CEMENT	100	CU YD	1.00	100.00	10/10
49	SAND	100	CU YD	1.00	100.00	10/10
50	GRAVEL	100	CU YD	1.00	100.00	10/10
51	ASPHALT	100	SQ YD	1.00	100.00	10/10
52	PAVING	100	SQ YD	1.00	100.00	10/10
53	CONCRETE	100	CU YD	1.00	100.00	10/10
54	STEEL	50	TON	20.00	1000.00	10/10
55	BRICK	1000	SQ YD	1.00	1000.00	10/10
56	ROOF	100	SQ YD	1.00	100.00	10/10
57	PAINT	100	GA	1.00	100.00	10/10
58	LABOR	100	HOUR	1.00	100.00	10/10
59	TRUCK	100	HOUR	1.00	100.00	10/10
60	WATER	100	CU YD	1.00	100.00	10/10
61	CEMENT	100	CU YD	1.00	100.00	10/10
62	SAND	100	CU YD	1.00	100.00	10/10
63	GRAVEL	100	CU YD	1.00	100.00	10/10
64	ASPHALT	100	SQ YD	1.00	100.00	10/10
65	PAVING	100	SQ YD	1.00	100.00	10/10
66	CONCRETE	100	CU YD	1.00	100.00	10/10
67	STEEL	50	TON	20.00	1000.00	10/10
68	BRICK	1000	SQ YD	1.00	1000.00	10/10
69	ROOF	100	SQ YD	1.00	100.00	10/10
70	PAINT	100	GA	1.00	100.00	10/10
71	LABOR	100	HOUR	1.00	100.00	10/10
72	TRUCK	100	HOUR	1.00	100.00	10/10
73	WATER	100	CU YD	1.00	100.00	10/10
74	CEMENT	100	CU YD	1.00	100.00	10/10
75	SAND	100	CU YD	1.00	100.00	10/10
76	GRAVEL	100	CU YD	1.00	100.00	10/10
77	ASPHALT	100	SQ YD	1.00	100.00	10/10
78	PAVING	100	SQ YD	1.00	100.00	10/10
79	CONCRETE	100	CU YD	1.00	100.00	10/10
80	STEEL	50	TON	20.00	1000.00	10/10
81	BRICK	1000	SQ YD	1.00	1000.00	10/10
82	ROOF	100	SQ YD	1.00	100.00	10/10
83	PAINT	100	GA	1.00	100.00	10/10
84	LABOR	100	HOUR	1.00	100.00	10/10
85	TRUCK	100	HOUR	1.00	100.00	10/10
86	WATER	100	CU YD	1.00	100.00	10/10
87	CEMENT	100	CU YD	1.00	100.00	10/10
88	SAND	100	CU YD	1.00	100.00	10/10
89	GRAVEL	100	CU YD	1.00	100.00	10/10
90	ASPHALT	100	SQ YD	1.00	100.00	10/10
91	PAVING	100	SQ YD	1.00	100.00	10/10
92	CONCRETE	100	CU YD	1.00	100.00	10/10
93	STEEL	50	TON	20.00	1000.00	10/10
94	BRICK	1000	SQ YD	1.00	1000.00	10/10
95	ROOF	100	SQ YD	1.00	100.00	10/10
96	PAINT	100	GA	1.00	100.00	10/10
97	LABOR	100	HOUR	1.00	100.00	10/10
98	TRUCK	100	HOUR	1.00	100.00	10/10
99	WATER	100	CU YD	1.00	100.00	10/10
100	CEMENT	100	CU YD	1.00	100.00	10/10

Current Approved Tasting Room Area

See area inside scalloped border. An outdoor dining area was approved in 2022 into a driveway of the parking lot area and a small wooded area along Industrial Way.

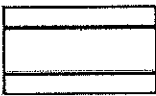
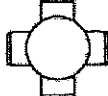


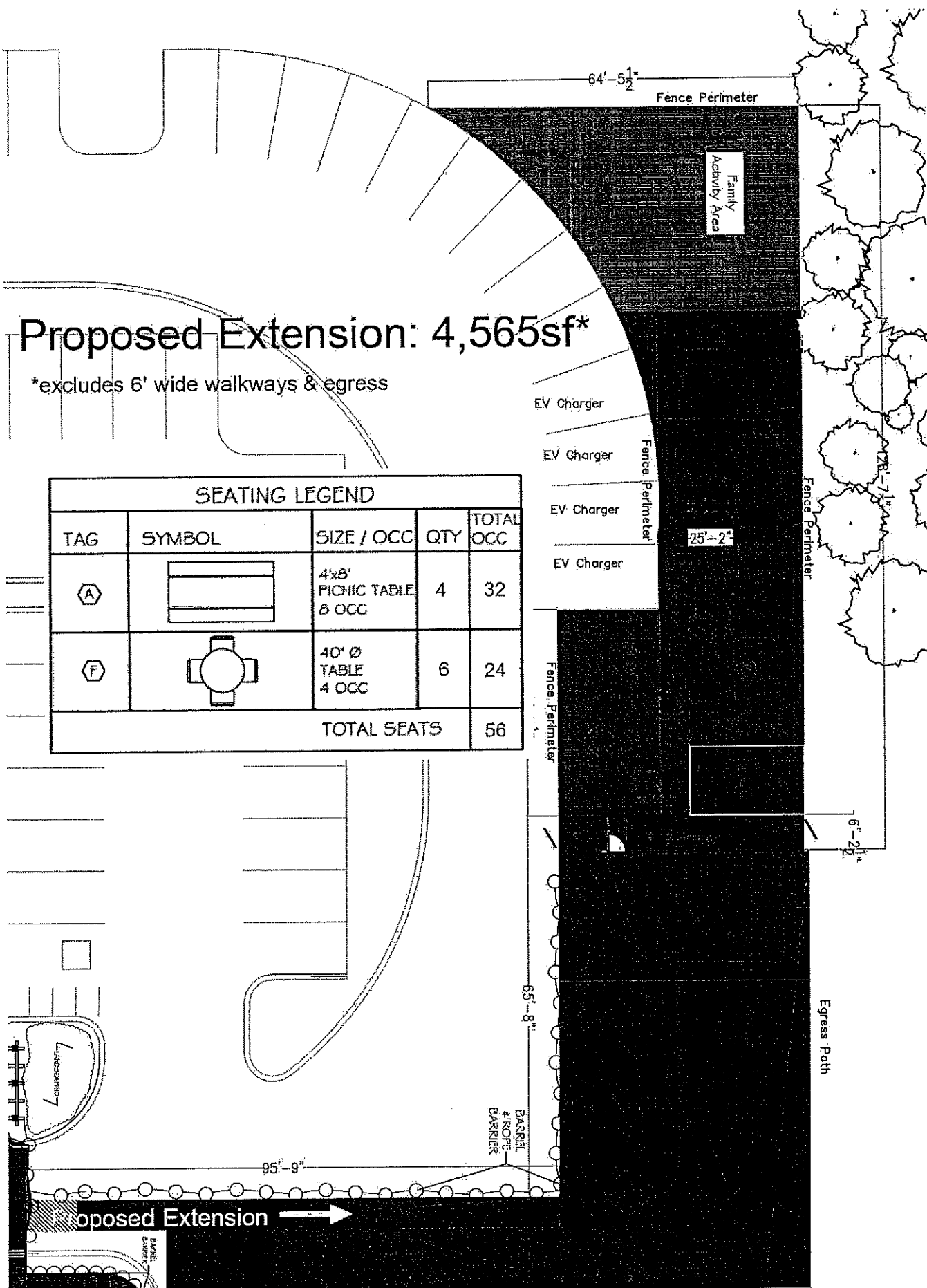
Proposed Extension to Outdoor Tasting Room - Relocation of Existing Seating



Proposed Extension: 4,565sf*

*excludes 6' wide walkways & egress

SEATING LEGEND				
TAG	SYMBOL	SIZE / OCC	QTY	TOTAL OCC
(A)		4x8' PICNIC TABLE 8 OCC	4	32
(F)		40' Ø TABLE 4 OCC	6	24
TOTAL SEATS				56





CITY OF PORTLAND
Permitting and Inspections Department

Application for an Entertainment License

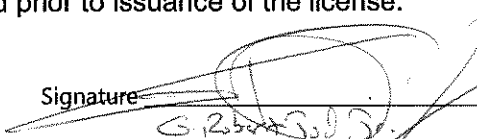
☐ Indoor Entertainment \$500.00	☐ Outdoor Entertainment \$700.00	☒ Combined Entertainment \$800.00
☐ Sound Mitigation Fee \$150.00		

Business Information	
Establishment Name (d/b/a):	Allagash Brewing Company
Location Address:	50 Industrial Way, Portland, ME
Owner Name:	G. Robert Tod, Jr.
Owner Email:	compliance@allagash.com
Contact Person responsible for Entertainment:	Emily Wallace
Contact Person Email:	compliance@allagash.com ewallace@allagash.com
Manager of Establishment:	Emily Wallace
Manager Email:	ewallace@allagash.com

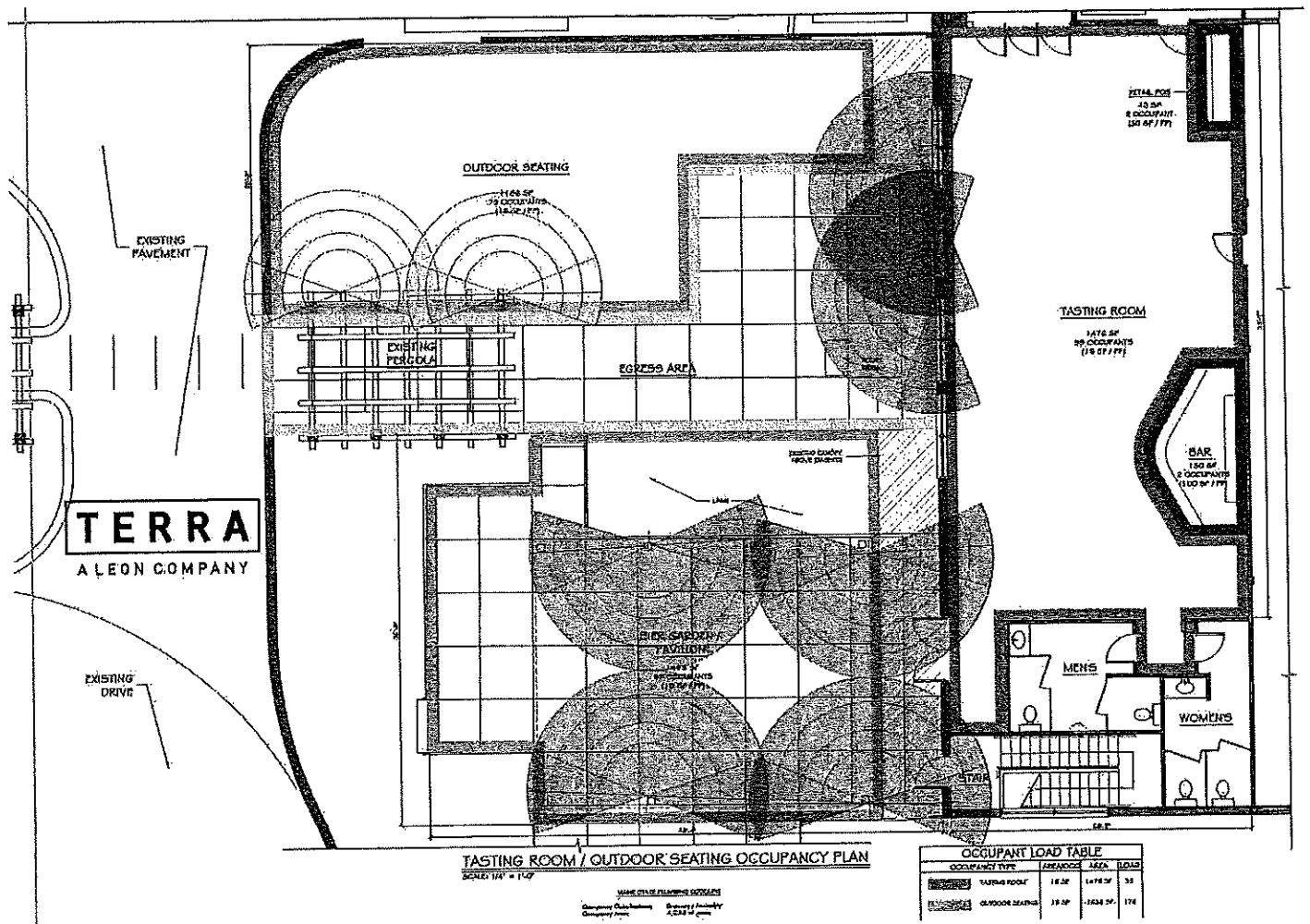
About Your Establishment

Describe in detail the type and nature of the business and proposed entertainment:
It is our intent to apply for a Class A Lounge license to allow for an expanded offering of beverages to enhance our customer experience in our existing, licensed tasting rooms. We have a combined entertainment license for these tasting room spaces and are applying for the Entertainment license to be able to continue to offer entertainment with the addition of our Class A license.

Applicant, by signature below, agrees to abide by all laws, orders, ordinances, rules and regulations governing the above license and further agrees that any misstatement of material fact may result in refusal of license or revocation, if one has been granted. Applicant agrees that all taxes and accounts pertaining to the premises will be paid prior to issuance of the license.

Signature  Title President Date 7/16/24

For more information, refer to the City Code of Ordinance: Chapter 4 Amusements, at www.portlandmaine.gov



Allagash Brewing Company
Supplemental Information for Sound Mitigation Plan – 2020

The locations of the speakers were selected because if the speakers are at ground level and aiming up the audio will travel up and away from the listening area. This will help limit overall sound travel.

Prepared and Certified by a Professional Sound Engineer:

- James Banfield- Sound Engineer and Loudspeaker Designer

Details of methods used to minimize the impact on entertainment on the surrounding uses:

- The amplifier and volume controls are set with a limiter to prevent over driving the speakers as well to limit the overall volume.

Speaker Locations and directions

- The speakers are mounted on the outdoor Patio wall aiming down and 14' off the ground.

Sound System details and controls

- System consists of 4 Terra AC 17e speakers made in Brunswick, Maine. Amplification is a Crown Dci 8/300 and sound mixer with Sonos for a music source.

Stage and site layout and direction

- Noise cancelling or mitigating measures proposed
- Speakers were aimed down so that the first reflection was the ground to limit the amount of stray sound to the area.

Anticipated Sound readings

- 65 Db -75 Db

On-Site monitor when attendees are expected to exceed 250

- n/a – not expected to exceed 250 this year.



Zachary Lenhart <zlenhart@portlandmaine.gov>

Allagash- Class A Lounge with Outdoor Dining on Private property and Combined Entertainment at 50 Industrial Way

Christopher Mitchell <chrism@portlandmaine.gov>

Tue, Aug 6, 2024 at 4:44 PM

To: Katlyn Sawyer <ksawyer@portlandmaine.gov>

Cc: Zoning <zoning@portlandmaine.gov>, Zachary Lenhart <zlenhart@portlandmaine.gov>, Zachary Finley

<zackf@portlandmaine.gov>, Ron Kelton <rkelton@portlandmaine.gov>, Fire Prevention

<fireprevention@portlandmaine.gov>, Laurie Carlson <lac@portlandmaine.gov>, Eric Cobb <ecobb@portlandmaine.gov>,"Lynch, Kim" <kim.lynch@maine.gov>, Benjamin Pearson <bnp@portlandmaine.gov>, Tom Williams

<tw@portlandmaine.gov>, Jason Grant <jgrant@portlandmaine.gov>, Treasury Division <treasury@portlandmaine.gov>,"Business Licensing <bl@portlandmaine.gov>, cstacey <cstacey@portlandmaine.gov>, Kevin Schneck

<kschneck@portlandmaine.gov>

The PD has no issues.

Lt. Chris Mitchell
Portland Police Department
Patrol Operations

[Quoted text hidden]



Zachary Lenhart <zlenhart@portlandmaine.gov>

Allagash- Class A Lounge with Outdoor Dining on Private property and Combined Entertainment at 50 Industrial Way

Zoning <zoning@portlandmaine.gov>

Mon, Aug 5, 2024 at 3:57 PM

To: Zoning <zoning@portlandmaine.gov>

Cc: Zachary Lenhart <zlenhart@portlandmaine.gov>, Zachary Finley <zackf@portlandmaine.gov>, Ron Kelton <rkelton@portlandmaine.gov>, Fire Prevention <fireprevention@portlandmaine.gov>, Laurie Carlson <lac@portlandmaine.gov>, Katlyn Sawyer <ksawyer@portlandmaine.gov>, Eric Cobb <ecobb@portlandmaine.gov>, "Lynch, Kim" <kim.lynch@maine.gov>, Benjamin Pearson <bnp@portlandmaine.gov>, Tom Williams <tw@portlandmaine.gov>, Jason Grant <jgrant@portlandmaine.gov>, Treasury Division <treasury@portlandmaine.gov>, Business Licensing <bl@portlandmaine.gov>, cstacey <cstacey@portlandmaine.gov>, Christopher Mitchell <chrism@portlandmaine.gov>, Kevin Schneck <kschneck@portlandmaine.gov>

Good Afternoon,

50 and 100 Industrial way, 326 B008001. are in the IM-b industrial zone. Bar and restaurant are not permitted uses in industrial zones. The legal use for this property is brewery and winery with accessory retail with outdoor tasting room. Zoning approves with the following condition for a tasting room. Please also note the limit of events in the IM zones:

As required under Section 6.6.2.I of Chapter 14, the service of food in the approved accessory tasting room shall be limited to that which does not constitute a full course meal. No more than 10% of the beverage (food) menu in tasting rooms accessory to beverage production (food production) may be produced or manufactured off-site. Merchandise sales shall be limited branded products, products manufactured by this business, and products related to this business's core activities. Regular events shall be limited to tours, seminars, product releases, and lectures that are related this business's manufacturing activities. Unrelated special events in the I-M and I-H zone are limited to no more than 20 per calendar year. In the I-Lb zone, unrelated special events are limited to 28 hours per week, per Section 6.6.2.H of Chapter 14.

Thank you,

Mac

--

Mac Coldwell

City of Portland
Zoning Specialist
Permitting & Inspections Department
389 Congress ST, Room #315
Email: mcoldwell@portlandmaine.gov
he/him

[Quoted text hidden]

City of Portland

Sound Mitigation Review

Date: 8/12/2024

Business Allagash Brewing Co

Applicant G. Robert Tod Jr

DESCRIPTION	yes	no
Sound system appropriate for the size venue		Yes
Performance space located in an appropriate location		Yes
Performance space facing in an appropriate direction to control sound		Yes
Surrounding surfaces appropriate to control sound		Yes
Additional sound absorbing features		
additional notes		
Approved		Yes
DIRECT ALL INQUIRIES TO:		
Kevin Schneck		
(207) 756-8433		
kschneck@portlandmaine.gov		

Legal Advertisement

Notice of Public Hearing City of Portland

A Public Hearing will be held on August 19, 2024 at 4:00 P.M., in City Council Chambers, 389 Congress St. for approval of Allagash Brewing Company, dba Allagash Brewing Company. Application for Class A Lounge with Combined Entertainment and Outdoor Dining on Private Property at 50 Industrial Way - Sponsored by Danielle P. West, City Manager

City of Portland | Permitting and Inspections
Zachary Lenhert, Licensing and Housing Safety Manager



August 13, 2024

Allagash Brewing Company
50 Industrial Way
Portland, Maine 04101

Re: Allagash Brewing Company, dba Allagash Brewing Company. Application for Class A Lounge with Combined Entertainment and Outdoor Dining on Private Property at 50 Industrial Way

Dear Allagash Brewing Company:

This letter shall serve as a reminder of the public hearing before the Portland City Council on Monday August 19, 2024 at 4:00 p.m., for the review of application for Class A Lounge with Combined Entertainment and Outdoor Dining on Private Property at 50 Industrial Way. The meeting will take place in person at Portland City Hall, in City Council Chambers on the 2nd Floor of 389 Congress Street.

You or a representative of the business must be present at this meeting in the event that the city council has questions regarding the license application. If there is no representation and questions arise, the item may be postponed.

Please contact our office directly with questions at (207) 874-8557 or at bl@portlandmaine.gov.

Sincerely,

Zachary J. Lenhert
Licensing and Housing Safety Manager



STATE OF MAINE
DEPARTMENT OF ADMINISTRATIVE AND FINANCIAL SERVICES
BUREAU OF ALCOHOLIC BEVERAGES AND LOTTERY OPERATIONS
DIVISION OF LIQUOR LICENSING AND ENFORCEMENT

Application for an On-Premises License

All Questions Must Be Answered Completely. Please print legibly.

Division Use Only	
License No:	
Class:	By:
Deposit Date:	
Amt. Deposited:	
Payment Type:	
OK with SOS: Yes ☐ No ☐	

Section I: Licensee/Applicant(s) Information;
Type of License and Status

Legal Business Entity Applicant Name (corporation, LLC): Allagash Brewing Company	Business Name (D/B/A):
Individual or Sole Proprietor Applicant Name(s):	Physical Location: 50 Industrial Way, Portland, ME 04103
Individual or Sole Proprietor Applicant Name(s):	Mailing address, if different:
Mailing address, if different from DBA address:	Email Address: compliance@allagash.com
Telephone # Fax #:	Business Telephone # Fax #: 207-878-5385
Federal Tax Identification Number: 01-2492477	Maine Seller Certificate # or Sales Tax #: 1011318
Retail Beverage Alcohol Dealers Permit:	Website address: allagash.com

1. New license or renewal of existing license? ☒ New Expected Start date: 08/01/2024
☐ Renewal Expiration Date: _____

2. The dollar amount of gross income for the licensure period that will end on the expiration date above:

Food: _____ Beer, Wine or Spirits: _____ Guest Rooms: _____

3. Please indicate the type of alcoholic beverage to be sold: (check all that apply)

☒ Malt Liquor (beer) ☒ Wine ☒ Spirits

4. Indicate the type of license applying for: (choose only one)

- | | | |
|--|--|---|
| ☐ Restaurant
(Class I, II, III, IV) | ☐ Class A Restaurant/Lounge
(Class XI) | ☒ Class A Lounge
(Class X) |
| ☐ Hotel
(Class I, II, III, IV) | ☐ Hotel – Food Optional
(Class I-A) | ☐ Bed & Breakfast
(Class V) |
| ☐ Golf Course (included optional licenses, please check if apply)
(Class I, II, III, IV) | ☐ Auxiliary | ☐ Mobile Cart |
| ☐ Tavern
(Class IV) | ☐ Other: _____ | |
| ☐ Qualified Caterer | ☐ Self-Sponsored Events (Qualified Caterers Only) | |

Refer to Section V for the License Fee Schedule on page 9

5. Business records are located at the following address:

50 Industrial Way Portland, ME 04103

6. Is the licensee/applicant(s) citizens of the United States? ☒ Yes ☐ No

7. Is the licensee/applicant(s) a resident of the State of Maine? ☒ Yes ☐ No

NOTE: Applicants that are not citizens of the United States are required to file for the license as a business entity.

8. Is licensee/applicant(s) a business entity like a corporation or limited liability company?

☒ Yes ☐ No If Yes, complete Section VII at the end of this application

9. For a licensee/applicant who is a business entity as noted in Section I, does any officer, director, member, manager, shareholder or partner have in any way an interest, directly or indirectly, in their capacity in any other business entity which is a holder of a wholesaler license granted by the State of Maine?

☐ Yes ☒ No

☐ Not applicable – licensee/applicant(s) is a sole proprietor

10. Is the licensee or applicant for a license receiving, directly or indirectly, any money, credit, thing of value, endorsement of commercial paper, guarantee of credit or financial assistance of any sort from any person or entity within or without the State, if the person or entity is engaged, directly or indirectly, in the manufacture, distribution, wholesale sale, storage or transportation of liquor.

☐ Yes ☒ No

If yes, please provide details: _____

11. Do you own or have any interest in any another Maine Liquor License? ☐ Yes ☐ No

If yes, please list license number, business name, and complete physical location address: (attach additional pages as needed using the same format)

Name of Business	License Number	Complete Physical Address
see attached		

12. List name, date of birth, place of birth for all applicants including any manager(s) employed by the licensee/applicant. Provide maiden name, if married. (attach additional pages as needed using the same format)

Full Name	DOB	Place of Birth
G Robert Tod, Jr	07/08/1968	MA
Residence address on all the above for previous 5 years		
Name G Robert Tod, Jr	Address: 156 Woodville Rd, Falmouth, ME 04105	
Name	Address:	
Name	Address:	
Name	Address:	

13. Will any law enforcement officer directly benefit financially from this license, if issued?

☐ Yes ☒ No

If Yes, provide name of law enforcement officer and department where employed:

14. Has the licensee/applicant(s) ever been convicted of any violation of the liquor laws in Maine or any State of the United States? ☐ Yes ☒ No

If Yes, please provide the following information and attach additional pages as needed using the same format.

Name: _____ Date of Conviction: _____

Offense: _____ Location: _____

Disposition: _____

15. Has the licensee/applicant(s) ever been convicted of any violation of any law, other than minor traffic violations, in Maine or any State of the United States? ☐ Yes ☒ No

If Yes, please provide the following information and attach additional pages as needed using the same format.

Name: _____ Date of Conviction: _____

Offense: _____ Location: _____

Disposition: _____

16. Has the licensee/applicant(s) formerly held a Maine liquor license? ☐ Yes ☐ No

17. Does the licensee/applicant(s) own the premises? ☐ Yes ☒ No

If No, please provide the name and address of the owner:

50 Industrial Way, LLC 50 Industrial Way, Portland, ME 04103

18. If you are applying for a liquor license for a Hotel or Bed & Breakfast, please provide the number of guest rooms available: _____

19. Please describe in detail the area(s) within the premises to be licensed. This description is in addition to the diagram in Section VI. (Use additional pages as needed)

The premises to be licensed is our existing tasting room space, located at 50 and 100 Industrial Way in Portland.

20. What is the distance from the premises to the nearest school, school dormitory, church, chapel or parish house, measured from the main entrance of the premises to the main entrance of the school, school dormitory, church, chapel or parish house by the ordinary course of travel?

Name: Geral E Talbot Community School

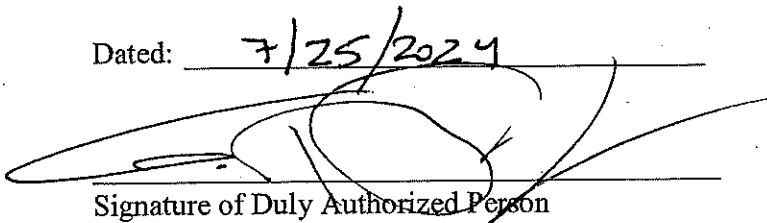
Distance: 1.20

Section II: Signature of Applicant(s)

By signing this application, the licensee/applicant understands that false statements made on this application are punishable by law. Knowingly supplying false information on this application is a Class D Offense under Maine's Criminal Code, punishable by confinement of up to one year, or by monetary fine of up to \$2,000 or by both.

Please sign and date in blue ink.

Dated: 7/25/2024


Signature of Duly Authorized Person

G Robert Tod, Jr

Printed Name Duly Authorized Person

Signature of Duly Authorized Person

Printed Name of Duly Authorized Person

Section III: For use by Municipal Officers and County Commissioners only

The undersigned hereby certifies that we have complied with the process outlined in 28-A M.R.S. §653 and approve this on-premises liquor license application.

Dated: _____

Who is approving this application? ☐ Municipal Officers of _____

☐ County Commissioners of _____ County

- ☐ **Please Note:** The Municipal Officers or County Commissioners must confirm that the records of Local Option Votes have been verified that allows this type of establishment to be licensed by the Bureau for the type of alcohol to be sold for the appropriate days of the week. Please check this box to indicate this verification was completed.

Signature of Officials	Printed Name and Title

**This Application will Expire 60 Days from the date of
Municipal or County Approval unless submitted to the Bureau**

Included below is the section of Maine's liquor laws regarding the approval process by the municipalities or the county commissioners. This is provided as a courtesy only and may not reflect the law in effect at the time of application. Please see <http://www.mainelegislature.org/legis/statutes/28-A/title28-Asec653.html>

§653. Hearings; bureau review; appeal

1. Hearings. The municipal officers or, in the case of unincorporated places, the county commissioners of the county in which the unincorporated place is located, may hold a public hearing for the consideration of applications for new on-premises licenses and applications for transfer of location of existing on-premises licenses. The municipal officers or county commissioners may hold a public hearing for the consideration of requests for renewal of licenses, except that when an applicant has held a license for the prior 5 years and a complaint has not been filed against the applicant within that time, the applicant may request a waiver of the hearing.

A. The bureau shall prepare and supply application forms.

B. The municipal officers or the county commissioners, as the case may be, shall provide public notice of any hearing held under this section by causing a notice, at the applicant's prepaid expense, stating the name and place of hearing, to appear on at least 3 consecutive days before the date of hearing in a daily newspaper having general circulation in the municipality where the premises are located or one week before the date of the hearing in a weekly newspaper having general circulation in the municipality where the premises are located.

C. If the municipal officers or the county commissioners, as the case may be, fail to take final action on an application for a new on-premises license or transfer of the location of an existing on-premises license within 60 days of the filing of an application, the application is deemed approved and ready for action by the bureau. For purposes of this paragraph, the date of filing of the application is the date the application is received by the municipal officers or county commissioners. This paragraph applies to all applications pending before municipal officers or county commissioners as of the effective date of this paragraph as well as all applications filed on or after the effective date of this paragraph. This paragraph applies to an existing on-premises license that has been extended pending renewal. The municipal officers or the county commissioners shall take final action on an on-premises license that has been extended pending renewal within 120 days of the filing of the application.

D. If an application is approved by the municipal officers or the county commissioners but the bureau finds, after inspection of the premises and the records of the applicant, that the applicant does not qualify for the class of license applied for, the bureau shall notify the applicant of that fact in writing. The bureau shall give the applicant 30 days to file an amended application for the appropriate class of license, accompanied by any additional license fee, with the municipal officers or county commissioners, as the case may be. If the applicant fails to file an amended application within 30 days, the original application must be denied by the bureau. The bureau shall notify the applicant in writing of its decision to deny the application including the reasons for the denial and the rights of appeal of the applicant.

2. Findings. In granting or denying an application, the municipal officers or the county commissioners shall indicate the reasons for their decision and provide a copy to the applicant. A license may be denied on one or more of the following grounds:

A. Conviction of the applicant of any Class A, Class B or Class C crime;

B. Noncompliance of the licensed premises or its use with any local zoning ordinance or other land use ordinance not directly related to liquor control;

C. Conditions of record such as waste disposal violations, health or safety violations or repeated parking or traffic violations on or in the vicinity of the licensed premises and caused by persons patronizing or employed by the licensed premises or other such conditions caused by persons patronizing or employed by the licensed premises that unreasonably disturb, interfere with or affect the ability of persons or businesses residing or located in the vicinity of the licensed premises to use their property in a reasonable manner;

D. Repeated incidents of record of breaches of the peace, disorderly conduct, vandalism or other violations of law on or in the vicinity of the licensed premises and caused by persons patronizing or employed by the licensed premises;

D-1. Failure to obtain, or comply with the provisions of, a permit for music, dancing or entertainment required by a municipality or, in the case of an unincorporated place, the county commissioners;

E. A violation of any provision of this Title;

F. A determination by the municipal officers or county commissioners that the purpose of the application is to circumvent the provisions of section 601; and

G. After September 1, 2010, server training, in a program certified by the bureau and required by local ordinance, has not been completed by individuals who serve alcoholic beverages.

3. Appeal to bureau. Any applicant aggrieved by the decision of the municipal officers or county commissioners under this section may appeal to the bureau within 15 days of the receipt of the written decision of the municipal officers or county commissioners. The bureau shall hold a public hearing in the city, town or unincorporated place where the premises are situated. In acting on such an appeal, the bureau may consider all licensure requirements and findings referred to in subsection 2.

A. Repealed

B. If the decision appealed from is an application denial, the bureau may issue the license only if it finds by clear and convincing evidence that the decision was without justifiable cause.

4. Repealed

5. Appeal to District Court. Any person or governmental entity aggrieved by a bureau decision under this section may appeal the decision to the District Court within 30 days of receipt of the written decision of the bureau.

An applicant who files an appeal or who has an appeal pending shall pay the annual license fee the applicant would otherwise pay. Upon resolution of the appeal, if an applicant's license renewal is denied, the bureau shall refund the applicant the prorated amount of the unused license fee.

Section IV: Terms and Conditions of Licensure as an Establishment that sells liquor for on-premises consumption in Maine

- The licensee/applicant(s) agrees to be bound by and comply with the laws, rules and instructions promulgated by the Bureau.
- The licensee/applicant(s) agrees to maintain accurate records related to an on-premise license as required by the law, rules and instructions promulgated or issued by the Bureau if a license is issued as a result of this application.
 - The licensee/applicant(s) authorizes the Bureau to obtain and examine all books, records and tax returns pertaining to the business, for which this liquor license is requested, and also any books, records and returns during the year in which any liquor license is in effect.
- Any change in the licensee's/applicant's licensed premises as defined in this application must be approved by the Bureau in advance.
- All new applicants must apply to the Alcohol and Tobacco Tax and Trade Bureau (TTB) for its Retail Beverage Alcohol Dealers permit. See the TTB's website at <https://www.ttb.gov/nrc/retail-beverage-alcohol-dealers> for more information.

Section V: Fee Schedule

Filing fee required. In addition to the license fees listed below, a filing fee of \$10.00 must be included with all applications.

Please note: For Licensees/Applicants in unorganized territories in Maine, the \$10.00 filing fee must be paid directly to County Treasurer. All applications received by the Bureau from licensees/applicants in unorganized territories must submit proof of payment was made to the County Treasurer together with the application.

Class of License	Type of liquor/Establishments included	Fee
Class I	For the sale of liquor (malt liquor, wine and spirits) This class includes: Airlines; Civic Auditoriums; Class A Restaurants; Clubs with catering privileges; Dining Cars; Golf Courses; Hotels; Indoor Ice-Skating Clubs; Indoor Tennis Clubs; Vessels; Qualified Caterers	\$ 900.00
Class I-A	For the sale of liquor (malt liquor, wine and spirits) This class includes only hotels that do not serve three meals a day.	\$1,100.00
Class II	For the Sale of Spirits Only This class includes: Airlines; Civic Auditoriums; Class A Restaurants; Clubs with catering privileges; Dining Cars; Golf Courses; Hotels; Indoor Ice-Skating Clubs; Indoor Tennis Clubs; and Vessels.	\$ 550.00
Class III	For the Sale of Wine Only This class includes: Airlines; Civic Auditoriums; Class A Restaurants; Clubs with catering privileges; Dining Cars; Golf Courses; Hotels; Indoor Ice-Skating Clubs; Indoor Tennis Clubs; Restaurants; Vessels; Pool Halls; and Bed and Breakfasts.	\$ 220.00
Class IV	For the Sale of Malt Liquor Only This class includes: Airlines; Civic Auditoriums; Class A Restaurants; Clubs with catering privileges; Dining Cars; Golf Courses; Hotels; Indoor Ice-Skating Clubs; Indoor Tennis Clubs; Restaurants; Taverns; Pool Halls; and Bed and Breakfasts.	\$ 220.00
Class III and IV	For the Sale of Malt Liquor and Wine Only This class includes: Airlines; Civic Auditoriums; Class A Restaurants; Clubs with catering privileges; Dining Cars; Golf Courses; Hotels; Indoor Ice-Skating Clubs; Indoor Tennis Clubs; Restaurants; Vessels; Pool Halls; and Bed and Breakfasts.	\$ 440.00
Class V	For the sale of liquor (malt liquor, wine and spirits) This class includes only a Club without catering privileges.	\$ 495.00
Class X	For the sale of liquor (malt liquor, wine and spirits) This class includes only a Class A Lounge	\$2,200.00
Class XI	For the sale of liquor (malt liquor, wine and spirits) This class includes only a Restaurant Lounge	\$1,500.00

Section VI Premises Floor Plan

In an effort to clearly define your license premise and the areas that consumption and storage of liquor authorized by your license type is allowed, the Bureau requires all applications to include a diagram of the premise to be licensed.

Diagrams should be submitted on this form and should be as accurate as possible. Be sure to label the following areas: entrances, office area, coolers, storage areas, display cases, shelves, restroom, point of sale area, area for on-premise consumption, dining rooms, event/function rooms, lounges, outside area/decks or any other areas on the premise that you are requesting approval. Attached an additional page as needed to fully describe the premise.

see attached



Shareholder	Total Ownership
Kurt E. Klebe, Trustee under the G. Robert Tod, Jr. 2021 Irrevocable Trust u/a/d 12/27/21	20%
Kurt E. Klebe, Trustee under the G. Robert Tod Jr. and Elisabeth C. Tod 2015 Irrevocable Trust u/a/d 6/16/15 and	9%
G. Robert Tod, Jr.	26%
G. Robert Tod, Jr., and Kurt E. Klebe, Trustees under the Tod 2014 Irrevocable Trust u/a/d 12/15/14	45%

Section VII: Required Additional Information for a Licensee/Applicant for an On-Premises Liquor License Who are Legal Business Entities

Questions 1 to 4 of this part of the application must match information in Section I of the application above and match the information on file with the Maine Secretary of State's office. If you have questions regarding your legal entity name or DBA, please call the Secretary of State's office at (207) 624-7752.

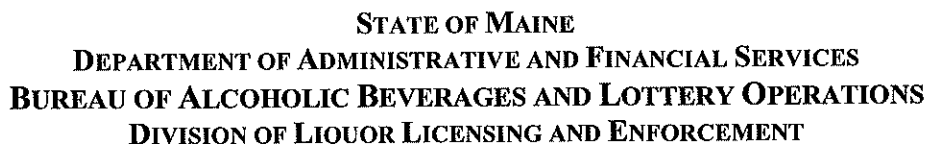
All Questions Must Be Answered Completely. Please print legibly.

1. Exact legal name: AllagashBrewing Company
2. Doing Business As, if any: _____
3. Date of filing with Secretary of State: 07/01/1995 State in which you are formed: ME
4. If not a Maine business entity, date on which you were authorized to transact business in the State of Maine:

5. List the name and addresses for previous 5 years, birth dates, titles of officers, directors, managers, members or partners and the percentage ownership any person listed: (attached additional pages as needed)

Name	Address (5 Years)	Date of Birth	Title	Percentage of Ownership
see attached				

(Ownership in non-publicly traded companies must add up to 100%.)



All Questions Must Be Answered Completely. Please print legibly.

Division Use Only	
License No:	
Class:	By:
Deposit Date:	
Amt. Deposited:	
Payment Type:	
OK with SOS: Yes ☐ No ☐	

Legal Business Entity Applicant Name (corporation, LLC): Allagash Brewing Company	Business Name (D/B/A):
Individual or Sole Proprietor Applicant Name(s):	Physical Location: 50 Industrial Way, Portland, ME 04103
Individual or Sole Proprietor Applicant Name(s):	Mailing address, if different:
Mailing address, if different from DBA address:	Email Address: compliance@allagash.com
Telephone # Fax #:	Business Telephone # Fax #: 207-878-5385
Federal Tax Identification Number: 01-2492477	Maine Seller Certificate # or Sales Tax #: 1011318
Retail Beverage Alcohol Dealers Permit:	Website address: allagash.com

1. New license or renewal of existing license? ☒ New Expected Start date: 08/01/2024
☐ Renewal Expiration Date: _____
2. The dollar amount of gross income for the licensure period that will end on the expiration date above:
Food: _____ Beer, Wine or Spirits: _____ Guest Rooms: _____
3. Please indicate the type of alcoholic beverage to be sold: (check all that apply)
☒ Malt Liquor (beer) ☒ Wine ☒ Spirits

10. Is the licensee or applicant for a license receiving, directly or indirectly, any money, credit, thing of value, endorsement of commercial paper, guarantee of credit or financial assistance of any sort from any person or entity within or without the State, if the person or entity is engaged, directly or indirectly, in the manufacture, distribution, wholesale sale, storage or transportation of liquor.

☐ Yes ☒ No

If yes, please provide details: _____

11. Do you own or have any interest in any another Maine Liquor License? ☐ Yes ☐ No

If yes, please list license number, business name, and complete physical location address: (attach additional pages as needed using the same format)

Name of Business	License Number	Complete Physical Address
see attached		

12. List name, date of birth, place of birth for all applicants including any manager(s) employed by the licensee/applicant. Provide maiden name, if married. (attach additional pages as needed using the same format)

Full Name	DOB	Place of Birth
G Robert Tod, Jr	07/08/1968	MA
Residence address on all the above for previous 5 years		
Name	Address:	
G Robert Tod, Jr	156 Woodville Rd, Falmouth, ME 04105	
Name	Address:	
Name	Address:	
Name	Address:	

18. If you are applying for a liquor license for a Hotel or Bed & Breakfast, please provide the number of guest rooms available: _____

19. Please describe in detail the area(s) within the premises to be licensed. This description is in addition to the diagram in Section VI. (Use additional pages as needed)

The premises to be licensed is our existing tasting room space, located at 50 and 100 Industrial Way in Portland.

20. What is the distance from the premises to the **nearest** school, school dormitory, church, chapel or parish house, measured from the main entrance of the premises to the main entrance of the school, school dormitory, church, chapel or parish house by the ordinary course of travel?

Name: Geral E Talbot Community School

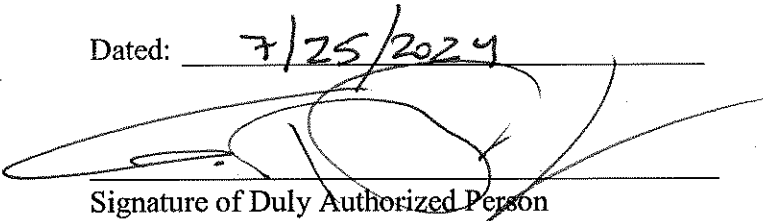
Distance: 1.20

Section II: Signature of Applicant(s)

By signing this application, the licensee/applicant understands that false statements made on this application are punishable by law. Knowingly supplying false information on this application is a Class D Offense under Maine's Criminal Code, punishable by confinement of up to one year, or by monetary fine of up to \$2,000 or by both.

Please sign and date in blue ink.

Dated: 7/25/2024


Signature of Duly Authorized Person

G Robert Tod, Jr
Printed Name Duly Authorized Person

Signature of Duly Authorized Person

Printed Name of Duly Authorized Person

Section III: For use by Municipal Officers and County Commissioners only

The undersigned hereby certifies that we have complied with the process outlined in 28-A M.R.S. §653 and approve this on-premises liquor license application.

Dated: _____

Who is approving this application? ☐ Municipal Officers of _____

☐ County Commissioners of _____ County

- ☐ **Please Note:** The Municipal Officers or County Commissioners must confirm that the records of Local Option Votes have been verified that allows this type of establishment to be licensed by the Bureau for the type of alcohol to be sold for the appropriate days of the week. Please check this box to indicate this verification was completed.

Signature of Officials	Printed Name and Title

**This Application will Expire 60 Days from the date of
Municipal or County Approval unless submitted to the Bureau**

Included below is the section of Maine's liquor laws regarding the approval process by the municipalities or the county commissioners. This is provided as a courtesy only and may not reflect the law in effect at the time of application. Please see <http://www.mainelegislature.org/legis/statutes/28-A/title28-Asec653.html>

§653. Hearings; bureau review; appeal

1. Hearings. The municipal officers or, in the case of unincorporated places, the county commissioners of the county in which the unincorporated place is located, may hold a public hearing for the consideration of applications for new on-premises licenses and applications for transfer of location of existing on-premises licenses. The municipal officers or county commissioners may hold a public hearing for the consideration of requests for renewal of licenses, except that when an applicant has held a license for the prior 5 years and a complaint has not been filed against the applicant within that time, the applicant may request a waiver of the hearing.

A. The bureau shall prepare and supply application forms.

**Section VII: Required Additional Information for a Licensee/Applicant for an On-Premises
Liquor License Who are Legal Business Entities**

Questions 1 to 4 of this part of the application must match information in Section I of the application above and match the information on file with the Maine Secretary of State's office. If you have questions regarding your legal entity name or DBA, please call the Secretary of State's office at (207) 624-7752.

All Questions Must Be Answered Completely. Please print legibly.

1. Exact legal name: AllagashBrewing Company
2. Doing Business As, if any: _____
3. Date of filing with Secretary of State: 07/01/1995 State in which you are formed: ME
4. If not a Maine business entity, date on which you were authorized to transact business in the State of Maine:

5. List the name and addresses for previous 5 years, birth dates, titles of officers, directors, managers, members or partners and the percentage ownership any person listed: (attached additional pages as needed)

Name	Address (5 Years)	Date of Birth	Title	Percentage of Ownership
see attached				

(Ownership in non-publicly traded companies must add up to 100%.)

Section V: Fee Schedule

Filing fee required. In addition to the license fees listed below, a filing fee of \$10.00 must be included with all applications.

Please note: For Licensees/Applicants in unorganized territories in Maine, the \$10.00 filing fee must be paid directly to County Treasurer. All applications received by the Bureau from licensees/applicants in unorganized territories must submit proof of payment was made to the County Treasurer together with the application.

Class of License	Type of liquor/Establishments included	Fee
Class I	For the sale of liquor (malt liquor, wine and spirits) This class includes: Airlines; Civic Auditoriums; Class A Restaurants; Clubs with catering privileges; Dining Cars; Golf Courses; Hotels; Indoor Ice-Skating Clubs; Indoor Tennis Clubs; Vessels; Qualified Caterers	\$ 900.00
Class I-A	For the sale of liquor (malt liquor, wine and spirits) This class includes only hotels that do not serve three meals a day.	\$1,100.00
Class II	For the Sale of Spirits Only This class includes: Airlines; Civic Auditoriums; Class A Restaurants; Clubs with catering privileges; Dining Cars; Golf Courses; Hotels; Indoor Ice-Skating Clubs; Indoor Tennis Clubs; and Vessels.	\$ 550.00
Class III	For the Sale of Wine Only This class includes: Airlines; Civic Auditoriums; Class A Restaurants; Clubs with catering privileges; Dining Cars; Golf Courses; Hotels; Indoor Ice-Skating Clubs; Indoor Tennis Clubs; Restaurants; Vessels; Pool Halls; and Bed and Breakfasts.	\$ 220.00
Class IV	For the Sale of Malt Liquor Only This class includes: Airlines; Civic Auditoriums; Class A Restaurants; Clubs with catering privileges; Dining Cars; Golf Courses; Hotels; Indoor Ice-Skating Clubs; Indoor Tennis Clubs; Restaurants; Taverns; Pool Halls; and Bed and Breakfasts.	\$ 220.00
Class III and IV	For the Sale of Malt Liquor and Wine Only This class includes: Airlines; Civic Auditoriums; Class A Restaurants; Clubs with catering privileges; Dining Cars; Golf Courses; Hotels; Indoor Ice-Skating Clubs; Indoor Tennis Clubs; Restaurants; Vessels; Pool Halls; and Bed and Breakfasts.	\$ 440.00
Class V	For the sale of liquor (malt liquor, wine and spirits) This class includes only a Club without catering privileges.	\$ 495.00
Class X	For the sale of liquor (malt liquor, wine and spirits) This class includes only a Class A Lounge	\$2,200.00
Class XI	For the sale of liquor (malt liquor, wine and spirits) This class includes only a Restaurant Lounge	\$1,500.00

City of Portland Food and Bev licenses (rev 6/1/2027)

Name of Business	License Number
Allagash Brewing Company	6298
Allagash Brewing Company	6298-FSE
Allagash Brewing Company	
Allagash Brewing Company	

Commented [JC1]: License name:
50 IND- Brewery/Winery/Distillery License on Prem
consumption with combined entertainment

Commented [JC2]: FSE without prep

MEMORANDUM
City Council Agenda Item

FROM:

DATE: August 5, 2024

SUBJECT: Order 34-24/25 Granting Municipal Officers' Approval of First Tracks Investments LLC, dba Oddfellahs. Application for Class A Restaurant/Lounge at 55 Market Street - Sponsored by Danielle P. West, City Manager

SPONSOR: The Mayor, City Manager, City Clerk, Corporation Counsel, the Planning Board, or up to three (3) members of the Council shall sponsor any orders or other items. If sponsored by a Council Committee, please include the date the committee met and the results of the vote.

(If sponsored by a Council committee, include the date the committee met and the results of the vote.)

COUNCIL MEETING DATE ACTION IS REQUESTED:

1st Reading

**Final
Action**

Can action be taken at a later date: No If action cannot be taken at a later date, please explain why. Do NOT write yes or no; that will be automatically generated by the checkbox.

Does this item involve a new contract with the City: n/a

PRESENTATION: Please list the presenter(s), type, and length of presentation

I. SUMMARY

II. AGENDA DESCRIPTION

Application was filed on 7/29/24. New City and State applications.

The applicant, First Tracks Investments LLC, is also the operator of the Portland Regency Hotel. The concept for 55 Market is a sports bar, to include "in-person sports wagering," which will require a license from the Maine Department of Public Safety and is regulated by the Department of Public Safety's Gambling Control Unit.

Five affirmative votes are required for passage after public comment.

III. BACKGROUND

Background information that will not appear in the Agenda Description

IV. INTENDED RESULT AND/OR COUNCIL GOAL ADDRESSED

V. FINANCIAL IMPACT

Please indicate whether or not there is a financial impact. Please note that per Council Rule 12, this form must have "a separate fiscal impact statement memo attached if the impact of the item is \$50,000 or more in a given fiscal year. This memo shall include details and information describing the fiscal impact including, but not limited to, projected costs, revenues or savings over a three (3) year period and/or any potential impacts on the City tax levy."

VI. STAFF ANALYSIS AND BACKGROUND

Staff Analysis that will not appear in the Agenda Description.

VII. RECOMMENDATION

VIII. LIST ATTACHMENTS

1. 2024.08.19_Oddfellahs_Council Order
2. 2024.08.19_Oddfellahs_Council Packet

Prepared by:

Date: 08/05/2024

MARK DION (MAYOR)
PIOUS ALI (A/L)
APRIL D. FOURNIER(A/L)
ROBERTO RODRÍGUEZ (A/L)

CITY OF PORTLAND
IN THE CITY COUNCIL

ANNA TREVORROW (1)
VICTORIA L. PELLETIER (2)
REGINA L. PHILLIPS (3)
ANNA Y. BULLETT (4)
KATHRYN SYKES (5)

ORDER

GRANTING MUNICIPAL OFFICERS’

APPROVAL OF:

**First Tracks Investments LLC, dba Oddfellahs. Application for Class A
Restaurant/Lounge at 55 Market Street**

**First Tracks Investments, LLC
42 Market Street
Portland, ME 04101**

City of Portland
Permitting and Inspections Department
389 Congress Street, Room 307
Portland, ME 04101

July 29, 2024

Dear Mayor Dion and Esteemed Members of the City Council:

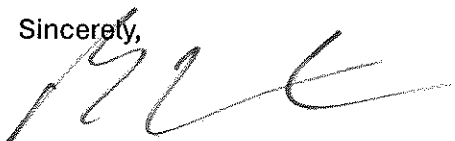
Enclosed please find an application for a liquor license for First Tracks Investments, LLC (First Tracks) to operate at 55 Market Street. Long-time Portlanders will know the space formerly as "The Big Easy." As you may know, we concurrently operate the Old Port's oldest hotel – the Portland Regency Hotel and Spa – and look forward to creating another venue on Market Street that represents a commitment to quality and responsible management.

This new concept is for a sports bar. Right now, there are few locations in the downtown area that truly capture the community and camaraderie that come with watching sports. We look forward to creating a space that can build that for the future.

Additionally, and uniquely, this location will also submit an application to the Department of Public Safety for authorization to conduct in-person sports wagering. To the best of our knowledge, we will be the first venue to open in Maine. We have been closely coordinating with several of Maine's Wabanaki tribes to find opportunities to help mutually advance the market in a responsible manner that benefits Mainers. We would be happy to discuss this further at the meeting.

Thank you for your attention and we would request your favorable consideration.

Sincerely,

A handwritten signature in dark ink, appearing to read "MJC", with a long horizontal flourish extending to the right.

Michael J. Cianchette
First Track Investments, LLC
Manager



CITY OF PORTLAND
Permitting and Inspections Department

Application for Food Service Establishment with Alcoholic Beverages License

Business Information		
Legal Business Entity Applicant Name (corporation, LLC): First Tracks Investments, LLC	Business Name (D/B/A): Oddfellahs	
Individual or Sole Proprietor Applicant Name(s):	Physical Location: 55 Market Street Portland, ME 04101	
If applicable, what was formerly at this location:	Business Email Address: mcianchette@theregency.com	
Mailing Address: 42 Market Street Portland, ME 04101	Contact Person: Michael J. Cianchette	
Contact Person Phone: 207-774-1000 X118	Contact Person Email: mcianchette@theregency.com	
Manager of Establishment: Michael J. Cianchette	Date of Birth: 07/28/1984	Manager Phone: 207-774-1000 X118
Owner of Premises (Landlord): CF 164 , LLC	Address of Premises Owner (Landlord): 42 Market Street Portland, ME 04101	

Sole Proprietor/Partnership Information (If Corporation, leave blank)		
Name of Owner(s):	Date of Birth:	Residence Address:
Name of Owner(s):	Date of Birth:	Residence Address:

Corporate/LLC/Non-Profit Organization Applicants (If Sole Proprietor or Partnership, leave blank)			
Corporate Name: First Tracks Investments, LLC		Corporate Mailing Address: 42 Market Street Portland, ME 04101	
Contact Person: Michael J. Cianchette		Contact Phone: 207-774-1000 X118	
Principal Officers	Title	Date of Birth	Residence Address
Michael J. Cianchette	Manager	07/28/1984	17 Fieldstone Lane Falmouth, ME 04105
Eric L. Cianchette	Manager	04/11/1950	178 Woodville Road Falmouth, ME 04105



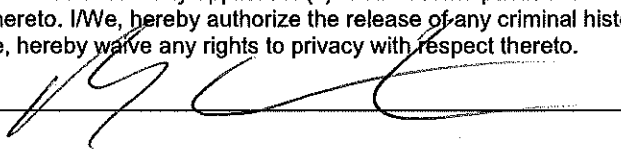
CITY OF PORTLAND
Permitting and Inspections Department

Class of Liquor License (see fee schedule): Class XI (Class A Restaurant/Lounge) ☒			
Type of food served:	Small Plates, sharing food, sandwiches		
Please select all that will be served:	☒ Beer ☒ Wine ☒ Liquor		
Projected percentage of sales:	Generated from Food: 50		Generated from Alcohol: 50
Hours & days of operation:	estimated: 12p-9p M-Th 11a-11p Fri-Sun		
QUESTIONS	YES	NO	
Will full-course meals, only capable of consumption with the use of tableware, be served the entire time the establishment is open?	☐	☒	
If No, please explain: Move to limited menu after 8:30 P.M.			
Is the establishment less than 300 feet from a school, dormitory, church or parish house, or similar establishment?	☐	☒	
If yes, give the distance: 0.5 miles			
Will you have entertainment on the premises? (If yes, a Supplemental Application for Entertainment is required.)	☐	☒	
Will you permit dancing after 1:00 a.m.?	☐	☒	
Will you have outside dining? (If yes, an Outdoor Dining Application is required)	☐	☒	
If yes, will the outside dining be on: ☐ PUBLIC property or ☐ PRIVATE property			
Will you have any amusement devices (pinball, video games, juke box)?	☐	☒	
If yes, please list: # of amusements: and # of pool tables:			
What is your targeted opening date? : 09/10/2024			
Does the issuance of this license directly or indirectly benefit any City employee(s)?	☐	☒	
If Yes, list name(s) of employee(s) and department(s):			
Have any of the applicants, including the corporation (if applicable), ever held a business license with the City of Portland?	☐	☒	
If Yes, please list business name(s) and location(s):			
Is any principal officer under the age of 21?	☐	☒	
Have applicant, partners, associates, or corporate officers ever been arrested, indicted, or convicted for any violation of law?	☐	☒	
If Yes, please explain:			

I, Michael J. Cianchette do hereby swear and affirm that every employee in my establishment that serves alcohol to the public has attended server training, or will attend server training within 90 days of their hire. I also understand that at any time the City license administrator can, upon request, require me to produce Server Training certificates for each employee that serves alcohol to the public in my establishment. Failure to meet the training requirement imposed by section 15-41 may result in the denial of a liquor license pursuant to 28-A M.R.S.A. § 653 (2) (G).

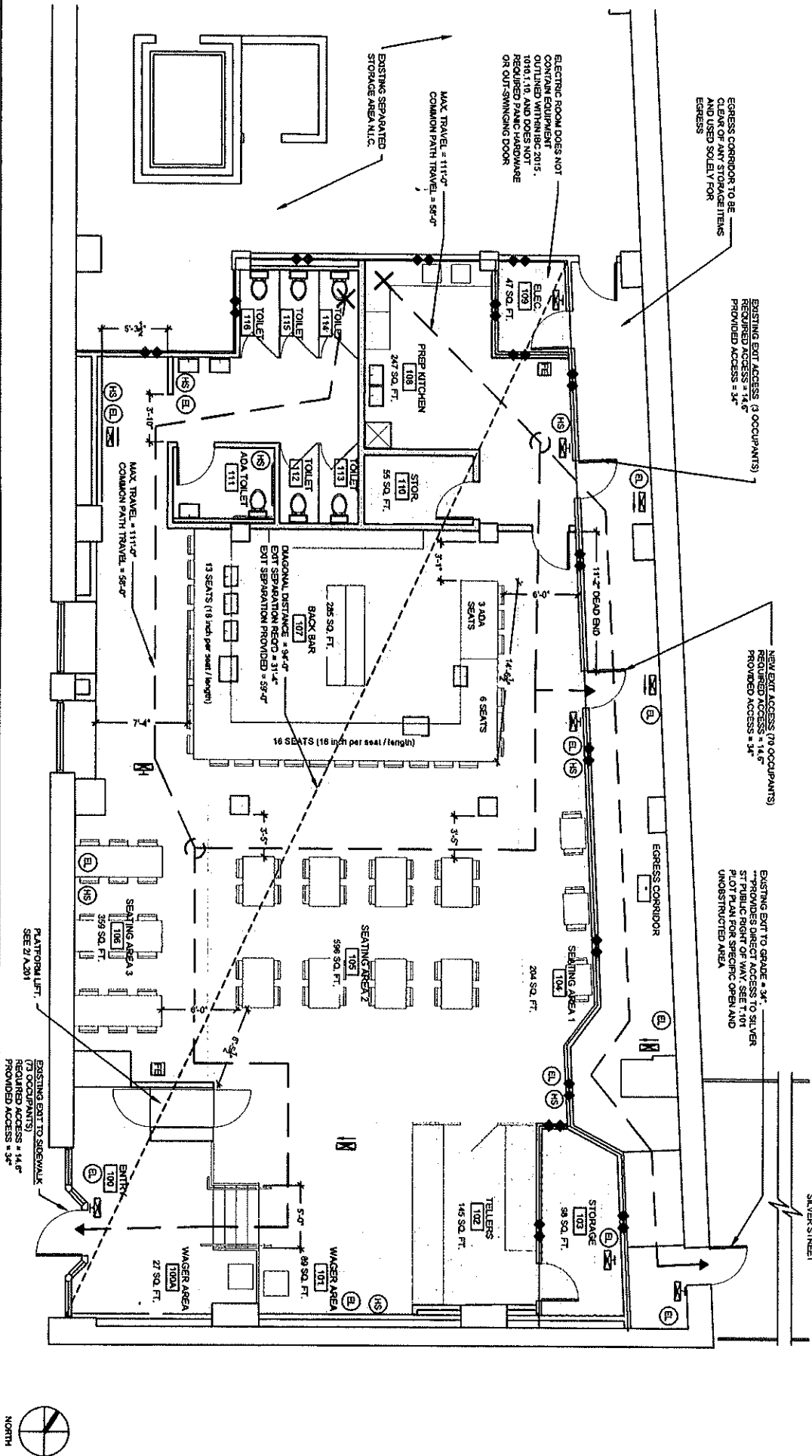
Applicant, by signature below, agrees to abide by all laws, orders, ordinances, rules and regulations governing the above licensee and further agrees that any misstatement of material fact may result in refusal of license or revocation if one has been granted. Applicant agrees that all taxes and accounts pertaining to the premises will be paid prior to issuance of the license.

It is understood that this and any application(s) shall become public record and the applicant(s) hereby waive(s) any rights to privacy with respect thereto. I/We, hereby authorize the release of any criminal history record information to the City Clerk's Office or licensing authority. I/We, hereby waive any rights to privacy with respect thereto.

Signature  Title Manager Date 07/29/2024

1 LIFE SAFETY PLAN

3-1/2" x 14"





Zachary Lenhart <zlenhart@portlandmaine.gov>

Oddfellahs - Class A Rest/Lounge at 55 Market St.

Zoning <zoning@portlandmaine.gov>

Mon, Aug 5, 2024 at 3:38 PM

To: Zoning <zoning@portlandmaine.gov>

Cc: Treasury Division <treasury@portlandmaine.gov>, Zachary Lenhart <zlenhart@portlandmaine.gov>, Zachary Finley <zackf@portlandmaine.gov>, Ron Kelton <rkelton@portlandmaine.gov>, Fire Prevention <fireprevention@portlandmaine.gov>, Laurie Carlson <lac@portlandmaine.gov>, Katlyn Sawyer <ksawyer@portlandmaine.gov>, Zoning <zoning@portlandmaine.gov>, Eric Cobb <ecobb@portlandmaine.gov>, "Lynch, Kim" <kim.lynch@maine.gov>, Benjamin Pearson <bnp@portlandmaine.gov>, Tom Williams <tw@portlandmaine.gov>, Jason Grant <jgrant@portlandmaine.gov>, Business Licensing <bl@portlandmaine.gov>, cstacey <cstacey@portlandmaine.gov>, Aaron Bridges <bridgesa@portlandmaine.gov>

Good Afternoon,

The legal under issued permit BLDC2024-03850 is restaurant. Zoning approves. I did not see a plan in EnerGov to approve.

Thank you,

Mac

--

Mac Coldwell

City of Portland
Zoning Specialist
Permitting & Inspections Department
389 Congress ST, Room #315
Email: mcoldwell@portlandmaine.gov
he/him

[Quoted text hidden]

City of Portland | Permitting and Inspections
Zachary Lenhert, Licensing and Housing Safety Manager



August 13, 2024

First Tracks Investments LLC
42 Market Street
Portland, Maine 04101

Re: First Tracks Investments LLC, dba Oddfellahs. Application for Class A Restaurant/Lounge at 55 Market Street

Dear First Tracks Investments LLC:

This letter shall serve as a reminder of the public hearing before the Portland City Council on Monday August 19, 2024 at 4:00 p.m., for the review of application for Class A Restaurant/Lounge at 55 Market Street. The meeting will take place in person at Portland City Hall, in City Council Chambers on the 2nd Floor of 389 Congress Street.

You or a representative of the business must be present at this meeting in the event that the city council has questions regarding the license application. If there is no representation and questions arise, the item may be postponed.

Please contact our office directly with questions at (207) 874-8557 or at bl@portlandmaine.gov.

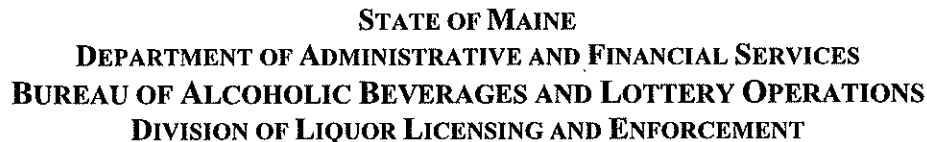
Sincerely,

Zachary J. Lenhert
Licensing and Housing Safety Manager

Legal Advertisement

Notice of Public Hearing City of Portland

A Public Hearing will be held on August 19, 2024 at 4:00 P.M., in City Council Chambers, 389 Congress St. for approval of First Tracks Investments LLC, dba Oddfellahs. Application for Class A Restaurant/Lounge at 55 Market Street - Sponsored by Danielle P. West, City Manager



All Questions Must Be Answered Completely. Please print legibly.

Division Use Only	
License No:	
Class:	By:
Deposit Date:	
Amt. Deposited:	
Payment Type:	
OK with SOS: Yes ☐ No ☐	

**Section I: Licensee/Applicant(s) Information;
Type of License and Status**

Legal Business Entity Applicant Name (corporation, LLC):	Business Name (D/B/A):
First Tracks Investments, LLC	Oddfellahs
Individual or Sole Proprietor Applicant Name(s):	Physical Location:
	55 Market Street Portland, ME 04101
Individual or Sole Proprietor Applicant Name(s):	Mailing address, if different:
Mailing address, if different from DBA address:	Email Address:
42 Market Street Portland, ME 04101	mcianchette@theregency.com
Telephone # Fax #:	Business Telephone # Fax #:
207-774-1000 X118 207-774-2946	207-774-1000
Federal Tax Identification Number:	Maine Seller Certificate # or Sales Tax #:
271581635	1190-9915
Retail Beverage Alcohol Dealers Permit:	Website address:
N/A	

1. New license or renewal of existing license? ☒ New Expected Start date: 09/10/2024
☐ Renewal Expiration Date: _____
2. The dollar amount of gross income for the licensure period that will end on the expiration date above:
Food: _____ Beer, Wine or Spirits: _____ Guest Rooms: \$ 0.00
3. Please indicate the type of alcoholic beverage to be sold: (check all that apply)
☒ Malt Liquor (beer) ☒ Wine ☒ Spirits

4. Indicate the type of license applying for: (choose only one)

- | | | |
|--|---|---|
| ☐ Restaurant
(Class I, II, III, IV) | ☒ Class A Restaurant/Lounge
(Class XI) | ☐ Class A Lounge
(Class X) |
| ☐ Hotel
(Class I, II, III, IV) | ☐ Hotel – Food Optional
(Class I-A) | ☐ Bed & Breakfast
(Class V) |
| ☐ Golf Course (included optional licenses, please check if apply)
(Class I, II, III, IV) | ☐ Auxiliary | ☐ Mobile Cart |
| ☐ Tavern
(Class IV) | ☐ Other: _____ | |
| ☐ Qualified Caterer | ☐ Self-Sponsored Events (Qualified Caterers Only) | |

Refer to Section V for the License Fee Schedule on page 9

5. Business records are located at the following address:

42 Market Street Portland, ME 04101

6. Is the licensee/applicant(s) citizens of the United States? ☒ Yes ☐ No

7. Is the licensee/applicant(s) a resident of the State of Maine? ☒ Yes ☐ No

NOTE: Applicants that are not citizens of the United States are required to file for the license as a business entity.

8. Is licensee/applicant(s) a business entity like a corporation or limited liability company?

☒ Yes ☐ No If Yes, complete Section VII at the end of this application

9. For a licensee/applicant who is a business entity as noted in Section I, does any officer, director, member, manager, shareholder or partner have in any way an interest, directly or indirectly, in their capacity in any other business entity which is a holder of a wholesaler license granted by the State of Maine?

☐ Yes ☒ No

☐ Not applicable – licensee/applicant(s) is a sole proprietor

10. Is the licensee or applicant for a license receiving, directly or indirectly, any money, credit, thing of value, endorsement of commercial paper, guarantee of credit or financial assistance of any sort from any person or entity within or without the State, if the person or entity is engaged, directly or indirectly, in the manufacture, distribution, wholesale sale, storage or transportation of liquor.

☐ Yes ☒ No

If yes, please provide details: _____

11. Do you own or have any interest in any another Maine Liquor License? ☐ Yes ☐ No

If yes, please list license number, business name, and complete physical location address: (attach additional pages as needed using the same format)

Name of Business	License Number	Complete Physical Address
First Track Investments, LLC	CAR-2024-15905	42 Market Street Portland, ME 04101

12. List name, date of birth, place of birth for all applicants including any manager(s) employed by the licensee/applicant. Provide maiden name, if married. (attach additional pages as needed using the same format)

Full Name	DOB	Place of Birth
Michael J. Cianchette	07/28/1984	Portland, ME
Eric L. Cianchette	04/11/1950	Bangor, ME
Residence address on all the above for previous 5 years		
Name	Address:	
Michael J. Cianchette	17 Fieldstone Lane Falmouth, ME 04105	
Name	Address:	
Eric L. Cianchette	178 Woodville Road Falmouth, ME 04105	
Name	Address:	
Name	Address:	

13. Will any law enforcement officer directly benefit financially from this license, if issued?

☐ Yes ☒ No

If Yes, provide name of law enforcement officer and department where employed:

14. Has the licensee/applicant(s) ever been convicted of any violation of the liquor laws in Maine or any State of the United States? ☐ Yes ☒ No

If Yes, please provide the following information and attach additional pages as needed using the same format.

Name: _____ Date of Conviction: _____

Offense: _____ Location: _____

Disposition: _____

15. Has the licensee/applicant(s) ever been convicted of any violation of any law, other than minor traffic violations, in Maine or any State of the United States? ☐ Yes ☒ No

If Yes, please provide the following information and attach additional pages as needed using the same format.

Name: _____ Date of Conviction: _____

Offense: _____ Location: _____

Disposition: _____

16. Has the licensee/applicant(s) formerly held a Maine liquor license? ☒ Yes ☐ No

17. Does the licensee/applicant(s) own the premises? ☐ Yes ☒ No

If No, please provide the name and address of the owner:

CF 164, LLC 42 Market Street Portland, ME 04101

18. If you are applying for a liquor license for a Hotel or Bed & Breakfast, please provide the number of guest rooms available: _____

19. Please describe in detail the area(s) within the premises to be licensed. This description is in addition to the diagram in Section VI. (Use additional pages as needed)

Entry location will be 21+ _____

20. What is the distance from the premises to the **nearest** school, school dormitory, church, chapel or parish house, measured from the main entrance of the premises to the main entrance of the school, school dormitory, church, chapel or parish house by the ordinary course of travel?

Name: Cathedral of the Immaculate Conception

Distance: 0.5 miles

Section II: Signature of Applicant(s)

By signing this application, the licensee/applicant understands that false statements made on this application are punishable by law. Knowingly supplying false information on this application is a Class D Offense under Maine's Criminal Code, punishable by confinement of up to one year, or by monetary fine of up to \$2,000 or by both.

Please sign and date in blue ink.

Dated: 07/29/2024



Signature of Duly Authorized Person

Michael J. Cianchette

Printed Name Duly Authorized Person

Signature of Duly Authorized Person

Printed Name of Duly Authorized Person

Section III: For use by Municipal Officers and County Commissioners only

The undersigned hereby certifies that we have complied with the process outlined in 28-A M.R.S. §653 and approve this on-premises liquor license application.

Dated: _____

Who is approving this application? ☐ Municipal Officers of _____

☐ County Commissioners of _____ County

- ☐ **Please Note:** The Municipal Officers or County Commissioners must confirm that the records of Local Option Votes have been verified that allows this type of establishment to be licensed by the Bureau for the type of alcohol to be sold for the appropriate days of the week. Please check this box to indicate this verification was completed.

Signature of Officials	Printed Name and Title

**This Application will Expire 60 Days from the date of
Municipal or County Approval unless submitted to the Bureau**

Included below is the section of Maine's liquor laws regarding the approval process by the municipalities or the county commissioners. This is provided as a courtesy only and may not reflect the law in effect at the time of application. Please see <http://www.mainelegislature.org/legis/statutes/28-A/title28-Asec653.html>

§653. Hearings; bureau review; appeal

1. Hearings. The municipal officers or, in the case of unincorporated places, the county commissioners of the county in which the unincorporated place is located, may hold a public hearing for the consideration of applications for new on-premises licenses and applications for transfer of location of existing on-premises licenses. The municipal officers or county commissioners may hold a public hearing for the consideration of requests for renewal of licenses, except that when an applicant has held a license for the prior 5 years and a complaint has not been filed against the applicant within that time, the applicant may request a waiver of the hearing.

A. The bureau shall prepare and supply application forms.

Section VI Premises Floor Plan

In an effort to clearly define your license premise and the areas that consumption and storage of liquor authorized by your license type is allowed, the Bureau requires all applications to include a diagram of the premise to be licensed.

Diagrams should be submitted on this form and should be as accurate as possible. Be sure to label the following areas: entrances, office area, coolers, storage areas, display cases, shelves, restroom, point of sale area, area for on-premise consumption, dining rooms, event/function rooms, lounges, outside area/decks or any other areas on the premise that you are requesting approval. Attached an additional page as needed to fully describe the premise.

SEE ATTACHED

Section VII: Required Additional Information for a Licensee/Applicant for an On-Premises Liquor License Who are Legal Business Entities

Questions 1 to 4 of this part of the application must match information in Section I of the application above and match the information on file with the Maine Secretary of State's office. If you have questions regarding your legal entity name or DBA, please call the Secretary of State's office at (207) 624-7752.

All Questions Must Be Answered Completely. Please print legibly.

1. Exact legal name: First Tracks Investments, LLC
2. Doing Business As, if any: Oddfellahs
3. Date of filing with Secretary of State: 04/11/2008 State in which you are formed: Maine
4. If not a Maine business entity, date on which you were authorized to transact business in the State of Maine:

5. List the name and addresses for previous 5 years, birth dates, titles of officers, directors, managers, members or partners and the percentage ownership any person listed: (attached additional pages as needed)

Name	Address (5 Years)	Date of Birth	Title	Percentage of Ownership
Michael J. Cianchette	17 Fieldstone Lane Falmouth, ME	07/28/1984	Manager	
Eric L. Cianchette	178 Woodville Road Falmouth, ME	04/11/1950	Manager	
Cianchette Family LLC	42 Market St. Portland, ME 04101	09/23/1999	Owner	100.0000

(Ownership in non-publicly traded companies must add up to 100%.)

Beef Chili

Steam Table (can be prepped on property)

Clam Chowder

Steam Table (PFG bag chowder option is popular)

Jumbo Wings

Plain, Buffalo, Sweet Chili, Nashville Hot

Either a precooked wing or air fryer as option or toaster oven

Bavarian Pretzel/ served with beer cheese

Prepared in toaster over or air fryer/ pub cheese located on steam table)

Chicken Tenders

Plain, Buffalo, Sweet Chili, Nashville Hot

Either a precooked wing or air fryer as option or toaster oven

Loaded Nachos/ add beef or chicken

Items stored in Sandwich unit and toaster oven for service

Turkey Club

Panini Press (Items stored in sandwich unit)

Grilled Reuban

Panini Press (Items stored in sandwich unit)

Cheddar Bacon Tomato Panini

Pulled Pork Panini

Panini Press (Items stored in sandwich unit/ Cook off pork butt in crockpot on property)

Panini Press (Items stored in sandwich unit/ Cook off pork butt in crockpot on property)

Jalapeno Cheddar Sausage Sub

Items stored in Sandwich unit and toaster oven for service

Cranberry Chicken Salad Wrap

Items stored in Sandwich unit

Chicken Ceaser Wrap

Items stored in Sandwich unit

MEMORANDUM
City Council Agenda Item

FROM: Greg Watson, Director

DATE: August 15, 2024

SUBJECT: Order 11-24/25 Approving and Authorizing City Manager to Execute the Amended and Restated Lease Agreement With DBH Portland, LLC, for use of Hadlock Stadium for the Portland Seadogs - Sponsored by the Housing and Economic Development Committee, Pious Ali, Chair

SPONSOR: Councilor Pious Ali, Chair/Housing and Economic Development Committee, meeting held on May 7, 2024, and the vote was 4-0 to forward this to the City Council for approval in substantially in the form as presented.

(If sponsored by a Council committee, include the date the committee met and the results of the vote.)

COUNCIL MEETING DATE ACTION IS REQUESTED:

1st Reading 8/19/2024

Final Action 8/19/2024

Can action be taken at a later date: No

Does this item involve a new contract with the City: Yes, Corporation Counsel's office has reviewed this amended and restated Lease.

PRESENTATION: Greg Watson, 3 Minutes

I. SUMMARY

The existing Lease is able to cover most typical operating expenses but is not adequate to address all current or future capital expenditures that may be necessary to keep the facility in proper condition. In order to address capital requirements imposed by Major League Baseball for affiliated teams, the Portland Sea Dogs need to invest up to \$10 Million in improvements to the City-owned stadium at Hadlock Field, which necessitates an extension to the Lease term from its current September 30, 2028, termination to September 30, 2038.

II. AGENDA DESCRIPTION

This item was reviewed by the Housing and Economic Development Committee at its May 7, 2024, meeting, at which time it voted 4-0 to forward this to the City Council with a recommendation for approval in substantially the form as being presented.

This Amended and Restated Lease Agreement is the result of negotiations with Diamond Baseball Holdings (DBH), the ownership team behind the Portland Sea Dogs, with guidance from the Council's Housing and Economic Development Committee, for continued operations at Hadlock Stadium and Field through September 30, 2038, with DBH to have an option to extend the term for an additional five (5) years thereafter. The current lease expires September 30, 2028. This extended lease would allow for DBH to invest up to \$10 Million in improvements to the stadium to address requirements of Major League Baseball for affiliated teams.

Please see the Financial Impact section, with this Amended and Restated Lease, which increases the annual revenue to the City from \$200,000 to an anticipated \$400,000 to \$475,000 annually.

This item was postponed from the meeting on July 15 to allow additional time to finalize lease provisions requested by Major League Baseball. Five affirmative votes are required for passage after public comment. To make this item effective immediately, staff is requesting that this item be passed as an emergency. Seven affirmative votes are required for passage as an emergency after public comment.

III. BACKGROUND

The existing lease is able to cover most typical operating expenses, but is not adequate to address capital expenditures that may be necessary to keep the facility in proper condition. The proposed lease terms would provide significantly higher revenue to the City to address anticipated capital expenditures for the foreseeable future. The Sea Dogs are also investing up to \$10 million in improvements to the City-owned stadium to address requirements of Major League Baseball for affiliated teams.

IV. INTENDED RESULT AND/OR COUNCIL GOAL ADDRESSED

The intended result is to have the City Council approve the Amended and Restated Lease so that the Portland Sea Dogs and the City can continue their relationship to provide minor league baseball at Hadlock Field, which in turn provides an economic impact on the greater Portland economy, estimated to be at least \$28 Million per year. In addition, having the MLB franchise in the City has other benefits that extend beyond economics that foster a sense of community and local pride.

V. FINANCIAL IMPACT

Terms of the proposed Amended and Restated Lease Agreement are as follows:

Proposed Term – Fifteen (15) Years. The Term will extend through September 30, 2038, and the Club shall have an option to extend the Term for an additional 5 years thereafter.

Annual Rent - \$260,000 per year fixed for the remainder of the extended term.

Parking - The City will manage parking operations and receive all parking related revenue, estimated at \$65,000 per year.

Ticket Revenue Sharing - The Sea Dogs have agreed to allow the City to share in proceeds from ticket sales through a stadium improvement surcharge phased-in over several years. From 2025 - 2026 the City will receive \$.25 of each ticket sold, and then in 2027 through the term of the lease the City will receive \$.50 of each ticket sold to address future capital improvements necessary to maintain the facility.

Comparison to Previous Lease Terms:

Existing Lease Amount	\$200,000	Proposed Lease Amount	\$260,000
Existing Parking Income	\$0	Proposed Parking Income	\$65,000
Existing Ticket Revenue Sharing	\$0	Proposed Ticket Revenue sharing	
		- based on \$.25/ticket 2025-2026	- \$75,000
		- based on \$.50/ticket 2027 - lease term	- \$150,000
Total	\$200,000	Total	\$400,000 - \$475,000

Proposed Improvements - The Sea Dogs are currently proposing up to \$10 million in improvements to the City-owned stadium to meet the requirements of being an MLB affiliated club. The improvements will be focused on creating new and expanded clubhouse facilities for the Sea Dogs and visiting teams, as well as a number of other improvements that will enhance the performance of the facility and the overall fan experience.

The Sea Dogs have received approval from the Maine Legislature for up to \$2 million in proposed tax credits (L.D. 2258) to help defray some of the costs associated with the required improvements to Hadlock field. The nature of the improvements would extend to this City-owned facility beyond the life of the current and proposed lease terms.

VI. STAFF ANALYSIS AND BACKGROUND

The intended result is to have the City Council approve the Amended and Restated Lease so that the Portland

Sea Dogs and the City can continue their relationship to provide minor league baseball at Hadlock Field, which in turn provides an economic impact on the greater Portland economy, estimated to be at least \$28 Million per year. In addition, having the MLB franchise in the City has other benefits that extend beyond economics that foster a sense of community and local pride.

VII. RECOMMENDATION

This item was reviewed by the Housing and Economic Development Committee at its May 7, 2024, meeting, at which time it voted 4-0 to forward this to the City Council with a recommendation for approval in substantially the form as being presented.

VIII. LIST ATTACHMENTS

1. Order 11 - Authorizing the City Manager to Execute and Amended and Restate Lease Agreement with DBH Portland for Hadlock Stadium and Field
2. 2023 Sea Dogs Charitable Contributions Rpt
3. Sea Dogs Community Programs
4. Sea Dogs Impact - Final

Prepared by:

Greg Watson, Director

Date: 08/15/2024

MARK DION (MAYOR)
PIOUS ALI (A/L)
APRIL D. FOURNIER(A/L)
ROBERTO RODRÍGUEZ (A/L)

CITY OF PORTLAND
IN THE CITY COUNCIL

ANNA TREVORROW (1)
VICTORIA L. PELLETIER (2)
REGINA L. PHILLIPS (3)
ANNA BULLETT (4)
KATE SYKES (5)

**ORDER APPROVING AND AUTHORIZING CITY MANAGER TO EXECUTE THE
AMENDED AND RESTATED LEASE AND USE AGREEMENT WITH DBH
PORTLAND, LLC FOR USE OF HADLOCK STADIUM FOR
THE PORTLAND SEADOGS**

ORDERED, that the attached Amended And Restated Lease And Use Agreement with DBH Portland, LLC for use of Hadlock Stadium for the Portland Seadogs is hereby approved in substantially the form attached hereto; and

BE IT FURTHER ORDERED, that the City Council hereby authorizes the City Manager to execute said document in substantially the form attached hereto, and any other related documents necessary or convenient to carry out the intent of said document.

2023 Portland Sea Dogs Charitable Contributions Report

Summary

The Portland Sea Dogs strive to be much more than just a baseball team, we want to be strong, active, contributing members to the City of Portland and the State of Maine. It is important for us to support those who support us to give back to the diverse and vibrant communities that we call home. As a pillar of the community we feel it is our obligation to step up to bat to help make a difference in our community either through donations, gifts, or actions. In 2023, the Sea Dogs made donations to 870 organizations totaling \$447,409.30.

In Stadium Fundraising	\$ 82,009.00
Monetary Donations	\$ 51,829.30
Gift In Kind	\$ 376,571.00
Total	\$ 510,409.30

In-Stadium Fundraising

In-Stadium Fundraising includes monies raised by charitable groups through in-stadium event and/ or programs including group ticket fundraising and in-game events.

Group Ticket Fundraising	\$ 10,364.00
In-Game Events	\$ 71,645.00
Total	\$ 82,009.00

Breakdown:

Organization	Type	Amount
Academy of Dance	Group Ticket Fundraising	\$271.00
Atlantic Dance Arts	Group Ticket Fundraising	\$165.00
Bath Elementary	Group Ticket Fundraising	\$153.00
Brunswick Cal Ripken	Group Ticket Fundraising	\$264.00
Brunswick High School	Group Ticket Fundraising	\$155.00
Challenger Learning Center	Group Ticket Fundraising	\$40.00
CK Burns School	Group Ticket Fundraising	\$99.00
Donate Life	Group Ticket Fundraising	\$345.00
Firehouse Tumbling and Cheer	Group Ticket Fundraising	\$914.00
Gray New Gloucester High School	Group Ticket Fundraising	\$62.00
Gray New Gloucester Raymond Little League	Group Ticket Fundraising	\$372.00
Italian Heritage Center	Group Ticket Fundraising	\$41.00
JDFR Night	Group Ticket Fundraising	\$136.00

Lisbon Junior Athletics	Group Ticket Fundraising	\$354.00
Lyseth Elementary	Group Ticket Fundraising	\$572.00
Maine Homeschool Sports	Group Ticket Fundraising	\$78.00
Massabesic Little League	Group Ticket Fundraising	\$645.00
Monmouth Memorial	Group Ticket Fundraising	\$654.00
Poland Community School	Group Ticket Fundraising	\$183.00
Pride Portland	Group Ticket Fundraising	\$90.00
RSU 1	Group Ticket Fundraising	\$46.00
Saco Bay Rotary	Group Ticket Fundraising	\$4.00
Sanford High School	Group Ticket Fundraising	\$129.00
Scarborough Little League	Group Ticket Fundraising	\$330.00
Scarborough Primary School	Group Ticket Fundraising	\$120.00
Showtime Athletics	Group Ticket Fundraising	\$420.00
South Portland Little League	Group Ticket Fundraising	\$600.00
Trinity Day at Hadlock	Group Ticket Fundraising	\$400.00
Tri-Town Little League	Group Ticket Fundraising	\$423.00
Walk MS Night	Group Ticket Fundraising	\$32.00
Waynflete School	Group Ticket Fundraising	\$1,015.00
Wells Elementary	Group Ticket Fundraising	\$417.00
Wells-Ogunqit Little League	Group Ticket Fundraising	\$249.00
Windsor Youth Sports	Group Ticket Fundraising	\$15.00
WPS	Group Ticket Fundraising	\$322.00
York Little League	Group Ticket Fundraising	\$249.00
	Total	\$10,364.00

Maine Credit Union Leagues' Campaign to End Hunger	Atlantic FCU Sponsored In-Game Event	\$7,080.00
Animal Refuge League	Evergreen FCU Sponsored In-Game Event	\$435.00
Maine Children's Cancer Program	Strike Out Cancer in Kids	\$63,000
Maine Children's Cancer Program	Season Ticket Exchange Donations	\$1,130.00
	Total	\$71,645.00

Monetary Donations

Apex Youth Connections	Jersey Auction	\$4,184.66
Maine Children's Cancer Program	Jersey Auction	\$5,305.50
Make-A-Wish Maine	Jersey Auction	\$ 7,219.14
Through These Doors	Joe Torre Baseball Auction	\$ 120.00
Barbara Bush Children's Hospital	Golf Tournament	\$ 15,000.00
American Cancer Society	Road Race	\$ 20,000.00
	Total	\$51,829.30

Gift In Kind

The giving of goods and service to charitable or community organizations.

Slugger Community Appearances	172	\$ 11,180.00
Merchandise		\$ 10,125.00
Ticket Donation Requests	2512	\$ 26,908.00
Kids Club	15552	\$ 171,072.00
Community Spotlight	1225 Tickets & 49 Tables	\$ 38,975.00
Building Community Tickets	1250	\$ 13,750.00
Volunteer Appreciation Night	239	\$ 2,629.00
Opening Weekend Pavilion Non-Profits	1170	\$ 15,210.00
Civil Rights Night	570	\$ 6,270.00
Pi Day	2,106	\$ 16,848.00
Teacher, School Staff, & Bus Driver Appreciation	637	\$ 5,096.00
Most Improved Student	3,700	\$ 29,600.00
Pre K Graduation	607	\$ 4,856.00
Slugger Reading Challenge	2,064	\$ 16,512.00
Summer Slugger Reading Challenge	563	\$ 4,504.00
High School Night of Champions	142	\$ 1,136.00
Miscellaneous		\$ 2,080.00
	Total	\$ 376,751.00

Individual Community Involvement

In addition to financial donations and gifts in kind, the Sea Dogs front office staff has devoted their time and efforts to numerous community-based organizations.

Geoff Iacuesssa, President & General Manager

Peoples Choice Credit Union	Board Member
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Chris Cameron, Vice President/ Communications & Fan Experience

STRIVE	Steering Committee Member
University of Southern Maine	School of Business Advisory Board Member
University of Southern Maine	Career & Employment Hub Advisory Board Member
Cumberland/ North Yarmouth Little League	Coach

Dennis Meehan, Assistant General Manager/ Sales

Scarborough Little League	President
Little League District 6	Advisory Board
Portland Regional Chamber of Commerce	Board of Directors
Scarborough Community Chamber	Board Member
Town of Scarborough	Ad-Hoc Community Center Committee
Scarborough Soccer Club	Coach
Scarborough Flag Football Club	Coach
Scarborough Little League	Coach

Madison Spencer, Account Executive/ Ticket Sales

Propel	Member
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Justin Kelleher, Account Executive/ Corporate Sales

Propel	Member
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Alex Gastonguay, Account Executive/ Ticket Sales

Sanford Mainers	Volunteer/ Marketing Committee
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Jason Cooke, Head Groundskeeper

South Portland High School	Football Coach
South Portland High School	Baseball Coach

Key Programs

Strike Out Cancer in Kids Program

The Strike Out Cancer in Kids Program is the cornerstone of our fundraising efforts benefitting the official charity of the Portland Sea Dogs, the Maine Children's Cancer Program. For every strikeout thrown by a Sea Dogs pitcher, money is raised through generous donations from businesses and individuals. Additionally various fundraising events are held throughout the season. Each season one child is selected to serve as "Slugger's Kid" and be the poster child for the program, where they get to take part in memorable events such as taking a victory lap around the bases prior to a Sea Dogs game. Since the program's inception in 1995, over five million dollars has been raised for the Maine Children's Cancer Program.



Mother's Day 5K

The annual Mother's Day 5K road race benefits Maine breast cancer patients and research through the American Cancer Society. Over 1,500 runners participated in the 22nd running of the event in 2023, which raised \$20,000.

Slugger Open

Over 30 teams along with Slugger and Sea Dogs players hit the links to raise \$15,000 for the Barbara Bush Children's Hospital.

Safe at Home

The Sea Dogs joined MiLB Charities in teaming up with the Joe Torre Safe At Home Foundation to raise awareness of domestic violence and educate fans about the resources available to help those in need. The Dogs worked locally with Through These Doors.

The Nine

"The Nine" is a Black-community focused outreach platform specifically designed to honor and celebrate the historic impact numerous Black baseball pioneers made on the sport, provide new opportunities for youth baseball and softball participation, further diversify the business of baseball and embrace millions of passionate fans throughout Minor League Baseball's 120 communities nationwide. Named for the number Jackie Robinson wore during his only season playing in MiLB with the Triple-A Montreal Royals in 1946, The Nine connects MiLB teams' existing, Black-community focused development efforts with new national programming and future special events in a coordinated and centralized campaign.

Alces de Maine

The cornerstone of Minor League Baseball's Hispanic fan engagement initiative, Copa de la Diversión or "Fun Cup," is a season-long event series specifically designed to embrace the culture and values that resonate most with participating teams' local U.S. Hispanic/Latino communities.

The Sea Dogs are one of more than 95 Minor League Baseball teams across 36 states participating in the initiative in 2023. Each of the participating MiLB teams will transform its on-field brand to a culturally relevant Hispanic persona, representing an extension of the team's and community's identity.

Holiday at Hadlock

A free community event that the Sea Dogs host each December that is highlighted by Santa's arrival from the North Pole via helicopter landing at second base. Kids get to meet with Santa, enjoy arts & crafts, face painting, games, holiday music, costumed characters, and more. The event is also a collection for Toys-for-Tots, where we donate hundreds of toys for families in need.

Pride Night

Celebrating Pride is a campaign that reinforces MiLB's leadership position as a local community champion via an expansion of its culturally relevant initiatives welcoming all fans to MiLB ballparks nationwide.

Food Drive

The annual Sea Dogs food drive in conjunction with Maine's Credit Unions collects hundreds of food items which are donated to the Good Shepherd Food Bank.

Most Improved Students

The Sea Dogs honored over 5,000 students from Maine this spring as they were selected by their teachers at the "Most Improved Student" from their class during the school year. Each student was presented with a certificate, a complimentary ticket to a game, and were honored in a pre-game ceremony.





Portland Sea Dogs Community Programs

When the Portland Sea Dogs were established, the team had a goal of being more than just a baseball team, the organization wanted to become a strong, active, contributing member of the community. Over the years the Sea Dogs have accomplished this in many ways including ticket donations, creating educational programs, speaking at civic organizations, visiting hospitals, and much more. Here is a small sampling of some of our community programs.

Strike Out Cancer in Kids Program

The Strike Out Cancer in Kids Program was founded in 1995 and raises money for the Maine Children's Cancer Program. For every strikeout thrown by a Sea Dogs pitcher money is generously donated by individuals and organizations to the program, along with other fundraising efforts. Each season a child that has defeated cancer is selected to be "Slugger's Kid" and act as the poster child for the program for the season. **The program has raised over FIVE MILLION dollars!**

Heroes at Hadlock

In conjunction with the Maine Children's Cancer Program Strike Out Cancer in Kids, four times a season we host a child currently being treated at MCCC for a special pregame ceremony on the field. The patient, along with their family, get introduced to the crowd and run around the bases with each team lined up along the baselines giving them high fives. The patient then receives a team autographed bat, a bag full of Sea Dog souvenirs, and enjoys the game from a Skybox.

Most Improved Students

The Portland Sea Dogs Most Improved Student program partners with NextGen 529 and the Alford Scholarship Foundation to honor students throughout the state of Maine for being the Most Improved Student in their class for the year either academically, socially, or behaviorally. Every year the Sea Dogs reward approximately 5,000 students with a complimentary ticket to a game, a certificate honoring their achievement, and recognize them in a pregame ceremony on the field.

Community Spotlight Table

At each of the Sea Dogs' 69 home games, we provide an opportunity for a non-profit organization to have a table at the game to promote their organization to our fan base. Along with the table, each organization receives 25 tickets to the game.

Valentine's Day Bandit Blood Drive

To honor Portland's legendary Valentine's Day bandit, Kevin Fahrman, the Sea Dogs in conjunction with the American Red Cross hosted a blood drive at Hadlock Field, where 36 donors selflessly stepped up to the plate to help save a life.

Mother's Day 5K

The Portland Sea Dogs Mother's Day 5K is one of the largest road races in the state of Maine. The race which has become a family tradition for many is led by Slugger and his mom and raises around \$20,000 annually for breast cancer research and patients through the American Cancer Society.

Slugger Open Golf Tournament

The annual Slugger Open golf tournament benefits the Barbara Bush Children's Hospital. Teams of golfers spend the day with together and then cap the day off at Hadlock Field taking in a Sea Dogs baseball game. All money raised benefits the Barbara Bush Children's Hospital. Since its inception, we have raised more than \$200,000 for BBCH.

Maine Strong Night

In response to the Lewiston tragedy, the Sea Dogs will be hosting a Maine Strong night, where the team will be wearing specially designed Lewiston Strong jerseys that depict the original Maine flag. The jerseys will be auctioned off to benefit the victims of the tragedy. An online auction was also held to benefit the victims. The night will honor the victims and the heroes.

Deaf & Hard of Hearing Awareness Night

In addition to the above and in response to the tragic shooting On October 25, 2023, in Lewiston, Maine, where Maine's Deaf community was greatly affected, the Portland Sea Dogs will host Deaf & Hard of Hearing Awareness Night to grieve, honor, and fundraise for those affected on Wednesday, June 19th.

The Sea Dogs will wear specially designed jerseys that replace the traditional Sea Dogs script with American Sign Language (ASL). The jerseys will be auctioned off after the game to benefit the [Pine Tree Camp's Dirigo Experience](#). Each jersey will be autographed. Check back after the game for auction info. To enhance the fan experience and to create an inclusive experience for members of the deaf community, sign language interpreters will be located on top of each dugout throughout the game. Interpreters will also be available at Guest Services to assist fans with any questions or concerns they may have.

Community Nights

The Sea Dogs are happy to provide a special experience for local communities and businesses here at Hadlock Field. Community Nights are a fun and exciting way for community members to come together, while we celebrate the individuals, organizations, and businesses that make that community special.

Star Wars Night with Make-A-Wish Maine

Each year the Sea Dogs host a special Star Wars-themed game. Among the festivities, the players wear specially designed Star Wars jerseys that are auctioned off to benefit Make-A-Wish Maine. Typically, the auction raised between \$5,000-\$7,500 for Make-A-Wish Main.

William Troubh Community Service Award

The William Troubh Community Service Award was established in April of 2014 to honor Mr. Troubh. The award presented annually recognizes a local citizen who is making a positive impact within the city of Portland. It may be a public employee or private citizen who, through their efforts, makes Portland a great city to live and work.

Mr. Troubh was a lifelong resident of the city of Portland, who dedicated his life to making Portland a great place to live and work. He served multiple terms on the Portland City Council and was Mayor of the city in 1974 and 1975 and again in 1983 and 1984. Troubh was instrumental in bringing the Portland Sea Dogs to the city in 1994.

Campaign to End Hunger

In a partnership with Atlantic Federal Credit Union, for every run the Sea Dogs score, \$10 is donated to the Maine Credit Union League's Campaign to End Hunger . Last season the program raised \$7,080.

Food Drive

Every January, the Sea Dogs host a Food Drive to benefit the Good Shepherd Food Bank, where hundreds of food items are donated.

Slugger's Reading Challenge

Slugger and the Sea Dogs realize the value of reading, and encourage students to read by allowing them to earn a FREE ticket to a Sea Dogs' baseball game and FREE day pass to Aquaboggan Water Park!

Slugger's challenge is run through schools to have students read three books above and beyond any school-required reading. Each season the Sea Dogs distribute over 3,000 FREE tickets to students who complete the challenge.

Summer Reading Challenge

Same program as the Slugger's Reading Challenge, but run through town library and summer school library programs to promote kids to keep reading during the summer.

Read Your Way to Opening Day

The Sea Dogs team with the Portland Recreation Department throughout the winter to encourage participants of the after-school program to read. Students who hit age-appropriate benchmarks receive a free ticket to Opening Day and are honored with a parade around the warning track prior to the game. In 2024 we gave 1,079 tickets to students and their families for Opening Day.

Move More Challenge

The Sea Dogs partner with Let's Go 5-2-1-0 to promote healthy living in kids. Kids can earn a free ticket to a Sea Dogs game by completing 1 or more hours of physical activity a day for one week, to help them develop good habits and a healthy lifestyle.

Education Days

Twice a year the Sea Dogs host Education Days at the ballpark, where the game has a special 11:00 AM start allowing school groups to attend. The pregame is filled with special educational presentations from places such as the Gulf of Maine Research Center, EcoMaine, Mad Science, Maine Audubon, and more. Additionally, each student is presented with a workbook that follows the common core standards, that utilizes baseball as a teaching tool, such as how to use math to calculate a player's batting average.

Civil Rights Night

All students in Maine that are involved in a Civil Rights program through their school are recognized at our annual Civil Rights Night at the Ballpark.

Pi Night

With our Pi Night promotion, the Sea Dogs challenge students to try and recite as many places of Pi from memory that they are able to. We encourage teachers to hold the competition on Pi Day, March 14th, and to get as many students involved as possible. The Sea Dogs are partnered with OTTOs pizza for this promotion. Each participant is awarded a free ticket to our Pi Night game in May, and a coupon for a free slice of pizza from OTTOs. Each school winner receives a ticket and a \$15.00 gift card to OTTOs, and the overall winner receives four tickets, a \$250.00 OTTOs gift card, and a Sea Dogs swag bag. For the 2024 season, there were a little over 3,600 tickets given out to students for participating in the challenge.

Pre-K Graduation

The Sea Dogs host a Pre-K Graduation Night every year. With this event, we encourage Pre-K schools and groups to sign their classrooms up to come out and be recognized. The classrooms are invited out to Hadlock in May, and they do a parade around the field and are recognized at home plate as they pass by. After the parades are done, they are welcome to stay for the game and enjoy a fun night of baseball! For the 2024 season, there were around 1,150 tickets given out to Pre-K students to be recognized for graduating and moving on to Kindergarten.

Teacher Appreciation Night & Bus Driver Appreciation Night

The Sea Dogs are proud to be able to recognize our teachers for their hard work and helping shape the minds of our children. With this program, principals all over the state of Maine are encouraged to

nominate their teachers, substitutes, bus drivers, and other school staff members that they believe have gone above and beyond for their students. These teachers are then invited to a game during April vacation and are recognized for all of their efforts. For the 2024 season, there were 1,000 tickets given out to teachers all over the state of Maine.

Nurse Appreciation Night

Each season, during national Nurse Appreciation Week, the Sea Dogs are proud to recognize nurses for their hard work and dedication to care. Nurses in hospitals, private practices, assisted living, home care and schools are invited onto the field for a pregame parade and a recognition behind homeplate. This promotion typically recognizes between 200-300 nurses annually.

Volunteer Appreciation Night

Each season the Sea Dogs work with Maine nonprofits to recognize all volunteers that donate countless hours to help and improve their communities. Organizations nominate their volunteers and each nominee receives 2 free tickets to the game. The Sea Dogs also work with the Maine Commission for Community Service to recognize volunteers on their Roll of Honor. This promotion recognizes 400+ volunteers every season.

Administrative Professionals Night

The Sea Dogs set a game each season to recognize all administrative assistants (professionals) who help their organizations run smoothly. Each admin professional nominated by their organization receives 2 free tickets to the game and is recognized in a special pre-game ceremony on the field. This promotion recognizes 75+ admin professionals every season.

First Responders Night

First Responders Day, a special occasion dedicated to honoring the bravery, dedication, and selfless service of our community's first responders. This event is an opportunity for us to show our appreciation for the heroes who are always there for us in times of need. There is a segment to honor a "Hometown Hero." This is someone from our community who has gone above and beyond in their role as a first responder, making a significant impact on the lives of others through their extraordinary courage and compassion. First Responders Day is more than just an event; it's a demonstration of our collective gratitude for the men and women who put their lives on the line to keep us safe. We come together as a community to show our unwavering support and appreciation for these remarkable individuals.

National Marrow Donor Program/ Be the Match

The National Marrow Donor Registry Program was set up to find donors for bone marrow and cord blood to assist in the treatment of cancer and other blood-borne illnesses. The Sea Dogs have hosted an annual registration drive and awareness campaign at the ballpark, each year highlighting a Mainer in our local communities who is now in remission due to the life saving efforts of the Marrow Donor Program and willing donors while encouraging our fans to enroll in the registry as a potential donor.

Military Appreciation Day

Every season the Sea Dogs pay tribute to our Military members and host a game in their honor. For the last few seasons, we have partnered with The Summit Project Maine to pay tribute to the fallen heroes from Maine that have died during their military service. Additionally, the Sea Dogs Donate 8 Full Season ticket seats (\$4,416.00) to VET TIXX a nonprofit that provides event tickets for veterans in the community.

Play Catch on the Field

Twice a year the Sea Dogs open the ballpark early to allow fans to play catch on the field.

Youth Clinics

The Portland Sea Dogs host several free youth baseball clinics each year, where kids can learn from the pros. The Sea Dog players lead kids of all ages and abilities through various baseball stations and the day ends with an autograph session. The clinic is free and attracts kids from throughout the state.

Kids Run the Bases

Following every Sunday home game the Sea Dogs invite kids 16 and under to run the bases for no additional cost. This is a fan favorite for all our kids.

Play Ball Weekend

One weekend each June is designated as Play Ball Weekend in which the Sea Dogs will take on an initiative to provide baseball opportunities to the youth in the community. Examples of past events include little league takeovers, where we bring the whole Sea Dogs baseball experience to a local little league complete with Slugger, our PA announcer, between inning games, professional grounds crew, music, and more. We've also hosted a free youth clinic at the ballpark and this year we'll be working with the Boys & Girls Club to teach them basic baseball fundamentals.

Kids Take Over the Broadcast

Four kids with an interest in broadcasting are selected to take over the broadcast for a game. Each kid is presented with their own press credential, they interview a player pregame, and get to call an inning live on air.

Pride Night

In June the Sea Dogs use their position as a local community champion to host a Pride Night at the Ballpark to promote inclusivity, acceptance, and equality.

Joe Torre Safe at Home Initiative

For the eighth year, the Sea Dogs and MiLB are teaming up with Joe Torre Safe At Home to raise awareness about domestic violence and educate fans about the local and national resources available to help those in need. As part of the event we auction off an autographed baseball of Hall of Famer Joe

Torre with the proceeds going to a local organization that assists domestic violence victims. Some past recipients include Preble Street Resource Center, Through These Doors, and Safe Voices.

Hope At Bat

Minor League Baseball's annual "Hope At Bat" campaign, in support of the American Cancer Society (ACS), will continue in the 2024 season. The "Hope At Bat" program -- a fundraising and awareness campaign in support of cancer research -- will again be made up of four dates across the MiLB season, where on-field performance by players generated donations to the ACS. The total fundraising goal for four national activation dates will again be \$50,000.

"The Nine"

The Nine" is a Black-community focused outreach platform specifically designed to honor and celebrate the historic impact numerous Black baseball pioneers made on the sport, provide new opportunities for youth baseball and softball participation, further diversify the business of baseball and embrace millions of passionate fans throughout Minor League Baseball's 120 communities nationwide. Named for the number Jackie Robinson wore during his only season playing in MiLB with the Triple-A Montreal Royals in 1946, The Nine connects MiLB teams' existing, Black-community focused development efforts with new national programming and future special events in a coordinated and centralized campaign.

Special Olympics Maine Day

For the last eight seasons we have hosted a discounted picnic for Special Olympics Maine to honor their athletes and coaches at a game each season. We work with partners so the event is at no cost to the athletes and guests and we usually have 400-500 people for the event

Fan Fest

Prior to the season the Sea Dogs host our annual Fan Fest to benefit Make-a-Wish Maine. The event includes dinner, autographs, and a speaking program to introduce the team to our community. All money raised from the event benefits Make-a-Wish Maine.

Holiday at Hadlock

As a thank you to our community, we host a free community event to kick-off the holiday season in December. Holiday at Hadlock is highlighted by Santa's arrival from the North Pole via helicopter as he lands at second base and then greets children. The Sea Dogs also provide free hot chocolate and cookies, make your own s'mores, arts & crafts, face painting, and more. The event is also a Toys-for-Tots collection event, where we are able to donate hundreds of toys to families in need.

Sustainable Maine Night

To recognize local Maine businesses that focus on sustainable business practices that benefit consumers and our climate. Maine has a small percentage of green businesses so this event showcases those making a difference to continue the trend of increasing sustainable efforts within Maine.

Mental Health Awareness Night

The Sea Dogs have partnered with NAMI Maine to host Mental Health Awareness Night at the Park. As part of the night, a portion of ticket sales will be donated back to NAMI Maine to advance mental health support.

Good Neighbor Night

As part of our efforts to be a good neighbor, each year we go out into the community and hand deliver four complimentary tickets to all of our neighbors, both residential and commercial, to simply thank them for being a good neighbor. Through this program we distribute 1,000 tickets to the neighborhood.

Field of Dreams/ Fan Appreciation Day

Since 1997 the Sea Dogs have celebrated our fans at the end of the season with a special pre-game rededication of the cornfield scene from Field of Dreams. We construct a cornfield in centerfield and have our players emerge from that. Following a brief program the players walk through the stands to thank fans for their support. We also have Wish families from Make-a-Wish Maine on the field to meet the players as well.

Read Across America

On Read Across America Day, Sea Dogs staff members and Slugger volunteer to read to students at numerous schools throughout the state.

Internships

The Sea Dogs host 20 local college students studying sport management or a related field as interns each season. This gives the students the key experience they need to pursue a career in their chosen field. Sea Dogs interns have an extremely high track record of success.

Job Shadows

Besides hosting interns each season, the Sea Dogs also host dozens of high school and college students as job shadows throughout the season to introduce students to careers in the sports industry.

Speakers Bureau

The Sea Dogs' Speakers Bureau offers guest speakers to service clubs, civic organizations, schools, and other groups.

Slugger In The Community

Slugger, the first and only minor league sports mascot inducted into the Mascot Hall of Fame, makes over 200 community appearances each season including parades, hospitals, and numerous community events. His in-kind appearances in 2023 totaled \$11,180. Slugger also donates his time in making videos

for fundraising initiatives including: The MaineHealth Radiothon for the Barbara Bush Children's Hospital, Make-A-Wish, Maine Children's Cancer Program, STRIVE, The Red Cross Blood Drive, Maine State Covid Vaccine Initiative, Real Men Wear Pink, Rappel for Rippleffect, American Heart Association, and many more non-profit initiatives.

Donations

The Portland Sea Dogs are committed to being active contributing members of the community. One way that we accomplish this is through our charitable donations. The Portland Sea Dogs make every attempt to fill requests for donations. Any function or group that is holding an event that benefits the community and the people in it is eligible to receive a charitable gift from the Sea Dogs. In 2023, the Sea Dogs granted a total of \$510,409.30 gifts.

Staff in the Community

In addition to financial contributions, the Sea Dogs staff also volunteer their time to numerous community organizations from coaching little leagues to serving on boards and committees.

THE ECONOMIC CONTRIBUTION OF THE PORTLAND SEA DOGS¹

Megan Bailey, Sheldon Green and Todd Gabe²

University of Maine

June 2021

¹ Funding for this project was provided by the Portland Sea Dogs.

² Megan Bailey is a Research Associate in the Margaret Chase Smith Policy Center. Sheldon Green is a Research Assistant in the Margaret Chase Smith Policy Center. Todd Gabe is a Professor in the School of Economics and author of the book *Pursuit of Economic Development: Growing Good Jobs in U.S. Cities and States*.

Executive Summary

The Portland Sea Dogs is a Minor League Baseball team based in Portland, Maine. The team plays in the Double-A Northeast (formerly Eastern) League and serves as the Double-A affiliate of the Boston Red Sox. During the 2019 season, the Portland Sea Dogs hosted 70 games that were attended by over 380,000 fans. The Portland Sea Dogs contribute directly to the Maine economy through both the day-to-day operations of the organization and the spending of fans and visitors who come from outside the area to attend events. These direct effects accounted for \$15.2 million in statewide economic output, 345 full-and-part-time jobs, and over \$5 million in labor income. When considering the multiplier effects, the Sea Dogs contributed \$28 million in total output, 447 full-and part-time jobs and \$9.1 million in labor income.

Highlights of Main Findings

- The Portland Sea Dogs hosted 70 home games in 2019. These games drew over 380,000 fans (see Table 2).
- Using online ticket sales data, it is estimated that 57 percent of the fans in attendance are from the local area and about 16 percent are from outside of Maine (see Table 1, Table 2 and Map 1).
- The economic impact of the Portland Sea Dogs has two main components. First, the Sea Dogs generates an economic impact through its day-to-day operations: e.g., employment, payroll and purchases of goods and services from Maine businesses. Second, Sea Dogs games produce an economic impact through the spending of fans and teams from outside the local area.
- The day-to-day operations of the Portland Sea Dogs has an annual statewide economic contribution, including multiplier effects, of an estimated \$12.8 million in output, 302 full and part-time jobs, and \$4.1 million in labor income (see Table 6).
- Fans and teams that visit from outside the area spend an estimated \$8.4 million annually on travel, lodging and restaurant meals. The total economic impact of this spending,

including multiplier effects, is an estimated \$15.2 million in output, 145 full- and part-time jobs, and \$5.0 million in labor income (see Table 7).

- The overall annual economic contribution of the Portland Sea Dogs - including the organization's day-to-day operations, fan and visiting team expenditures, and their associated multiplier effects - is an estimated \$28.0 million in output, 447 full-and part-time jobs, and \$9.1 million in labor income (see Table 8).

Table of Contents

Background and Introduction	1
Direct Effects	4
Multiplier Effects	5
Overall Impact	6
A Note on the Method	8
Works Cited	10

Background and Introduction

Maine has been home to the Portland Sea Dogs (Double-A affiliate of the Boston Red Sox³) for over 25 years with thousands of attendees from within Maine and across the country each year. In 2019, the year prior to COVID-19, the team hosted 70 home games that were attended by over 380,000 fans - including the team's 10 millionth fan - at Hadlock Field. Notably, the games were attended by at least one person from each state⁴. Table 1, below, lists the top ten attendee home locations.

The organization provides access to athletic events as well as general family friendly entertainment in Maine's largest city - with many of the games throughout the year offering promotional events such as fireworks or a free gift (see Table 2).

Table 1. Top Attendee Home Locations

Portland Sea Dog Fan/Visitor Origin	Percent
Maine	84%
Massachusetts	6%
New Hampshire	4%
New York	0.9%
Connecticut	0.6%
Florida	0.5%
Illinois	0.5%
Vermont	0.3%
International	0.3%
Pennsylvania	0.3%
All Others	3%

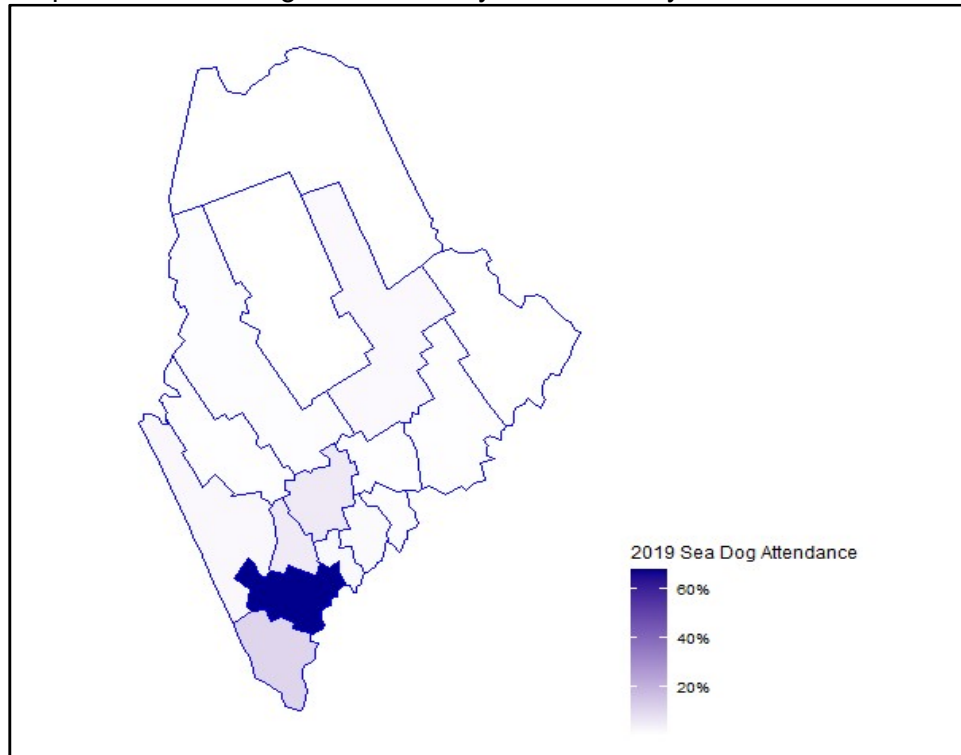
Notes: Visitor origin was identified using online ticket sales data provided by the Portland Sea Dogs.

³ From 1993 to 2002 the team was an affiliate of the Florida Marlins.

⁴ Based on online ticket sales data provided by the Portland Sea Dogs.

While people from across the country attended Sea Dogs games in 2019, 84% of attendees came from within Maine (Table 1). The majority of 2019 Maine-based attendees came from Cumberland County; however, there were attendees from every county across the state (see Map 1, below).

Map 1. 2019 Sea Dog Attendance by Maine County



The purpose of this study is to examine the statewide economic contribution of the Portland Sea Dogs in Maine. Economic contribution is defined as the output (i.e., revenue), employment and labor income (e.g., wages and salaries) that are directly associated with the Portland Sea Dogs - including the organization's day-to-day operations, fan, and visiting team expenditures - as well as the multiplier effects that are supported by the spending of the Sea Dogs organization, its employees, fans, and visiting teams from outside the local area.

Table 2. Summary of Portland Sea Dogs 2019 Season Home Games

Dates	Series	Games Played	Total Series Attendance	Promotional Event
4/4-4/7	Harrisburg Senators	4	22,691	Schedule Magnet
4/8-4/10	Altoona Curve	3	7,015	Sea Dog Team Photo
4/18-4/20	Richmond Flying Squirrels	3	11,169	25th Anniversary Hat
4/22-4/24	Harrisburg Senators	3	7,800	
5/2-5/5	Altoona Curve	4	25,216	
5/7-5/9	Harrisburg Senators	3	9,846	
5/13-5/15	Harrisburg Senators	3	10,028	Joan Benoit Samuelson Bobblehead
5/24-5/27	Altoona Curve	4	28,828	Fireworks
6/4-6/6	Richmond Flying Squirrels	3	14,494	Jackie Bradley JR Bobblehead
6/7-6/9	Bowie Baysox	3	17,945	
6/21-6/23	Harrisburg Senators	3	21,816	Fireworks
6/24-6/26	Harrisburg Senators	3	12,714	Brock Holt Bobblehead
7/1-7/3	Richmond Flying Squirrels	3	17,501	Fireworks
7/11-7/14	Altoona Curve	4	25,556	
7/22-7/24	Harrisburg Senators	3	16,676	
7/25-7/28	Harrisburg Senators	4	24,970	Mookie Betts Bobblehead; Fireworks
8/6-8/8	Erie SeaWolves	3	17,801	
8/9-8/11	Akron RubberDucks	3	20,735	
8/19-8/21	Harrisburg Senators	3	15,764	Andrew Benintendi Bobblehead
8/22-8/25	Richmond Flying Squirrels	4	27,028	Fireworks
8/30-9/02	Harrisburg Senators	4	25,223	Field of Dreams/Fan Appreciation Day

Note: Data provided by the Portland Sea Dogs; Promotional events occurred during only game during the series; fan attendance is only counted once for double header events which take place on the same day.

Direct Effects

Expenses

Total Portland Sea Dogs expenditures during 2019 were approximately \$4.9 million. Direct expenditures are costs associated with the day-to-day operations of the Portland Sea Dogs. The largest expense is payroll (\$2.2 million) but expenditures also include direct purchases for goods and services. The organization directly employed 245 full- and part-time workers in 2019.

Table 3. Portland Sea Dogs Expenditures

Category	Percent
Administrative	18%
Concessions & Souvenirs	16%
Other Facility & Game	23%
Payroll	44%

Notes: Administrative costs include taxes, advertising, front office and insurance costs; Other Facility & Game costs include team, game, and facility costs; data provided by the Portland Sea Dogs

Visitors and fans from outside of the local area (including the traveling teams) spent approximately \$8.4 million on tourism expenditures such as transportation, food, and lodging.⁵

Table 4. 2019 Attendee Trip Type

Hours Drive	Visitor Type	Percentage of Online Ticket Sales
Hours ≤ 0.5	Local	57.1 %
0.5 < Hours ≤ 3	Day Trip	35.1 %
3 < Hours	Overnight	7.8 %

Notes: Percentages are based on online ticket sales data provided by the Portland Sea Dogs; hours' drive was calculated using the R package googleway; percentages are calculated using attendance data from the entire 2019 season; variation in visitor type was noted across the season (see Figure 1, page 9) and this variation was used when estimating the visitor types of "walk-up" ticket sales for whom no origin data was available; travel distances are generally similar to results found in a 2018 report by Digital Research Group.

⁵ This figure is based on fan and traveling team size estimates provided by the Portland Sea Dogs for 70 home events. Tourism expenditures were based on visitor spending data from the Maine Office of Tourism (Annual Report, by Davidson-Peterson Associates), the federal reimbursement rate for Portland, the cost of hotels in the Portland area gathered from various online sources, and the assumption that one meal was had at the ballpark. It is also assumed that overnight guests only spent one night in the Portland area.

Revenue

Total revenues for the organization in 2019 were approximately \$6.7 million. The majority of revenues are derived from ticket sales (34%) and concessions (31%). A quarter of revenues comes from sponsorships and the remainder comes from the sale of souvenirs.

Table 5. Portland Sea Dogs Sources of Revenue

Category	Percent
Ticket Sales	34%
Concessions	31%
Souvenirs	10%
Sponsorships	25%

Note: Data provided by the Portland Sea Dogs.

Multiplier Effects

Every dollar that is spent on local purchases by the Portland Sea Dogs, employees, fans and visitors circulates through Maine's economy and is used by other businesses and organizations to pay their employees, taxes, and purchase more goods and services. This "multiplier effect" is a crucial component to consider when studying the total statewide economic contribution of the Portland Sea Dogs.

Table 6 shows information on the estimated annual statewide economic impact of the Portland Sea Dogs day-to-day operations. According to figures provided by the organization, the direct output of \$6.8 million supports 245 full-and part-time jobs, providing \$2.2 million in labor income. Including multiplier effects, the annual operations of the Sea Dogs would have an annual economic impact of an estimated \$12.8 million in output, 302 full- and part-time jobs, and \$4.1 million in labor income.

Table 6. Annual Statewide Economic Contribution of the Portland Sea Dogs: Operations

	Direct Impact	Multiplier Effects	Total Impacts
Output	\$6,796,490	\$5,991,290	\$12,787,780
Employment	245	57	302
Labor Income	\$2,155,000	\$1,958,166	\$4,113,166

Notes: Direct output (operating revenue), employment and labor income figures were provided by the Portland Sea Dogs. Multiplier effects are estimated using an regional input-output model (IMPLAN) of the Maine economy. Employment impacts in IMPLAN do not distinguish between full- and part-time jobs.

Table 7 shows information on the estimated annual statewide economic impact of fans and visitors (including traveling teams) attending Portland Sea Dogs events. Including multiplier effects, the fans and visitors from outside the local area would have an annual economic impact of an estimated \$15.2 million in output, 145 full- and part-time jobs, and \$4.9 million in labor income.

Table 7. Annual Statewide Economic Contribution of the Portland Sea Dogs: Fan and Visiting Team Expenditures.

	Direct Impact	Multiplier Effects	Total Impacts
Output	\$8,400,890	\$6,845,734	\$15,246,623
Employment	100	45	145
Labor Income	\$2,865,449	\$2,126,141	\$4,991,590

Notes: The direct output (i.e. spending) figure is based on attendance information provided by the Portland Sea Dogs as well as the number of home events and away team travel party size. Information on hotel rates for home events are estimated from various hotel/travel websites and the federal reimbursement rate for Portland. Tourism expenditures are also based on visitor spending data from the Maine Office of Tourism (Annual Report, Davidson-Peterson Associates). Direct employment, direct labor income and all associated multiplier effects are estimated using a regional input-output model (IMPLAN) of the Maine economy. The IMPLAN model generates employment based on the amount of spending in a sector, and the average amount of revenue generated per worker annually. The direct employment impact of 100 full-and-part time jobs can be interpreted to mean that \$8.4 million of spending on lodging, travel, and restaurant meals would support that many jobs annually. Since the fan and visiting team spending takes place on the day of a home event, the actual number of jobs supported is likely higher than 145, but many of them are temporary.

Overall Impact

The *overall* annual economic contribution of the Portland Sea Dogs - including the organization's day-to-day operations, fan and visiting team expenditures, and their associated multiplier effects - is an estimated \$28 million in output, 447 full- and-part-time jobs, and \$9.1 million in labor income.

Table 8. Annual Statewide Economic Contribution of the Portland Sea Dogs: Operations and Fan and Visiting Team Expenditures

	Direct Impact	Multiplier Effects	Total Impacts
Output	\$15,197,380	\$12,837,024	\$28,034,403
Employment	345	102	447
Labor Income	\$5,020,449	\$4,084,307	\$9,104,756

Notes: Impact figures are the sum of the values shown in Tables 6 and 7.

The Portland area and communities around the state benefit from the presence of the Sea Dogs in other ways as well. Literature has shown that mid-market minor league teams are a positive local amenity and increase quality of life outside of the purely economic impacts (Agha and Coates, 2015). For example, local teams may create an atmosphere of excitement and foster civic pride. Additionally, Sea Dogs (the employees, players and the organization as a whole) contribute to Portland and Maine overall through their philanthropic efforts (e.g., the "Strike Out Cancer in Kids" program which raises funds for the Maine Children's Cancer Program). These impacts are not insignificant; however, they were difficult to capture given the parameters of this study. Future work should include a survey of fans, team members, and local residents to better capture these impacts.

A Note on the Method

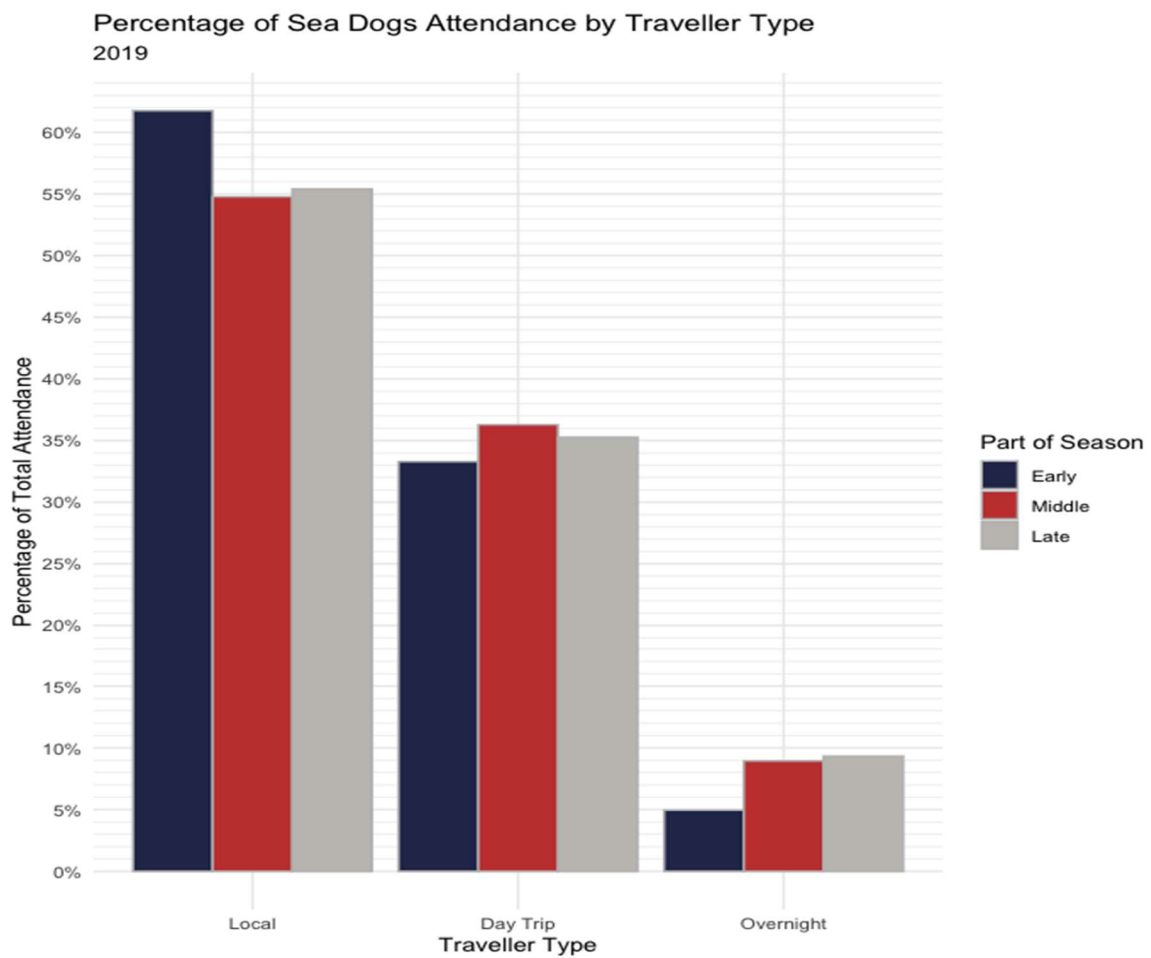
With any economic impact contribution or impact assessment focused on the analysis of an event (or series of events), it is necessary to estimate the number of attendees and expenditures per person and then estimate the event's multiplier effects using a regional economic model. Even when the number of attendees is known, as is the case here, it can be a challenge to estimate per-person expenditure figures - especially without having done a survey.

When looking at the online ticket sales and total attendance data, it was necessary to identify trip types (group visitors into 'local', 'day' and 'overnight' trip categories) to estimate trip expenditures. This estimation had to be done both for the attendees for which addresses (ZIP codes) are known and those who purchased "walk-up" tickets and therefore provided no home address information. For the attendees with known addresses, estimates of trip type were made based on travel (driving) distance from Portland.⁶ An analysis of trends over the 2019 season highlighted variability in attendance patterns (e.g., 'overnight' fans made up a larger proportion of game attendance later in the season - see Figure 1, below). Therefore, walk-up attendees were not binned into trip types based on a season average (of online ticket sales address data), but based on the averages across three parts of the season ("early", "middle", and "late"). This allowed us to designate attendees to various trip types more accurately, accounting for changes in the make-up of the crowds. Since the spending patterns across the three trip types are unique, accounting for this rising share of attendance from the 'overnight' group allows us to more accurately estimate total fan spending.

This study utilized the 2019 IMPLAN regional economic model for Maine to estimate the multipliers and direct employment and labor income figures associated with the fan and visiting team expenditures. The model accounts for over 500 industries to estimate regional and industry-specific economic impact. This includes data on transactions occurring between local businesses, spending patterns for households, and transactions occurring between local businesses and the rest of the world. IMPLAN uses data from County Business Patterns from the U.S. Census Bureau, Regional Economic Information System and the Bureau of Economic Analysis as well as the ES-202 statistics from the Bureau of Labor Statistics.

⁶ Notably, this assumes that billing ZIP codes provided through the online ticket sales portal reflects the attendees' home address.

Figure 1.



Works Cited

Agha, N. & Coates, D. (2015). A compensating differential approach to valuing the social benefit of Minor League Baseball. *Contemporary Economic Policy*, 33(2), 285-299.
DOI:10.1111/coep.12080

George Rheault

Attachments

Sun, Aug 18, 11:32 AM (1 day ago)

to Public, Mark, Pious, April, Roberto, Anna, Victoria, Regina, Anna, Kate, Danielle, Michael

Why is the draft Amended & Restated Lease Agreement the Council is considering for approval not included in the meeting packet? Attached is the lease now in effect.

There should be a redline version as well so that the public can see what has changed between the existing, currently-in-force, lease and the new proposed lease.

The public should be able to judge whether the City has negotiated itself a good deal, or at least a better deal than what was created decades ago. Portland is a huge part of the success of the Sea Dogs and we should be sharing that success directly and not just in "trickle down" ways such as "the fans often go out to dinner in Portland before or after a game..."

REVISED AND RESTATED LEASE
AGREEMENT BETWEEN
THE CITY OF PORTLAND
AND
PORTLAND MAINE BASEBALL, INC.
FOR
PREMISES KNOWN AS
HADLOCK FIELD AND RELATED
FACILITIES LOCATED AT
PARK AVENUE, PORTLAND, MAINE ~~THE~~

¹
TABLE OF CONTENTS

ARTICLE 1 . DEFINITI ONS	2	ARTICLE 2 .
SUBJECT P PREMISES	7	ARTICLE 3.

MUTUAL REPRESENTATIONS : GUARANTY	9	ARTICLE 4.
TERM	10	ARTICLE 5 . RENT
.	11	ARTICLE 6 . CLUB'S USE OF LEASED
PREMISES	11	ARTICLE 7 . CITY USE OF LEASED
PREMISES	16	ARTICLE 8. CONCESSIONS
.	18	ARTICLE 9 . PARKING
.	21	
ARTICLE 10 . OPERATION , MAINTENANCE AND REPAIR		
OF THE PREMISES	22	
ARTICLE 11 . OPERATING PERSONNEL TO BE SUPPLIED BY CLUB	24	
ARTICLE 12 . UTILITIES	25	ARTICLE 13 .
SCOREBOARDS . SIGNS AND ADVERTISING	26	ARTICLE 14 .
ALTERATIONS BY CLUB	28	ARTICLE 15.
COVENANT AGAINST LIENS	30	ARTICLE 16.
DEFAULT	32	ARTICLE 17. INDEMNIFICATION
.	36	ARTICLE 18 . INSURANCE
.	38	ARTICLE 19 . DAMAGE TO THE PREMISES
.	41	ARTICLE 20 . SUSPENSION OF BASEBALL
.	43	ARTICLE 21. COMPLIANCE WITH LAWS
.	44	ARTICLE 22 . INSPECTION
.	44	

ii

ARTICLE 23 . ASSIGNMENT AND SUBLETTING	45
ARTICLE 24. NO SURRENDER	46
ARTICLE 25 . WAIVER OF REDEMPTION	46
ARTICLE 26. NOTICES	47

ARTICLE 27. OBLIGATIONS TO MAINTAIN FRANCHISE 48

ARTICLE 29 . NO WAIVER 49

ARTICLE 30 . INTERPRETATION 49

ARTICLE 31. ENTIRE AGREEMENT 50

ARTICLE 32. SUCCESSORS BOUND 50

ARTICLE 33. CAPTIONS 50

ARTICLE 34 . PARTIAL INVALIDITY 50

ARTICLE 35 . NO MERGER 51

ARTICLE 36. APPROVAL OF CITY 51

ARTICLE 37 . MEMORANDUM OF LEASE 51

III

REVISED AND RESTATED LEASE AGREEMENT

BETWEEN

THE CITY OF PORTLAND, MAINE,

AND

PORTLAND MAINE BASEBALL, INC.

This is a Revised and Restated Lease and Use Agreement made as of the
day of _____ between the **CITY OF PORTLAND**, _____ a municipal
corporation, having its offices at Portland City
Hall, 389 Congress Street, Portland, Maine 04101, (hereinafter the **CITY**),
and Portland Maine Baseball, Inc. a Maine corporation and owner of the
Eastern League AA Franchise known as the Portland Seadogs with a
principal office located at Hadlock Field, 271 Park Avenue, Portland, ME,
and with a mailing address of P. O. Box 636, Portland, ME 04104
(hereinafter the "**CLUB**"). **W.I.T.N.E.S.S.E.T.H**

WHEREAS, the **CITY** has developed, constructed, operated and
maintained, in conformity with minor league AA baseball standards, an
outdoor stadium and sports facility on property owned by the **CITY** and
located at 271 Park Avenue within the City of Portland (hereinafter the
"**Premises**") and has made provisions for the necessary financing of said
facility; and

WHEREAS, Daniel B. Burke was awarded a franchise by the Eastern
Baseball League of the Professional Baseball Association to operate a AA
baseball team in said league and assigned said franchise to **CLUB**;

WHEREAS, CLUB agreed to locate and maintain such team in the

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Page I
CITY;

WHEREAS, the City and the Club entered into a Lease Agreement
dated November 18, 1993, pursuant to which the Club
leased baseball facilities from the City known as Hadlock Field
and located on Park Avenue, and the City and the Club amended and
extended that Lease Agreement by an Amendment #1 to Lease Agreement

dated June 14, 1999;

WHEREAS, the Club has operated successfully at this site for over 13 years and wishes to extend its Lease Agreement with the City, and the City wishes to have such an extension, and the Club and the City wish to revise certain provisions of the Lease in ways that are beneficial to both the Club and the City;

WHEREAS, the Sea Dogs have committed to expending \$1,7000,000 to construct a clubhouse for the CLUB'S exclusive use during the term of this agreement; and

NOW , THEREFORE, the **CITY** hereby leases to **CLUB** and **CLUB** hereby leases from **CITY** the subject outdoor stadium and sports facility (the "**Premises** ") for baseball and related uses upon the terms and conditions of this Revised and Restated Lease Agreement (the "Revised and Restated Lease" or "Lease") as hereinafter set forth.

ARTICLE 1 . DEFINITIONS

The following words and terms, when used in this Lease, shall, whether used in the singular or in plural, have the following meanings.

0:\OFFICE\CONTRACT\LEASE\Sea Dogs 6-18-07 FINAL LEASE. doc

Page 2

1.1 Baseball Occupancy Period - The period from the 1st day up to of April through September 30 of the year in question, both dates included.

1e **1.2 Baseball Rules** - All rules, regulations, contracts and rules arrangements, which at the time in question, govern the rights and duties and privileges and obligations of **CLUB** as a member of the Eastern League or the National Association of Professional Baseball Leagues, Inc.

1.3 Charity Game - Any baseball game other than an All Star game,

the net proceeds of which are paid to a not-for-profit organization and which includes **CLUB's Club** as one of the participants and, under the baseball rules, is scheduled or required to be played on the **Premises**.

1.4 Concession -The business of selling, renting or furnishing goods or services of any type or kind, including but not limited to food, drink, merchandise, souvenirs and cushions, but excluding the sale of parking privileges.

1.5 Concession Contract Any written agreement entered into between **CLUB** and any person or entity by which there is granted to such person or entity the whole or any part of the rights of **CLUB** to operate concessions in and about the stadium.

1.6 Concession Facilities The facilities for the preparation and service of food and drink and for the sale or rental of other goods and services, including all equipment and fixtures affixed or attached to any part of the concession space

0:\OFFICE\CONTRACT\LEASE\Sca Dogs 6-18-07 FINAL LEASE.doc

Page 3

and all improvements, additions, alterations, equipment, fixtures and installations ~~at~~ constructed, provided or added in or to said space at any time.

1.7 Date Of Readiness - The ~~ie~~ date ~~la~~ designated by **CITY** in a notice served on **CLUB** as the date on which the **Premises** is ready to be used for the purposes of this Lease, which date shall be no later than April 1, 1994; provided, however, that exterior landscaping and similar work which does not materially interfere with beneficial occupancy of the Premises may be completed later. Based upon the availability of asphalt and to the extent reasonable, parking surfaces,

sidewalks and other similar areas of access to the Premises shall be paved upon beneficial occupancy or as soon thereafter as feasible .

1 . 8 **Eastern League** - Any minor league professional baseball League of which **CLUB** is a member **CLUB** any time during the term of this Lease regardless of the name by which such minor league is known or denominated.

1.9 **Eastern League Schedule** The listing which is ☐ officially promulgated by the Eastern League each year setting forth the games to be played by Eastern League teams and the All star game or games for such year, and the dates on which all such games are scheduled to be played.

1.10 **Entity** An individual, partnership, firm, company , association, joint stock association, public or private corporation or other like organization and any unit or branch of

0:\OFFICE\CONTRACT\LEASE\Sea Dogs 6-18-07 FINAL LEASE.doc
Page 4

government or public department, agency or board including but not limited to any department, agency or board of **CITY** .

1 . 11 **Exhibition Game** Any baseball game other than a ☐ regular home game, charity game, playoff ☐ game, interdivisional championship game or inter-league championship game between **CLUB** and any other team which is sanctioned or permitted by the baseball rules and or by the authorities of minor league ☐ baseball having jurisdiction to authorize the playing of such game and which is scheduled to be played in the **Premises** .

1.12 **Force Majeure** (1) act of God, (2) fire, floods, earthquake, blizzard, storm or other casualty, (3) strike, lockout or other labor dispute,

(4) riot , insurrection, civil commotion, sabotage, vandalism or enemy or hostile government action, (5) inability to procure labor, materials or supplies (6) law, statute, ordinance, order, rule or regulation or requirement of any superior governmental authority or any appropriate agency, office or department, board or commission thereof whether now or hereafter in force including, without limitation, rationing restriction in respect of any construction work for the use of labor or materials (7) judicial or other legal restriction or order affecting the performance of any covenant to be performed hereunder, (8) any other condition beyond the reasonable control of a party required to perform hereunder.

1.13 **Home Game** Any regular home game, all star game, exhibition game, charity game, interdivisional championship game,

0:\OFFICE\CONTRACT\LEASE\Sea Dogs 6-18-07 FINAL LEASE.doc
Page 5

playoff game or inter-league series game which under the baseball rules , is scheduled, required, or authorized by the CITY, to be played in the Premises .

1 . 14 **Minor  League ** - The Eastern League or its successor as now or hereafter constituted or organized and recognized as a minor league by the baseball rules and any other leagues existing during the term of this Lease which shall be generally known and recognized as minor leagues and the members of which shall be authorized by the baseball rules to play professional baseball and regularly scheduled competition culminating in a world series.

1 . 15 **Night Game** Any home game or event the scheduled starting time of which is 6 : 00 P.M. or later.

1 . 16 **Other User - CITY** or any entity to whom or which CITY has

granted a use authorization.

1.17 **Playoff Game** - Any baseball game which is scheduled to be played between **CLUB** and another Eastern League team at the conclusion of the regular baseball season and which, under the baseball rules is scheduled, required, authorized or permitted to be played in the stadium .

1.18 **Related Activity** An event or activity which is scheduled or arranged by **CLUB** to be held or take place on the day of any home game or immediately following any home game for the purpose of increasing attendance at home games . If any proposed event or activity is of a kind or character not previously

0:\OFFICE\CONTRACTLEASE\Sea Dogs 6-18-07 FINAL LEASE.doc
Page 6

conducted by a minor league team in conjunction with a baseball game , the prior written approval of the **CITY** shall be required.

1. 19 **Road Trip Period** Each period during a baseball
occupancy period when **CLUB** is scheduled to play one or more
successive games anywhere other than in the Premises

1 . 20 **Use Authorization** Any grant by contract, lease,
rental agreement, license, permit or other authorization, not including
this Lease, entered into or issued by **CITY** with any entity whereby a right
is conferred to use the Premises for an event.

ARTICLE 2. SUBJECT PREMISES

2 . 1 . **CITY** grants to **CLUB**, and **CLUB** hereby accepts from **CITY**, the right to use (for the uses described herein) an outdoor stadium and sports facility and related facilities, i.e. the Premises.

2 . 2 The **Premises** include the stadium, Hadlock Baseball field, (including proper batting cage and fielding safety screens), clubhouse

facilities, enclosed picnic area , office space, press box, restrooms, the shell for concession stands and concession storage , indoor area for additional batting cage and/or pitching area , visitor shower and locker facilities in the adjacent Exposition Building (hereinafter the "Expo"), all space and area , enclosed or unenclosed , within or under the stadium structure, all improvements, fixtures and equipment and exterior ticket booths and other installations owned by **CITY** and used in

0:\OFFICE\CONTRACT\LEASE\Sea Dogs 6-18-07 FINAL LEASE.doc

Page 7

connection with the operation of the stadium and all permanent additions, alterations, fixtures, equipment and installations constructed, provided or added thereto at any time by **CITY** , **CLUB** or any other entity and such other space or structures as agreed upon and required to meet the League standards and requirements.

Field equipment as described in Exhibit B to this Revised and ☐
Restated Lease hereby becomes the property of the Club.

☐

2.3. The Premises shall be available as provided herein for the use of the Club from April 1 through September 30 of each year of this Lease; EXCEPT that the following areas of the Premises shall be available on a year-round basis for the Club's exclusive use:

A) Office space, concession stands, concession storage space and other storage space in the Stadium identified as 'Club space' in the "Master Plann describing the Premises attached to this Revised and Restated Lease as Exhibit C;

B) Sea Dogs clubhouse

C) Private skyboxes; and

D) Private lounge.

2.4 **CITY** has developed and provided the **Premises** in accordance with the minimum mandatory requirements for minor league AA baseball at **CITY's** cost and expense; EXCEPT that **CITY** provided only the shell for concession stands, with utility hookups available, and **CLUB** equipped said stands at its own cost and expense, and **CLUB** shall provide any indoor batting cages . All

O:\OFFICE\CONTRACT\LEASE\Sea Dogs 6- 18-07 FINAL LEASE.doc

Page 8

indoor facilities shall be located at the stadium, Hadlock Baseball Field, or in the Expo. A copy of the mandatory minimum requirements for minor league AA baseball is attached hereto and incorporated herein as Exhibit A.

ARTICLE 3 . MUTUAL REPRESENTATIONS : GUARANTY 3.1 **CITY** hereby represents and warrants that it has the exclusive ownership of the Premises and that it has full authority to enter into this Lease for the use of said Premises. Notwithstanding the foregoing, **CLUB** understands and agrees that the CITY leases the Expo to the Portland School Department, and that **CLUB's** use of the Expo shall be coordinated with said School Department and the Expo's manager.

3. 2 In the event that ownership of the Franchise should, for any reason, during the term of this Lease be assumed or transferred to any entity other than the **CLUB** , said transfer shall be subject to assumption by such entity of all of the rights and obligations under this Lease . In the event that the Controlling Group, as defined below, shall cease to own in the aggregate, beneficially and of record, at least 51% of the voting equity of (a) the CLUB (before any such transfer), or (b) any entity to which the Franchise or

the Lease has been transferred, the CITY shall have a one year option (beginning on the date on which the Controlling Group ceases to own such 51%) to purchase, or arrange for the local purchase, of the Franchise at its then appraised value, subject to the provisions of Major League

O:\OFFICE\CONTRACTS\LEASE\Sea Dogs 6-18-07 FINAL LEASE.doc

Page 9

Rule 36. Said appraisal process shall include two appraisals, one selected and paid for by each party, and a review appraisal, the cost of which shall be shared equally, unless **CLUB** and CITY otherwise mutually agree upon another process. The **CLUB** agrees to execute such additional documents as may be necessary to implement the foregoing, said documents to be in a form reasonably satisfactory to **CITY**. Copies of any such documents shall be provided to CITY. In exercising its option, CITY will comply with all provisions of Major League Rule 36. For purposes of this paragraph, the term "Controlling Group" shall mean any combination of (a) any or all of Daniel B. Burke, his wife, his

children, the spouses of such children, and the lineal descendants of any of the foregoing (all of the foregoing defined as "Burke Family Members"); (b) any trusts or trustees of trusts of which the beneficiaries are one or more Burke Family Members; (c) any guardians, conservators, custodians or nominees for anyone or more Burke Family Members; and (d) any individual Retirement Account, S.E.P., Keogh or similar plan or trust benefiting one or more Burke Family Members.

ARTICLE 4. TERM

4.1 The term of this Lease shall commence at 12:01 a.m. October 1, 1993 and expire at midnight on September 30, 2003, unless sooner terminated as hereinafter provided.

4. 2 The term of this lease was extended in Amendment #1, signed June 14, 1999, through September 30, 2008, with an option to renew through September 30, 2013 .

4 . 3. The term of this Lease is hereby extended for an
 additional fifteen (15) years beyond the option provided for in Amendment #1, through and including September 30, 2028, on the terms and conditions provided herein.

ARTICLE 5. RENT

5 .1. Effective April 1, 2007, and each April 1 thereafter through and including April 1, 2008, **CLUB** shall pay to **CITY** an annual payment of One Hundred and Fifteen Thousand Dollars (\$115, 000). 5 .2 In acknowledgement of the Sea Dogs commitment to finance and construct a new club house, the City shall credit \$50,000 against the annual rent payment due and owing each April 1 beginning in 2009 through the term of the lease .

5 . 3 Effective April 1, 2009 through and including April 1, 2013, **CLUB** shall pay to **CITY** an annual payment based on the following schedule:

- (a) One Hundred and Fifty Thousand Dollars (\$150,000) for every year attendance for the prior season was 325,000 or above;
- (b) One Hundred and Twenty-Five Thousand Dollars (\$125,000) for every year attendance for the prior season was below 325,000 but was 275,000 or above;
- (c) One Hundred Thousand Dollars (\$100,000) for every year

attendance for the prior season was below 275,000.

5.4 Effective April 1, 2014 through and including April 1, 2018, CLUB shall pay to CITY an annual payment based upon the following schedule ☐:

(a) One Hundred and Seventy-Five Thousand Dollars (\$175,000) for every year attendance for the prior season was 325,000 or above;

(b) One Hundred and Fifty Thousand Dollars (\$150,000) for every year attendance for the prior season was below 325,000 but was 275,000 or above;

(c) One Hundred and Twenty-Five Thousand Dollars (\$125,000) for every year

attendance for the prior season was below 275,000. 5.5 Effective April 1, 2019 through and including April 1, 2023, CLUB shall pay to CITY an annual payment based upon the following schedule:

(a) Two Hundred Thousand Dollars (\$200, 000) for every year attendance for the prior season was 325,000 or above;

(b) One Hundred and Seventy-Five Thousand Dollars (\$175,000) for every year attendance for the prior season was below 325,000 but was 275,000 or above;

(c) One Hundred and Fifty Thousand Dollars (\$150, 000) for ☐ every year attendance for the prior season was below 275,000.

5.6 Effective April 1, 2024 through and including April 1, 2028, CLUB shall pay to CITY an annual payment based upon the following schedule:

(a) Two Hundred and Twenty-Five Thousand (\$225,000) for every year attendance for the prior season was 325,000 or above;

(b) Two Hundred Thousand Dollars (\$200,000) for every year attendance for the prior season was below 325,000 but was 275,000 or above;

(c) One Hundred and Seventy-Five Thousand Dollars (\$175,000) for every year attendance for the prior season was below 275,000.

5 . 7 The forgoing payments shall be made in legal tender, said payments to be made at the offices of CITY'S chief fiscal officer or at such other place as CITY may from time to time designate.

5. 8 When payment is based upon attendance of 325, 000 or above , CITY agrees that Fifty Thousand Dollars (\$50,000) of the foregoing payments shall be set-aside each year by CITY in a separate account designated for Hadlock Stadium maintenance and CITY agrees, through its annual budget process, to match the \$50, 000 set-aside each year. As long as the terms of this Agreement are in force, the \$50,000 paid by the team will not be

O:\OFFICE\CONTRACT\LEASE\Sea Dogs 6-18-07 FINAL LEASE.doc
Page 13

diverted for any other purpose by the CITY , regardless of budgetary circumstances .

When payment is based on attendance below 325,000 but at 275,000 or

above, as provided in section 5.3, 5.4, 5.5 and 5.6, the set aside will be reduced to Twenty-Five Thousand Dollars (\$25,000) with a \$25,000 match. When payment is based upon attendance below 275,000, there will not be a set-aside and match, but the CITY and CLUB agree to discuss the issue of ballfield maintenance and the cost-sharing thereof reasonably in advance of the baseball season. "Attendance" as used herein shall be calculated in the same manner as Total Attendance is calculated under the Eastern League Rules and Regulations, as they may be amended from time to time, or under the Rules and Regulations of any other similar successor baseball league of which the CLUB is a member. Attendance for each Baseball Occupancy season shall be reported within sixty (60) days of the close of each season, and shall be the basis for the payment due on the following April.

ARTICLE 6. CLUB'S USE OF LEASED PREMISES

6.1 During each Baseball Occupancy Period, CLUB shall have the exclusive right to use and occupy the Premises (in addition to CLUB's year-round exclusive use space) in connection with the exhibition to the public of home games and for three (3) non- Eastern League baseball events for six (6) hours before the game or the special event time until one (1)

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Page 14

hour after the end of said game or event .

6.2 Within ten (10) days after the official Eastern League Schedule is established for each year, CLUB shall give written notice to CITY or its designee of all home games on said schedule and shall specify not more

than three (3) dates (other than dates of home games reserved by **CLUB**) for non-Eastern League baseball events within the Baseball Occupancy period. A copy of the 1994 Eastern League schedule will be provided to **CITY**. The **CLUB** will make provision during the home game schedule for rescheduling of postponed games or events. If any game or event is rescheduled, **CLUB** shall promptly give notice to **CITY** of such rescheduling. 6.3 During the Baseball Occupancy period, **CLUB** shall have the right to use the playing field for baseball practice, except on days when the Portland or Deering High School Baseball team has scheduled use of the field; provided, however, that such use by the Portland or Deering High School Baseball team shall not interfere with **CLUB's** exclusive use of the field six (6) hours before the start time of a home game.

6.4 **CLUB** shall schedule and play all of its home games at the **Premises**, unless transfer of such games to other locations is necessitated by postponements, the unplayable condition of the playing field or Force Majeure. If **CLUB** is required by the Eastern League schedule to play any baseball game where **CLUB** is designated as the home team elsewhere than in the **Premises**, **CLUB** may do so provided:

0:\OFFICE\CONTRACT\LEASE\Sea Dogs 6-18-07 FINAL LEASE.doc
Page 15

A) no more than five (5) such baseball games are scheduled in any Baseball Occupancy period,

B) no such games shall be played within fifty (50) miles of the Premises, unless approved by the **CITY**, and

C) such arrangement equally affects all baseball teams in the division.

6 . 5 **CLUB** shall have the right to transmit and to license or to authorize others to transmit by any means of communication, including but not limited to radio and television, all or any part of home games and related activities played or conducted in the Premises and any information or data relating thereto, including, without limitation, so called "pre- game" and "post game" shows.

6 . 6. The Club is authorized to postpone home games due to inclement weather, in accordance with Eastern League rules, policies and procedures.

6. 7. The Club is authorized to provide no more than five fireworks displays per season at the Premises, provided the following conditions are met:

A) The Club's use of fireworks conforms to all relevant local, state and federal regulation;

B) The Club arranges for inspection or other oversight by the State Fire Marshal prior to its use of fireworks;

C) The club agrees to defend and indemnify the City .

0 : \OFFICE\CONTRACTS\LEASE\Sca Dogs 6-18-07 FINAL LEASE.doc
Page 16

aga i nst any claims related to the fireworks , carries appropriate ☐
insurance ☐ for the fireworks and names the City as additional
insured on the rel evant insurance policy.

☐

ARTICLE 7 . CITY USE OF LEASED PREMISES

7.1 Except as provided in section 2.3 for **CLUB's** exclusive use storage and office space, **CITY** shall have the right to use, or to permit use of, the Premises without prior notice to or consent by **CLUB** for any date

from October 1 through March 31 of each year of this Lease .

7 . 2 During the Baseball Occupancy Period, **CITY** shall have the right to use, or to permit use of, the Premises for the regular home game and practice schedule of the Portland or Deering High School Baseball Team, and/or for any amateur

baseball Tournament game. Any such uses shall not, however, conflict with the requirement that the premises be available for the use of the **CLUB** at least six (6) hours before any home game or scheduled event .

7.3 **CITY** shall have the right to charge and to retain permit and/or user fees for all use of the Premises by **non- CLUB** entities. **CITY**, or the sponsoring agency, shall further have the right to charge admission fees for such **non- CLUB** events, and all

such fees shall be the property of the **CITY** or the sponsoring agency, as

may be agreed between them. **CITY** , or **CITY** and the

sponsoring agency, as applicable,

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shall be responsible for

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parking, security and clean-up during **non-CLUB** events . **CLUB** agrees, upon request ☐ of **CITY** or the sponsoring agency, to provide some or all of its personnel, to the extent that they are

reasonably available, (e . g. ☐ ticket takers, security, ushers, ☐ groundskeepers etc .) to work at such **non-CLUB** events, at a fee and upon terms to be negotiated between the **CLUB** and the **CITY** or sponsoring agency, as applicable .

7.4 **CITY** shall have the exclusive right to authorize, and to receive all revenue from, the placing and operation of public telephone booths in and upon any and all parts of the Premises but no such booths shall be placed in **CLUB** 'S exclusive use year round space without **CLUB** ' S consent .

7.5 CITY shall provide reasonable notice to CLUB of the name of other users of the Premises and the schedule of their use during the Baseball Occupancy period.

7.6. The City is authorized to postpone games scheduled to be played on the Premises by the Portland or Deering High School Baseball Teams, or any other non-Club event, due to inclement weather.

7.7. Subject to the provisions of Article 6 of this Lease concerning the Club's priority for use of the Premises for Eastern League games, the City shall have the right to use certain rest rooms within the US Cellular Pavilion and Hadlock Field Concourse as follows:

A) The City may provide public access to the rest rooms

0:\OFFICE\CONTRACT\LEASE\Sea Dogs 6-18-07 FINAL LEASE.doc
Page 18

within the US Cellular Pavilion in conjunction with any event held ☐ at Fitzpatrick

Stadium. The City shall be responsible for

cleaning and maintaining these rest rooms after each such event ☐
at the City's sole cost and expense.

☐ ☐

B) The City may provide public access to the rest rooms within the Hadlock Field Concourse in conjunction with the following events held at Fitzpatrick Stadium or the Expo : any Maine Principals' Association tournament event; any Maine Band Directors' Association tournament event; any NCAA event; the annual Thanksgiving football game between Portland and Deering High Schools; any event at Fitzpatrick Stadium for which the City projects total attendance to exceed 3,000; and any event at the Expo for which the City projects total attendance to exceed 2,500. The City shall be responsible for cleaning and maintaining these rest rooms after each such event at the City's sole cost and expense.

ARTICLE 8. CONCESSIONS

8 . 1 **CLUB** shall have the exclusive r ight to sell, rent or furnish concessions in any part of the Premises during home games or events by means of portable or mobile vending devices, by vendors carrying concessions, or automatic vending machines or at stands or booths. The installation of any such machines, stands or booths in any part of the Premises shall be subject to the prior written approval of **CITY** .

8.2 **CITY** shall not permit any other person or entity to

0:\OFFICE\CONTRACT\LEASE\Sea Dogs 6- I 8-07 FINAL LEASE. doc
Page 19

operate any concession in the Premises during home games without the prior written approval of **CLUB** .

8. 3 All ☐ concessions sold, rented or furnished under the rights granted herein shall conform to Federal, state and local ☐ ☐ laws and regulation, and shall be ☐ appropriate items to be sold at league baseball games .

8 . 4 **CLUB** shall have the right to exercise directly, or through a subcontractor, any and all concession rights granted hereunder, subject to the prior written approval of **CITY** of any subcontractor{s). Any subcontract or any such exercise of rights or performance of duties or obligations by any concessionaire or concessionaires shall not relieve **CLUB** of any of its duties or obligations to **CITY** under this Lease or from any liability to **CITY** for any breach thereof.

8.5 **CLUB** shall be entitled to receive and retain all revenues from the operation of all concessions, except as provided in section 8.8 below.

8 . 6 Concession facilities must b e operated for all home games and related activities, except that not all of t he stands or booths for said facil ities need be operated during a given home game and related activity . Determination of the number and location of those facilities to be operated for such home game and related activity shall be made by **CLUB** on the basis of the

advance sale of admission tickets,
determination of attendance .

or other reasonable

8 . 7 **CLUB** will operate a minimum of one (1) concession ☐ facility for ☐ all **non-CLUB** events for which a use authorization has been granted by **CITY**. Determination of the number and

location of facilities to ☐ be operated for such activity shall be made by **CLUB** on the basis of the advance sale of admission tickets, if any, or on actual attendance at the event.

8 . 8. **CLUB** agrees to pay **CITY** ten percent (10%) of its gross concession receipts for food from all of its food concessions at any **non-CLUB** event. Said payment shall be made within thirty (30) days of the event and shall be in addition to any other payments due to **CITY** hereunder . "Gross concession receipts" for purposes of this section shall mean the total of all amounts received by

CLUB , or its subcontractors, from the sale or furnishing of food from or on the Premises in connection with a **non-CLUB** event . Gross concession receipts shall not include sales tax paid or payable on such sales, rentals or furnishings. **CLUB** shall transmit a certified statement of the total of said Gross

concession receipts for food with its payment to **CITY**. 8 . 9 Every user of the **Premises** shall have the right to print or arrange for the printing of such score cards, programs and other literature at its sole cost and expense.

ARTICLE 9. PARKING

9 . 1. Unless the **CLUB** and **CITY** agree otherwise in writing, **CLUB** shall operate, control and manage all Premises ' public

parking areas and the employee and team reserved parking designated ☐ on ☐ said

parking shall be managed in conformity with standards approved by the **CITY** and any fees for parking shall be charged only with the prior written approval of the **CITY**.

9 . 2 **CLUB** at its own expense shall keep all Premises ' parking areas and improvements thereon clean during all hours of any home game and related activity and shall do debris cleanup after said activity.

9 . 3 **CLUB** shall at its own expense provide all personnel required for the operation of all the Premises' parking areas during or for all home games and related activities. **CLUB** agrees to provide personnel when necessary to assist in enforcing parking regulations in surrounding residential areas during home games and related activities.

9 . 4 CLUB will receive the parking revenue related to Sea Dogs games, minus CITY expenses for staffing the lots. ☐

ARTICLE 10 . OPERATION, MAINTENANCE AND REPAIR OF THE PREMISES

10.1 Unless otherwise expressly set forth in this Lease, **CITY** is responsible for the operation, maintenance, and repair of the Premises at **CITY** cost and expense, other than **CLUB'**s year round exclusive use space, which shall be **CLUB'**s responsibility **CITY'**s responsibility shall be to maintain the Premises at no less than the minimum standards required for AA minor league

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Page 22

baseball.

10 . 2 . Effective January 1, 2008, unless otherwise expressly set forth in this Revised and Restated Lease, the Club is responsible for field operation ☐ and maintenance, including winterizing and repairing the field as necessary due to winter conditions. The Club's responsibility shall be to operate, ☐ maintain and repair the

field at no less than the minimum standards required for AA minor league baseball and required by applicable local, state or federal regulation.

10.3. The City shall have the right, pursuant to Article 22 of this Lease, to enter and inspect the Premises for the purpose of determining whether the Premises are being operated, maintained and repaired in accordance with section 10.1. If the City finds that the Premises are being operated, maintained or repaired in violation of that section, the City may order the Club to correct these violations within a reasonable time, or may perform whatever work is required to correct these violations and charge to the Club the costs of such work.

10.4. If the Premises, or any portion thereof, during the term of this Lease are damaged (otherwise than by causes ordinarily covered by "all-risk" fire and extended coverage insurance and excluding normal wear and tear), by the act, default or negligence of the Club, or of the Club's officers, agents, employees, players, invitees, guests, contractors or subcontractors, or any person admitted to the Premises by the

O:\OFFICE\CONTRACT\LEASE\Sca Dogs 6-18-07 FINAL LEASE.doc
Page 23

Club, the Club will restore the Premises to their present condition at the Club's cost and expense.

10.5. The Club hereby assumes full responsibility for the character, acts and conduct of all persons admitted to the Premises or to any portion of the Premises by the consent of the Club, or by or with the consent of any person acting for or on behalf of the Club, and the Club agrees to provide sufficient security force to maintain order and protect persons and property during and for any club event.

ARTICLE 11. OPERATING PERSONNEL TO BE SUPPLIED BY CLUB 11.0 On the day

of each home game **CLUB** shall at its expense: 11 . 1 Provide adequate police for the Premises to maintain order and protect property therein

11 . 2 Provide such trained personnel as may be necessary for the orderly admission, seating and handling of patrons and for the proper use and occupancy of the Premises, and to insure the adequate flow of traffic in and around the Premises for one (1) hour before and after the game or event; such personnel shall include, but are not limited to, uniformed special police officers, guards, ticket sellers, ticket takers, ushers, attendants, announcers and first aid station personnel;

11 . 3 Provide such trained personnel as may be necessary to operate the electronic scoreboard;

11.4. Provide such other personnel as may be necessary to

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Page 24

maintain the grounds and facilities within the stadium fence in a reasonably clean ☐ ☐
and neat condition throughout the home game, and to perform litter cleanup in the
Premises and the immediate area thereof during and after any home game; and to assist
the City groundskeeper ☐ in laying and removing of tarp during rain delays; and

11.5 Provide such trained personnel as are necessary to adequately staff and operate the concessions.

11.6 The Club agrees to provide groundskeepers at ☐ authorized ☐
practices and home games.
☐

11.7. In addition, the CLUB shall provide at the CLUB's cost ☐

and expense such personnel throughout any Portland or Deering ☐

High School Baseball Team game played on the Premises as may be

necessary to maintain the grounds and facilities within the ☐

☐ stadium fence in a reasonably clean and neat condition, to ☐
perform litter cleanup in the Premises and the immediate area
thereof during and after the game, and to lay or remove tarp ☐

during rain delays. The CLUB shall provide these personnel for these purposes throughout any CITY game other than a Portland or

Deering High School Baseball Team game held on the Premises at a rate to be charged to the CITY which is mutually determined by the CLUB and the CITY.

ARTICLE 12. UTILITIES

12.1 CLUB shall pay, or cause to be paid, the costs of all

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Page 25

utilities necessary for its operations hereunder, including without limitation all water and sewer charges attributable to its use of the Premises.

12.2 CITY will make a reasonable effort, at its expense, to install meters to measure the consumption of electricity used in connection with the ballfield lighting in order to permit separate billing of any use of the ballfield other than by CLUB.

12.3 The sharing of utility costs arising out of and related to CLUB's use of the Expo shall be mutually agreed upon by CITY, CLUB and the School Department in a separate document.

ARTICLE 13. SCOREBOARDS . SIGNS AND ADVERTISING

13.1 Any sign or other advertising matter may be erected or displayed by CLUB, or any of its contractors or subcontractors, on or in the Premises only in accordance with this Article. 13.2

Advertising shall be permitted on the inside of that outside out-field fence enclosing the playing field, the electronic scoreboard or its programmable message center, the concourse and such other areas as may be designated in writing by CITY. No advertising, other than the CLUB logo, shall be permitted on the team dugouts. CITY shall not be entitled to any part of advertising revenues received by CLUB from the sale of advertising.

13 . 3 **CLUB** shall be responsible for procuring, installing , a n d maintaining said advertising matter for the duration of the Baseball Occupancy period and for its maintenance and storage

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Page 26

during the off-season period. The content, structural make-up, location ☐ and size of said advertising shall be subject to the prior approval of **CITY**. All on-field advertising shall, at **CLUB**' s option, either be removed ☐ or covered in a manner ☐ acceptable to **CITY** , during the off-season from October 1 through March 30 of each year of the Lease.

13 . 4 The sale of advertising for any period other than a Baseball Occupancy period shall be under the exclusive control of **CITY** to the extent such advertising space is available without removal of any existing advertising. **CLUB** may, subject to **CITY**' s prior written approval, procure and sell such advertising on such terms and conditions as **CITY** and **CLUB** may mutually agree upon. 13 . 5 **CLUB** shall be solely responsible for the operation, maintenance, and use of any electronic scoreboard provided at **CLUB** expense, but shall permit **CITY** and other stadium users to use the same in connection with events sponsored by them . 13.6 **CLUB** and its subcontractors, if any, may display such signs, billboards, price lists and other advertising material as are calculated to inform patrons of the food, drink, articles of merchandise and admission tickets b e ing offered for sale in the stadium, such inside advertising to be in a size and quantity as 1s approved by **CITY**.

13.7 **CLUB** and its subcontractors shall have the right to display advertising on scorecards, program and other p rinted material sold i n any part of the Premises by **CLUB** or its

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Page 27

subcontractors.

13.8 It is the intent of **CITY** and **CLUB** that all advertising must be in keeping with the character and dignity of the Premises and that **CITY** is the final determiner of what is appropriate within those guidelines . All billboards, signs, electronic message boards and other advertising or notices must comply with all applicable local, state or federal law and regulations in regard to same, including without limitation the state and federal "Billboard" laws, and **CLUB** shall be responsible for such compliance.

ARTICLE 14. ALTERATIONS BY CLUB

14 .1 **CLUB** shall not make any alterations of the premises, except upon written approval of **CITY** of the plans and specifications setting forth the proposed alteration. No such consent shall render **CITY** liable with respect to any contract or undertaking by **CLUB** for a ny alteration work which shall be performed at **CLUB 'S** sole expense .

14 . 2 **CITY** shall not unreasonably withhold its consent to any alteration by **CLUB** , at **CLUB' S** expense, of the playing field, the walls or fences enclosing the playing field and any structures in whole or part on or over such walls and fences such as screens and foul poles, or any other alteration to the stadium required by minor league rules and applicable to all stadia where minor league baseball i s regularly p l a y e d .

14.3 **CLUB** may, at its own cost and expense, install an

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Page 28

electronic scoreboard and sound system upgraded from that required by the minor league baseball standards in Exhibit A, so long as there is n o cost or expense to **CITY** for such upgrade.

☐ 14.4 To the extent ☐ reasonable, all alterations and work ☐ performed by or on behalf of **CLUB** shall be performed in such a manner and at such time as not to interfere substanti a l l y with the use of the Premises by any other authorized user or by **CITY**.

14 . 5 Materials, fixtures and equipment and other property which are so affixed or annexed to the Premises that they become a part of the real property, other than an upgraded scoreboard and sound system installed at **CLUB'** s sole cost and expense, shall immediately upon the installation thereof, become the property of and title thereto shall vest in **CITY**. Such materials, fixtures, equipment or other property, title to which vests in **CITY** under the preceding sentence, shall not be subject to any agreements of conditional sale, nor to any chattel mortgage, trust receipt, or other form of security transaction in which title is reserved or conveyed to the seller or any other entity . **CLUB** shall have the

right to remove any such materials, fixtures, equipment or other property if it promptly replaces the same with new or other materials, fixtures, equipment or other property of like kind in like or better quality and repairs any damage caused by such removal, in which event **CLUB** shall have the right to dispose of and/or sell the materials, fixtures, equipment and other property so removed and replaced and to retain the proceeds of such

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Page 29

disposition and/or sale. Prior written notice of any such removal shall be given to the **CITY**. **CLUB** shall have the right to remove any upgraded electronic scoreboard and sound system installed by **CLUB** at its sole cost and expense but shall reinstall a scoreboard and sound system required to meet the League minimum standards then in effect and to restore the Premises to their original condition, reasonable wear and tear excepted.

ARTICLE 15 . COVENANT AGAINST LIENS

15.1 If, as a result of **CLUB'** s activities on the Premises, any mechanics' lien or other lien , charge or order for payment of money, shall be filed against **CITY** , or any portion of the premises, **CLUB** shall at its own cost and expense cause the same to be

discharged of record or secure such payment by posting a bond with **CITY** in reasonable form and amount satisfactory to **CITY** within thirty (30) days after written notice to **CLUB** of the filing of such lien, charge or order.

15.2 If at any time any chattel mortgage, conditional sales agreement, trust receipt or other similar instrument shall be filed with respect to any property purchases by **CLUB**, any of its subcontractors or the contractors or subcontractors of any of them, which property by the terms of this Lease becomes or will become the property of **CITY-CLUB** at its expense shall cause the same to be discharged, vacated, cancelled or satisfied within thirty (30) days.

15.3 In default of **CLUB** so doing, **CITY** may after five (5)

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Page 30

days notice to **CLUB** and without thereby waiving such default of **CLUB**, procure the discharge or satisfaction of any or all said liens, chattel mortgages, conditional bills of sale, trust receipts or other similar instruments by bonding or payment or otherwise and **CLUB** shall defend, indemnify, and save harmless **CITY** against and from all costs, liabilities, suits, penalties, claims and demands, including reasonable counsel fees, resulting therefrom.

15.4 In the event **CLUB** shall not cause such lien, mortgage, bill of sale, trust receipt or order to be discharged of record or bonded within said thirty (30) day period, **CITY** may thereafter cause the same to be discharged and the cost and expense thereof, including reasonable counsel fees, shall be immediately paid to **CITY** by **CLUB** as additional rent.

15.5 Except as specifically provided in other articles of this Lease, **CITY** shall not be liable for any work, labor or services rendered for materials or equipment furnished to, or for the account of, **CLUB** upon or in connection with the Premises and no mechanics or

other lien for work, labor or services rendered for or material furnished to or for the account of **CLUB** shall attach to or affect the interests of **CITY**, **CLUB** or any of its subcontractors in and to the Premises or in and to any alterations, repairs, improvements in or about the Premises.

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LEASE.doc Page 31

replacements, or

ARTICLE 16. DEFAULT

16.1 The **CITY**, in addition to any other rights given herein or to which it may be entitled by law or equity, may declare this Agreement terminated in its entirety, subject to and in the manner provided in this Article, upon or after the happening of any one or more of the following events and may exercise all rights of entry and re-entry, with or without process of law, upon the Premises:

- A. To the extent permitted by law, the filing by **CLUB** of a voluntary petition in bankruptcy or any assignment for benefit of creditors of all or any part of **CLUB's** assets;
- B. To the extent permitted by law, the adjudication of **CLUB** as a bankrupt pursuant to any involuntary bankruptcy proceedings;
- C. To the extent permitted by law, the taking of jurisdiction by a court of competent jurisdiction of **CLUB** or its assets pursuant to proceedings brought under the provisions of any Federal reorganization act;
- D. To the extent permitted by law, the appointment of a receiver or trustee of **CLUB's** assets by a court of competent jurisdiction or a voluntary agreement with **CLUB's** creditors;
- E. The material breach by **CLUB** of any of the terms, conditions, covenants or provisions herein contained and the failure of **CLUB** to remedy such breach as provided below. A

material breach shall include, but not be limited to, the failure of **CLUB** to pay any rental, fee, charge, final judgment or bond

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Page 32

when the same is due and payable.

16.2 In addition ☐ to any other rights given to it herein, or to which it may be entitled by law or equity, **CLUB** may cancel

this Agreement and terminate all or any of its obligations hereunder at any time, upon or after the happening of anyone of the following events :

A. The issuance by any court of competent jurisdiction of an injunction in any way preventing or restraining the use of the Premises, or of any part thereof, for baseball purposes and the remaining in force of such injunction for a period of at least one hundred and eighty (180) days;

B. Any action of any governmental authority, board, agency or officer having jurisdiction thereof preventing **CLUB** from conducting its operations at the Premises by taking, through the process of eminent domain, in whole or a substantial part, of the leased Premises; and

C. The material breach by **CITY** of any of the terms, conditions, or covenants or provisions herein contained and the failure of **CITY** to remedy such breach as provided below.

16.3 No termination declared by either party under sections 16.1 or 16.2 above shall be effective and the **CITY** shall not take possession of the premises unless and until not less than thirty (30) days have elapsed after notice by the party not in default to the other specifying the date upon which such termination will take effect, and the cause or causes for which this Lease is

0:\OFFICE\CONTRACT\LEASE\Sea Dogs 6- 18-07 FINAL LEASE.doc
Page 33

being terminated. During said thirty (30) days, the defaulting party shall have the right to cure said default, unless such default(s) by its nature cannot be cured within such thirty (30)

day period and if the party in default commences to correct such default within said thirty (30) days, and proceeds diligently to correct the same as promptly as reasonably practicable, this Lease shall not terminate .

16 . 4 Notice of default shall be sent by certified mail, postage prepaid, return receipt requested, or by hand-delivery. 16.5 If the notice provided for in Section 16 . 4 has been served and the term of this Lease has ended as aforesaid, **CITY** may, without further notice, re-enter and repossess the Premises with or without legal process and remove all persons and property therefrom and **CLUB** hereby waives any further notice provided by law or otherwise to be given in connection therewith. Any and all property belonging to **CLUB** or to anyone claiming by, through, or under **CLUB** which may be found in the Premises by **CITY** upon such reentry may be handled, removed, stored or otherwise disposed of by **CITY** at the risk and expense of **CLUB** and **CITY** shall not be responsible for the preservation or the safekeeping thereof. **CLUB** shall pay to **CITY** upon demand any and all expenses incurred in such removal and all storage charges against such property so long as the same shall be in **CITY**'s possession or under **CITY**'s control . If any such property shall not be retaken by **CLUB** within a period of thirty (30) days from and after the

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Page 34

effective date of any such termination of this Lease, such property shall conclusively be deemed to have been forever abandoned by **CLUB**. The words "re-enter" and "re-entry" as used

in this Lease are not restricted to their technical legal meaning.

16.6 In the event of any termination of this Lease by **CITY** and re-entry or repossession of the **Premises**, by summary proceedings or otherwise, **CITY** may relet the **Premises** or any part or parts thereof, either separately or in conjunction with any other space in the Premises, to any other person or entity, and may re-grant to any other person or entity any and all the rights granted to **CLUB** under this Lease, for such term, which may be shorter or longer than the term which would otherwise have constituted the remainder of the term of this Lease, and/or such other terms, covenants and conditions including rent, concessions or free rent, and may make such repairs, alterations, additions, replacements and/or decorations in and to the **Premises** which **CITY**, in its sole discretion, may deem advisable for the purpose of re-letting the **Premises**, all without in any way releasing **CLUB** from liability hereunder. **CLUB** shall upon demand, pay the costs

of all such repairs, alterations, additions, replacements and/or decorations together with **CITY**'s other expenses of such reletting or re-granting, including without limitation reasonable legal expenses and brokers commissions. If the rent or other payments collected by **CITY** upon any such re-letting or re-granting are not

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Page 35

sufficient to pay monthly the full amount of the rent (determined as hereinafter in this section provided) and all other amounts which **CLUB** would have been obligated to pay under this lease to

CITY during the balance of the term of this Lease, **CLUB** shall pay ☐ ☐ monthly to **CITY** the amount of each monthly deficiency. **CITY** shall not be liable for failure to relet the **Premises** or re-grant the rights granted to **CLUB** by this Lease; or, if the Premises are relet or such rights are re-granted, for reasonable failure to collect the rent and other payments under such re-letting or re-granting ☐.

16.7 Notwithstanding the foregoing, in the event of a breach or a threatened

breach by any party of any of the terms, covenants, conditions, or provisions hereof, the other party shall have the right of injunction to restrain the same and the right to invoke any other remedy allowed by law or equity, including without limitation, the right to specific performance or the right to money damages, as if specific remedies, indemnity or reimbursement were not herein provided for.

16.8 The rights and remedies given to any party in this Lease are distinct, separate and cumulative remedies, and no one of them, whether or not exercised by the other party, shall be deemed to be in exclusion of any others herein or by law or equity provided.

ARTICLE 17 . INDEMNIFICATION

17.1 **CLUB** shall defend, indemnify and hold **CITY**,

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Page 36

its

officers, agents and employees, harmless from any and all ☐ claims, suits and judgments, ☐ just or unjust, and all costs and expenses in connection therewith, which arise out of or result from **CLUB 's**

use of the Premises hereunder or which arise out of or ☐ result from the actor omission of **CLUB**, its officers, agents, employees,

players, invitees, its contractors or subcontractors, and their officers, agents, employees or invitees; the officers, agents, employees, invitees, contractors or subcontractors of **CLUB 's** minor league franchise, or anyone for whose act **CLUB** may be legally liable. The liability of **CLUB** under this Article shall not be limited to the insurance amounts specified in Article 18.

17.2 Notwithstanding the foregoing, **CLUB** shall not be liable under this Article with respect to any particular claim, suit or judgment if (a) any settlement of such claim has not been approved in writing by **CLUB**, or (b) in any such suit, **CLUB** has neither been permitted to defend against such suits by counsel selected by **CLUB** or (c) **CITY** on

request fails to execute all assignments and other documents to subrogate **CLUB** or its insurer, insurers or designee to all rights of **CITY** against third parties with respect to any such death, personal injury or property damage and cooperate reasonably in the enforcement of such rights by **CLUB** or its insurer, insurers or designee. Defense by the insurer by its counsel shall be deemed to be defense by **CLUB** by its counsel.

17.3 Nothing herein is intended, nor shall it be deemed to

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Page 37

waive or modify any defense, immunity or limitation of liability which **CITY** may have under the Maine Tort Claims Act or other similar statute.

ARTICLE 18 . INSURANCE

18.1 **CLUB** shall at its own cost and expense obtain and maintain throughout the term of this Lease and, if applicable, cause its subcontractors to obtain and maintain for the life of their subcontracts, insurance as follows:

A) **CLUB** shall insure its property and the personal property of **CITY** which is in **CLUB's** care, custody and/or control against loss or damage from "all risks" of physical loss or damage, with **CITY** property to be insured at replacement value. Such policy shall name as insureds and provide for payment of proceeds of any loss to **CITY** and **CLUB** as their interests may appear.

B) Comprehensive General Liability, Liquor Liability and Automobile Liability Insurance, naming **CITY** as insured therein and covering the obligation of indemnification hereunder, against claims, suits and judgments against **CITY** and/or **CLUB** for death, bodily injury, personal injuries and property damage arising out of or occurring during the operation, occupancy, maintenance or use of, or resulting from the acts or omissions of **CITY** and/or **CLUB** and/or any officer, employee or agent of either of them and/or any subcontractor of either of them in or with respect to any part of the

Premises. The Comprehensive General Liability insurance coverage must include clauses providing for Fire Legal

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Page 38

Liability and for Blanket Hold Harmless coverages .

C) Insurance commonly known as product liability insurance, naming **CITY** as additional insured therein, for claims, suits and

judgments against **CITY** and/or **CLUB** and/or its subcontractors for ☐ death, bodily injuries and property damage arising out of the sale, handling or other distribution of food, goods or other products by **CLUB** and/or its subcontractors.

18.2 The liability insurances required by section 18.1 (B) and 18.1 (C) shall each provide limits of liability of not less than :

A) One million dollars (\$1,000,000.00) for injuries to or death of one person.

B) Three million dollars (\$3,000,000 . 00) for injuries to or death of more than one person injured or killed in anyone occurrence .

C) One million dollars (\$1, 000, 000. 00) for property damage resulting from anyone occurrence with an aggregate limit of three million dollars (\$3,000,000 .00) per annum for property damage .

18.3 Statutory workers ' compensation and employer ' s liability insurance in the amounts prescribed by law in the State of Maine.

18.4 All insurances required by this Article shall be carried with a financially sound insurance company or companies licensed to do business in the state of Maine to the extent that such insurance is obtainable from such company or companies. The

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Page 39

policy or policies for all required liability insurances shall be on an occurrence basis .

18 . 5 All insurances required under this Lease shall be maintained in the

coverages and amounts specified or the amount required by state law throughout the term of this Lease, whichever is greater .

18.6 Certificates of insurance together with the duplicate originals of every policy of insurance required by any of the foregoing provisions of this Article and any and all renewals, endorsements, additions, modifications and changes thereto shall be deposited with **CITY** as soon as they have been procured. All such policies, duplicates, or certificates shall, prior to such deposit, be marked "premium paid" and shall contain a provision that the same shall not be altered, cancelled or not renewed before **CITY** has received thirty (30) days written notice of the insurance carriers' intent to so alter, cancel or not renew.

18.7 **CLUB** shall faithfully perform and comply with, subject to the provisions of the Lease, all of the terms and conditions of the policies of insurance required by the foregoing provisions of this Article, except those terms and conditions which by the terms of this Lease or the policy in question are required to be performed or complied with by **CITY** , which terms and conditions **CITY** shall perform and comply without limitation of the foregoing, both **CLUB** and **CITY** shall give prompt notice to the insurers and to each other of all claims covered by any of said policies. **CLUB** shall pay or cause to be paid the premiums on all of said policies at the times and in the amounts required to maintain in full force and effect the insurance required to be

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Page 40

maintained hereunder and **CLUB** ☐ shall not be entitled to any reimbursement ☐ by **CITY** ☐ for such premiums .

18.8 All policies and insurance required by this Article 18 to be furnished shall be endorsed or otherwise be in such form that the insurers will have no right of subrogation against any officer, employee, director or stockholder of any party hereto .

18 . 9 "**CITY**" as used in this Article and in Article 17 shall include, without limitation, the officers, agents, employees and contractors of the City of Portland, its boards and commissions, and of the Portland Superintending School Committee .

ARTICLE 19. DAMAGE TO THE PREMISES

19 .1 **CITY** shall, at its own cost and expense, insure or self-insure the Premises against loss or damage from "all risks" of physical loss or damage; said insurance or self-insurance be for the full insurable value of the Premises at replacement cost, and shall contain only the standard exclusions .

19 . 2 If the Premises shall be partially or totally damaged or destroyed by fire or other casualty, **CITY** shall repair the damage so as to restore the same to its condition immediately prior to such fire or other such casualty, EXCEPT that **CITY** shall not be required to repair any such damage unless:

A) The casualty is of a kind covered by the insurance provided by section 19 .1; or

B) **CITY** has a collectible claim for the entire cost of such repair against a third party; or

C) **CLUB** agrees to pay the entire cost of such repair or the difference between such entire cost in the amount of any

0:\OFFICE\CONTRACT\LEASE\Sea Dogs 6- 18-07 FINAL LEASE.doc

Page 4 1

collectible claim which **CITY** has against a third party. In the event of any such damage as to which neither clause A) nor B) ☐ nor ☐

C) is applicable and the failure to repair such damage interferes significantly with **CLUB'** S use of the Premises in accordance with the terms of this Lease, either party shall have the right to terminate this Lease as of the date of the occurrence of the damage; EXCEPT that if **CITY** elects to repair such damage and so notifies **CLUB** within 30 days after such occurrence, no party shall have the right to terminate. **CITY** shall not be required to repair or replace any property owned by **CLUB** or its subcontractors and **CITY** shall not be liable for any damage to any such property caused by any fire or other casualty.

19.3 In the event of any damage or destruction which **CITY** is required to repair pursuant to section 19. 2 hereof, **CITY** shall proceed promptly with the work of repair and restoration and shall proceed diligently to completion, subject to force majeure .

If **CITY** has not completed the work of repair and restoration within a reasonable time after such fire or other casualty and if the non-completion in question interferes significantly with **CLUB'S** use of the Premises in accordance with the terms of this Lease, **CLUB** shall have the right to terminate this Lease. In determining what constitutes a "reasonable time" for the completion of such restoration ☐ within the meaning of the immediately preceding sentence there shall be taken into consideration the nature, character and extent of damage, and the delays, if any, due to force majeure, provided

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Page 42

however, that in any event **CLUB** shall have the right to terminate this Lease if such restoration has not been completed ☐ sufficiently to permit use of the Premises within fifteen (15) months after the date of such fire or other casualty . 19.4 Any period beginning with the occurrence of any damage or destruction by fire or other casualty which renders any part of the Premises untenable or unusable for the purposes for which the same is designed and intended and ending upon completion of the work or repair and restoration or an earlier termination of this Lease as hereinabove permitted, is called a "Force Majeure Period". During any "Force Majeure Period"

A) **CLUB** shall pay a reasonable rent for any part of the Premises used by **CLUB** during such force majeure period. B) The other obligations of the parties under this Lease shall abate and shall be limited to the extent of the part, if any, of the Premises being used by **CLUB** .

ARTICLE 20 . SUSPENSION OF BASEBALL

20 . 1 During any period of one month or more when by reason of force majeure **CLUB** is unable, exercising due diligence, to exhibit professional baseball games or is prevented with substantially complying with the Eastern League Schedule, (any such

period herein being called a "baseball suspension period"), the rights of the parties hereto shall be as follows :

A) The terms of this Lease shall be suspended and the

0:\OFFICE\CONTRACT\LEASE\Sea Dogs 6- 18-07 FINAL LEASE.doc

Page 43

rights, obligations, and liabilities of the parties hereunder,

☐ including without limitation, the obligation to pay rent with ☐ respect to such Baseball Suspension Period, shall abate and be suspended. If such Baseball Suspension Period is less than a full baseball occupancy period, the minimum rent shall be pro-rated on a monthly basis by dividing the annual rent by 12 .

B) **CITY** shall have the right to use the Premises or any part thereof for any purpose during any Baseball Suspension Period. All revenues received by **CITY** from such use shall be retained by **CITY** and **CLUB** shall not be entitled to any part thereof.

C) **CLUB** may upon the written consent of **CITY** elect by notice to **CITY** to continue to occupy any or all of the Premises during any Baseball Suspension Period at a fair and reasonable rent to then be determined .

ARTICLE 21. COMPLIANCE WITH LAWS

21.1 **CLUB** shall comply with and observe any and all present and future Federal, State and local Laws and regulations affecting or applicable to **CLUB** and/or any of its contractors or subcontractor 's operations in the Premises, and all regulations, and all departments, the Federal, state or orders, directives and requirements of any bureaus, boards, commissions and agencies of local Governments issued or made pursuant to such laws.

ARTICLE 22. INSPECTION

22.1 **CITY** and its agents and representatives shall, at all

times during which **CLUB** has the right to use and occupy the Premises or any part thereof, have the right to enter into and ☐ upon any and all parts of the Premises for the purpose of examining the same for any legitimate reason; provided, however, ☐ that if such entry is to any part of **CLUB'S** year-round space at any time during the year then it shall be made only after notice in writing (or without notice in the case of an emergency or if the person making such inspection is accompanied by an executive or administrative employee of **CLUB**, or in the case of concession areas, of its subcontractors) served on **CLUB** and setting forth the time and/or times of entry which shall be such reasonable time or times.

22.2 The rights reserved by this Article shall not impose upon **CITY** nor does **CITY** assume by reason hereof, any responsibility, obligation or liability for the care, maintenance, supervision, repair or replacement of the Premises or any part thereof or any duty to comply with any law, ordinance, rule, order or regulation other than those responsibilities, obligations, liabilities and duties assumed by **CITY** pursuant to the provisions of other Articles of this Lease.

ARTICLE 23. ASSIGNMENT AND SUBLETTING

23.1 Except as expressly permitted by any provision of this Lease, **CLUB** shall not, without the written consent of **CITY**: A) assign or mortgage this Lease or in any way transfer or

encumber the rights granted hereby, or B) sublet or grant any permit or license to use the Premises or any part thereof. The terms and conditions of any such assignment, mortgage, transfer, encumbrance, subletting, permit or licensing shall be subject to ☐

the prior written approval of **CITY**. No such consent by **CITY** shall relieve **CLUB** of any of its obligations under this Lease. The granting by **CITY** of consent to anyone of the foregoing in one or more instances shall not dispense with the necessity for the consent of **CITY** to further assignment, mortgage, transfer, encumbrance, sublease, permit or license.

ARTICLE 24 . NO SURRENDER

24.1 No act done by **CITY** , or its officers, employees or agents during the term of this Lease shall be deemed an acceptance of a surrender of **CLUB** 's interests hereunder, and no agreement of surrender of said interests shall be valid unless the same shall be duly authorized by the legislative body of **CITY**.

ARTICLE 25 . WAIVER OF REDEMPTION

25.1 **CLUB** for itself and on behalf of any and all persons claiming through or under **CLUB** , including creditors of all kinds, does hereby waive and surrender any and all rights and privileges which they or any of them might have under or by reason of any present or future law or decision (other than a decision in an action or proceeding in which the rights of the parties under

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Page 46

this Lease are adjudicated to redeem its interest under this Lease or to have a continuance of this Lease with the terms hereby granted after being dispossessed , removed or ejected

according to law, or the provisions of this Lease .

ARTICLE 26 . NOTICES

26.1 All notices, consents, approvals, demands and submissions(herein after in this Article collectively called a "Notice") shall be in writing and shall be served by

certified mail (return receipt requested) or hand delivered and addressed to:

City Manager , City of Portland
389 Congress Street
Portland, ME 04101
cc : Superintendent of Recreation
cc : Corporation Counsel

or at such other address as **CITY** may specify at any time or from time to time by Notice to **CLUB** .

26.2 Any Notice to **CLUB** shall be deemed properly given if in writing and served by certified mail (return receipt requested) or hand delivered and addressed to:

Charles Eshbach , President
Portland Sea Dogs
P.O . Box 636
Portland, ME 04104

with a copy to :

William B. Troubh , Esq .
RICHARDSON & TROUBH
465 Congress Street
P.O . Box 9732
Portland, ME 04104-5032

or at such other address as **CLUB** may specify at any time or ☐ from time to time by Notice to **CITY** . **CLUB** shall notify **CITY** of the

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Page 47

name of the individual in charge of the office of **CLUB** at the Premises and Notices may thereafter be delivered to such individual until **CITY** has been notified by the **CLUB** of the name of the different individual in charge such ☐ office and authorized to receive Notices.

ARTICLE 27 . OBLIGATIONS TO MAINTAIN FRANCHISE 27.1 **CLUB** represents that it is at the time of execution of this Lease a member ☐ in good standing of the Eastern League and agrees that through the term of this Lease it will A) maintain its membership and franchise in the Eastern League in good standing, B) hold and maintain its right in

franchise to play minor league professional baseball in the City of Portland in accordance with the baseball rules and not do or suffer to be done anything which will cause such right or franchise to be lost or impaired or diminished in any respect or transferred to any other city or location or modified to permit **CLUB** to play home games in any such other city or location; and C) maintain its team as an Eastern League (or successor comparable league) baseball team of the character and standing required by the baseball rules for the conduct of professional minor league baseball games and use its best efforts within the limits of sound business judgment to insure the maximum receipts therefrom.

ARTICLE 28 . QUIET ENJOYMENT

28.1 **CITY** agrees, covenants, and warrants that as long as

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Page 48

CLUB faithfully performs the agreements, terms covenants, and conditions of this Lease within the grace periods and extended periods for any unavoidable delays, **CLUB**, shall peaceably and

quietly have, hold, and enjoy the use of the Premises upon the ☐

terms and conditions herein granted without molestations or disturbance by or ☐ from **CITY**.

ARTICLE 29. NO WAIVER

29.1 No waiver of any term, provision, covenant, or condition contained in this Lease or of any breach of any such term, provision, covenant or condition shall constitute a waiver of any subsequent breach of such term, provision, covenant or condition by either party, or justify or authorize the nonobservance on any other occasion of the same or any other term, provision, covenant or condition hereof .

ARTICLE 30. INTERPRETATION ☐

30.1 This Lease shall be construed in accordance with the law of the state of Maine. Whenever the contents of any provision shall require it, the singular number shall be held to include the plural number, and vice versa. The neuter gender includes the masculine and the feminine. **CITY** includes its

officers, agents, employees, and contractors or subcontractors, and the Portland Superintending School Committee and its officers, agents, employees and contractors or subcontractors .

CLUB includes its officers, agents,
contractors and subcontractors .

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employees, players,

ARTICLE 31 . ENTIRE AGREEMENT

31.1 This Lease with its attachments contains the entire agreement of the parties hereto with respect to the lease of the Premises described herein and this Lease may not be amended, modified, released, or discharged, in whole or in part, except by an instrument in writing signed by the parties hereto, or their duly authorized respective successors or assigns.

ARTICLE 32. SUCCESSORS BOUND

32.1 Except as otherwise provided in this Lease, all terms, provisions, covenants and conditions of this Lease shall be binding on and inure to the benefit of the parties hereto, their duly authorized respective personal representatives, successors and assigns. No modification or termination of this Lease shall be binding unless evidenced by an agreement in writing signed by **CITY** and **CLUB** .

ARTICLE 33. CAPTIONS

33 . 1 The captions of the Articles of this instrument are solely for convenience and shall not be deemed a part of this instrument for the purpose of construing the meaning thereof, or for any other purpose.

ARTICLE 34. PARTIAL INVALIDITY

34 . 1 If any term, covenant, condition, or provision of this Lease or the application thereof to any person or circumstances

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Page 50

shall, at any time or to any extent, be invalid or unenforceable, the remainder of this Lease, or its application to other persons or circumstances, shall not be affected thereby, and each term, covenant, condition, and provision of this Lease shall be valid and enforced to the fullest extent permitted by law.

ARTICLE 35 . NO MERGER

35 . 1 The fee title of the Premises and the leasehold estate granted by this Lease shall not merge, but shall always remain separate and distinct notwithstanding the union of said estates in whole or in part in **CLUB** or in a third party by purchase or otherwise.

ARTICLE 36 . APPROVAL OF CITY

36.1 Approval of the **CITY**, wherever used in this Lease, shall mean the approval of the City Manager of the City of Portland, unless another party is specifically designated. "Approval" wherever required herein by either party, shall not be unreasonably withheld, conditioned or delayed.

ARTICLE 37 . MEMORANDUM OF LEASE

37.1 The parties agree to execute a Memorandum of Lease in form appropriate for recording in the Cumberland County Registry of Deeds.

IN WITNESS WHEREOF, the **CITY** and the **CLUB** have caused this Lease Agreement to be duly executed by their duly authorized representatives the day and year first above written.

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Page 51

WITNESS: PORTLAND



Then personally appeared the above named Joseph E. Gray, Jr. as City Manager of the City of Portland and acknowledged the foregoing instrument to be his free act and deed in said capacity and the free act and deed of said City.

PORTLAND MAINE BASEBALL, INC.



Then personally appeared the above named Daniel B. Burke in his capacity as Chairman of Portland Maine Baseball, Inc. and acknowledged the foregoing instrument to be his free act and deed in said capacity and the free act and deed of the Eastern League AA franchise.



Equipment Transferred to Sea Dogs

Tri-plex Reel Mower 2005



Infield Groomer 1995

Groomer drags 2004

Sod Cutter 2006

MEMORANDUM
City Council Agenda Item

FROM: Greg Watson, Director

DATE: June 26, 2024

SUBJECT: Order 19-24/25 Amending the Downtown Transit Oriented Development and Omnibus Tax Increment Financing District to Make 70 East Oxford Street an Affordable Housing Tax Increment Financing District - Sponsored by the Housing and Economic Development Committee, Councilor Pious Ali, Chair

SPONSOR: Housing and Economic Development Committee, Councilor Pious Ali/Chair, meeting held 6/25/2024 and the vote was 3-1 (Sykes) to forward to the City Council with a recommendation of approval.

(If sponsored by a Council committee, include the date the committee met and the results of the vote.)

COUNCIL MEETING DATE ACTION IS REQUESTED:

1st Reading 7/15/2024

Final

Action 8/19/2024

Can action be taken at a later date: No The applicant is applying for 9% Low Income Housing Tax Credit (LIHTC) funding through MaineHousing. At least 30 days prior (August 20, 2024) to the application deadline (September 21, 2024), the applicant must submit a complete application for the Affordable Housing TIF with MaineHousing which includes removal of a portion of 70 East Oxford Street from the Downtown Transit Oriented Development and Omnibus Tax Increment Financing District to create the 70 East Oxford Street Affordable Housing Development and Tax Increment Financing District.

Does this item involve a new contract with the City: No

PRESENTATION: Greg Watson, Housing and Economic Development Director will be available for questions.

I. SUMMARY

Amending the Downtown Transit Oriented Development and Omnibus Tax Increment Financing District, a companion Order towards establishing the 70 East Oxford Street Affordable Housing Development and Tax Increment Financing District, would support the establishment of the 70 East Oxford Street Affordable Housing Development and Tax Increment Financing District.

II. AGENDA DESCRIPTION

The Housing and Economic Development Committee reviewed this item at its 6/25/2024 meeting and voted 3-1 (Sykes) to forward to the City Council with a recommendation of approval. City Council approval is needed to amend the Downtown Transit Oriented Development and Omnibus Tax Increment Financing District to remove a portion of 70 East Oxford Street for it to be its own free-standing Affordable Housing TIF District to support the proposed affordable housing project at that location. The proposed affordable housing project involves demolishing four existing ten-unit multi-family buildings located between Cumberland, Oxford, Mayo, and Boyd Streets (COMB Bock), and construct Phase 1 of a multi-phase project to redevelop the site. During Phase I, Portland Housing Development Corporation is proposing to construct a six-story, 55-unit housing building, with 50 affordable apartments for low-income households and 5 market rate units. These would be comprised of 5 studio, 15 one-bedroom, 16 two-bedroom, and 19 three-bedroom apartments.

This item must be read on two separate days. It received its first reading on July 15. Five affirmative votes are

required for passage after public comment. To make this item effective immediately, staff is requesting that this item be passed as an emergency. Seven affirmative votes are required for passage as an emergency after public comment.

III. BACKGROUND

See above.

IV. INTENDED RESULT AND/OR COUNCIL GOAL ADDRESSED

Approval of the recommendation to amend the Downtown Transit Oriented Development and Omnibus Tax Increment Financing District is necessary towards establishing the 70 East Oxford Street Affordable Housing Development and Tax Increment Financing District.

V. FINANCIAL IMPACT

There is no financial impact in amending the Downtown TOD TIF District.

VI. STAFF ANALYSIS AND BACKGROUND

Staff recommends approval of this item to support the affordable housing project.

VII. RECOMMENDATION

During the June 25, 2024, Housing and Economic Development Committee meeting, the Committee voted 3-1 (Sykes) to forward this item to the City Council with a recommendation of approval.

VIII. LIST ATTACHMENTS

1. Order 19 - Amending Downtown Transit Oriented District to remove 70 E Oxford to be its own TIF
2. Narrative RdlN 6242024 for CC on 7-15-2024

Prepared by:

Greg Watson, Director

Date: 06/26/2024

MARK DION (MAYOR)
PIOUS ALI (A/L)
APRIL D. FOURNIER(A/L)
ROBERTO RODRÍGUEZ (A/L)

CITY OF PORTLAND
IN THE CITY COUNCIL

ANNA TREVORROW (1)
VICTORIA L. PELLETIER (2)
REGINA L. PHILLIPS (3)
ANNA BULLETT (4)
KATE SYKES (5)

**ORDER AMENDING THE DOWNTOWN TRANSIT ORIENTED DEVELOPMENT
AND OMNIBUS TAX INCREMENT FINANCING DISTRICT
TO MAKE 70 EAST OXFORD STREET
AN AFFORDABLE HOUSING TAX INCREMENT FINANCING DISTRICT**

ORDERED, that the Downtown Transit Oriented Development and Omnibus Tax Increment Financing District, as adopted by Order 139-14/15 and amended by Order 99-17/18, Order 78-18/19, Order 279-18/19, Order 13-20/21, Order 297-20/21, Order 224-22/23, and Order 19-23/24 is hereby amended to remove 70 East Oxford Street from the District, to make it an Affordable Housing District, in substantially the form attached hereto; and

BE IT FURTHER ORDERED, that the City Council hereby authorizes the City Manager or designee to execute any documents necessary or convenient to carry out the intent of said documents.

~~JULY 2024~~~~AUGUST 2023~~ **PROPOSED DOWNTOWN/TRANSIT TIF AMENDMENT #87 – REMOVING A PORTION OF 70 E. OXFORD~~25-CASCO~~ ST. FROM DISTRICT TO BE FREESTANDING AFFORDABLE HOUSING TIF DISTRICT**

I. Introduction – Portland Downtown Transit Oriented Municipal Development and Omnibus Tax Increment Financing District Amendment #78

On February 9, 2015, the City of Portland (the “City”) designated the Portland Downtown Transit Oriented Municipal Development and Omnibus Tax Increment Financing District (the “District”) and adopted this Development Program (the “Development Program”) for the District in an effort to fully realize the visions and goals of the City of Portland Downtown Revitalization Investment Plan (“Downtown Plan”); the Downtown Plan is attached as Exhibit A. The duration of this District will be 30 years beginning July 1, 2015 (Tax Year 4/1/2015; FY2015-16) ending June 30, 2045 (Tax Year 4/1/2044; FY2044-45).

- a. District Amendment #1 Approved by MDECD February 27, 2018: The purpose of this District amendment was to remove the parcel designated by the City Assessor as 22-F-1 at 54 Lancaster – a tax exempt parcel (so no value attributed to the Original Assessed Value) with approximately .48 acres, which will be turned into a free-standing Affordable Housing TIF District. Portland’s amended District remained the same at approximately 422 acres and bounded by Washington Avenue to the east, State Street to the west, following the edges of the adjacent Bayside and Waterfront Capital Improvement TIF Districts to the north and south. The District encompasses the central business district of Portland and the abutting east and west ends of the District. In creating the District, the outlying residential areas of the Eastern and Western Promenades have been purposely excluded.
- b. District Amendment #2 approved by MDECD February 11, 2019: The purpose of this District Amendment was to increase the allowable uses for Municipal TIF Revenue and increase the percentage capture from up to 22% to up to 100%, all as more detailed in Section II below.
- c. District Amendment #3 approved by MDECD September 18, 2019: The purpose of District Amendment #3 is to remove the parcel designated by the City Assessor as 44-H-1 at 66 State Street – a tax exempt parcel (so no value attributed to the Original Assessed Value), with approximately .5087 acres, which will be turned into a free-standing Affordable Housing TIF District. Portland’s amended District, with Amendment #3, reduced it from approximately 422 to 421.01 acres. The boundaries remain the same, i.e., bounded by Washington Avenue to the east, State Street to the west, following the edges of the adjacent Bayside and Waterfront Capital Improvement TIF Districts to the north and south. The District encompasses the central business district of Portland and the abutting east and west ends of the District. In creating the District, the outlying residential areas of the Eastern and Western Promenades have been purposely excluded. The Downtown Plan includes a listing of current projects and categories of future investment. It is recognized that meeting the infrastructure needs of Portland’s downtown will be a dynamic process that will be updated locally on an annual

~~JULY 2024~~~~AUGUST 2023~~ PROPOSED DOWNTOWN/TRANSIT TIF AMENDMENT #~~87~~ – REMOVING A PORTION OF 70 E. OXFORD~~25~~ ~~CASCO~~ ST. FROM DISTRICT TO BE FREESTANDING AFFORDABLE HOUSING TIF DISTRICT

basis or as needed. Though the specific public projects prioritized and undertaken from year to year will change, with the exception of this District funding up to \$100,000 annually for the Creative Portland Corporation, categories of investment for the purpose of eligible uses of the TIF Revenues will remain consistent.

Actual project selections and prioritization for funding will continue to be made on an annual basis during the City budget and Capital Improvements Plan (CIP) process, based on categories contained in Table 1 hereinbelow. The CIP is the document that presents the City's capital needs in the current year and plans for capital needs in future years. As a five year plan that is annually updated, the CIP is a dynamic planning document; the FY2015 to 2019 CIP document is included in the Downtown Plan as an appendix.

- d. District Amendment #4 approved by MDECD September 16, 2020: The purpose of District Amendment #4 is to remove the parcels designated by the City Assessor as 28-O-17 at 83 Middle Street – a tax exempt parcel (so no value attributed to the Original Assessed Value), with approximately .2183 acres, and 28-O-3 at 160 Newbury Street with an OAV of \$281,100 with approximately .0665 acres, which parcels will be turned into a free-standing Affordable Housing TIF District.

District Amendment #4 also included technical amendments as follows:

- CBL 37-B-14, 17 Shepley Street, a tax exempt parcel, was on the original map but needs to be added to original CBL listing attached to the Assessor's Certificate – increasing acreage by .1512, with no change in OAV as tax exempt;
- CBL 39-A-38, 612 Congress Street, was on original map but needs to be added to original CBL listing attached to the Assessor's Certificate, - increasing acreage by .0449, and increasing the OAV by \$282,400;
- CBL 38-G-1, 486 Fore Street, not on original map and needs to be deleted from listing attached to the Assessor's Certificate – decreasing acreage by 1.8419, and decreasing the OAV by \$3,130,830, and it is now in the Waterfront TIF District as approved by MDECD on August 26, 2019; and,
- CBL 43-C-6, 431 Commercial Street, a tax exempt parcel, was on original map and listing attached to the Assessor's Certificate but was transferred to the Waterfront TIF District as approved by MDECD on April 5, 2019 – decreasing acreage by 1.2912, with no change in OAV as tax exempt.

With the above removal of 83 Middle Street and 160 Newbury Street, and the technical amendments, the net change to the District's OAV is reduced from

~~JULY 2024~~~~AUGUST 2023~~ PROPOSED DOWNTOWN/TRANSIT TIF AMENDMENT #~~87~~ – REMOVING A PORTION OF 70 E. OXFORD~~25-CASCO~~ ST. FROM DISTRICT TO BE FREESTANDING AFFORDABLE HOUSING TIF DISTRICT

\$968,136,850 to \$965,007,320, and the District's acreage is reduced from 421.010 to 417.7882.

- e. District Amendment #5 approved by MDECD August 18, 2021: The purpose of District Amendment #5 was to remove 73 Winter Street and 91 Winter Street from the District in order for the properties to be their own free-standing Affordable Housing TIF Districts. Those properties were then included in the parcel designated by the City Assessor as 45-C-7 at 120 State Street – a tax exempt parcel (so no value attributed to the Original Assessed Value), with approximately 99,597 sq. ft. or 2.2864 acres. The square footage/acreage being removed for 73 Winter Street footprint was 17,167/.3941 acres, and the square footage/acreage being removed for 91 Winter Street footprint was 15,364/.3527 acres for a total of .7474 acres to be removed from the Downtown TOD TIF District, reducing the current acreage from 417.7882 to 417.0408. Once the subdivision is completed, the City will confirm with MDECD the Assessor parcel designations.
- f. ~~Proposed District~~ Amendment #6 (~~approved by the Portland City Council 7/17/2023 and in process of~~ MDECD September 14, 2023 Approval): ~~The City of Portland proposes an amendment to remove~~removed the maximum annual cap of TIF Funding for Creative Portland (CP) ~~now at~~from \$100,000 and instead have an annual funding at \$200,000 for its staff, programs, and services, as approved by the City Council annually during its budget process.
- g. ~~Proposed District~~ Amendment #7 (~~approved by Portland City Council 8/14/2023 and in process of~~ MDECD September 14, 2023 approval): ~~The City of Portland proposes an amendment to~~ removed a portion of 48 Brown Street, designated by the City Assessor as 37-D-4 containing .8936 acres, in order for that portion, to contain .312 acres, to be its own free-standing Affordable Housing TIF District and designated as 25 Casco Street. This ~~would~~reduced the current acreage of the Downtown TOD TIF from 417.0408 to 416.7288. The OAV associated with 37-D-4 was \$874,090 as of 3/31/2014 when the Downtown TOD TIF was created; the OAV associated with the removed portion containing .312 acres is \$305,057 as of the start of the Downtown TOD TIF, or as of 3/31/2014. This ~~would~~ reduced the total OAV of the Downtown TOD TIF from \$965,007,320 to \$964,702,263.
- h. Proposed Amendment #8 would remove a portion of 70 E. Oxford Street, designated by the City Assessor as 022 H001001, for that portion containing .56 acres in order for the .56 acres to be its own free-standing Affordable Housing TIF District. This would reduce the current acreage of the Downtown TOD TIF from 416.7288 to 416.1688. The OAV associated with 022 H001001 was \$0 as it was tax exempt so no change to the OAV.

II. Development Program Narrative

A. The Development Program as Amended with Amendment #~~87~~

The Amended Development Program for the Downtown Transit Oriented Municipal Development and Omnibus TIF District is structured and proposed pursuant to Chapter 206 of Title 30-A of the Maine Revised TIF Statutes, as amended (the “TIF Statute”). The City’s designation of the District, combined with the adoption of this Amended Development Program, creates a single municipal TIF district in order to capture the value of the real property improvements made within the District and enable the use of TIF revenues for various municipal and other development projects.

Under this Amended Development Program, the City captured 12% in year one (City Fiscal Year 2015/2016), 22% in years 2 through 4, 25% in year 5, 30% in year 6, 10% in years 7 ~~through and 8~~ 9. This Amended Development Program now allows for the City to capture up to 100% of the new real property value located in the District for remainder of the term of the District, or through Tax Year April 1, 2044/City Fiscal Year 2044/2045. The City may retain those tax revenues generated by the captured assessed value (the “TIF Revenues”) to fund infrastructure improvements and other administrative costs, all as further described in Table 1 hereinbelow. The City reserves the right to capture less than the full 100% in years ~~109~~ through 30, depending on the then-current needs of the City with respect to the approved project costs. Any reduction in the captured value percentage shall adjust the amount of assessed value eligible for sheltering with respect to the tax shift benefit correspondingly. Although all TIF Revenues will be retained by the City at this time, the City reserves the right in the future to negotiate and execute commercial credit enhancement agreements pursuant to City Council approved TIF Policy as may be amended from time to time. CEAs would be limited, however, to the balance of District term at that time. Such future credit enhancement agreements would require a public hearing and City Council approval. Should the City enter into a credit enhancement agreement, it will provide the Maine Department of Economic and Community Development a description of the terms and conditions of any agreements, contracts, or other obligations related to the development program per City TIF Policy (see Table 1 last item and Exhibit B).

In designating the District and adopting this Amended Development Program, the City can accomplish the following goals:

- Maintain existing tax revenues;
- Invest in the Downtown public infrastructure, including public restrooms;
- Invest in the Creative Portland Corporation annually;
- Invest in new and enhanced transit services;
- Enjoy enhanced future tax revenues generated by new development within the District; and
- Create long-term, stable employment opportunities for area residents because of these TIF investments.

In addition, by creating the District, the City will “shelter” the increase in municipal valuation that development in the District will bring about. This tax shift benefit mitigates the

HOUSING TIF DISTRICT

adverse effect that the District's increased assessed property value has upon the City's share of state aid to education, municipal revenue sharing, and its county tax assessment. An estimate of the tax shift benefits is shown in Revised Exhibit D-2 attached hereto.

The City's designation of the District and pursuit of this Amended Development Program constitute a good and valid public purpose pursuant to Chapter 206 of Title 30-A because it represents a substantial contribution to the economic well-being of both the City and the region by providing jobs, contributing to property taxes, and diversifying the region's economic base.

B. The Projects

Development within the District will provide a revenue source for the City's economic development projects. The City intends to use TIF Revenues to further its overall plan to attract and retain businesses that want to take advantage of Portland's business-friendly location, while offering their employees a rich, dynamic, and high quality of life. This includes funding for CP, of which the City of Portland is the Corporator, with annual funding at \$200,000 for its staff, programs, and services related to the marketing and promotion of the City to promote economic development, as approved by the City Council annually during its budget process, and City plans to invest in its public infrastructure in these investment focus areas:

- Sidewalk and Other Pedestrian Enhancements, including Public Restrooms
- Streetscape
- Lighting
- Street Alignment
- Utilities
- Bicycle Improvements
- Public Transit
- Wayfinding
- Multi-modal surface and structured parking
- Work force training
- Professional service costs
- Housing and Economic Development Department administrative costs and staff salaries, and prorated salaries of the City Manager, Finance Director, Planning and Urban Development Director, and Planning staff.

The District projects at this time are highlighted in Table 1 below:

TABLE 1

NOTE 1: All Citations refer to Title 30-A, Chapter 206, Section 5225

NOTE 2: While this Amended Development Program lists particular projects, the Amended Development Program shall not serve as an appropriation of TIF Revenues for any of these specific purposes, nor shall it commit the City to completing any particular project. The projects will only be undertaken following proper appropriation through the annual budget process and any other applicable required approvals.

JULY 2024~~AUGUST 2023~~ PROPOSED DOWNTOWN/TRANSIT TIF AMENDMENT #~~87~~**7** – REMOVING **A**
PORTION OF 70 E. OXFORD~~25 CASCADIA~~ ST. FROM DISTRICT TO BE FREESTANDING AFFORDABLE

HOUSING TIF DISTRICT

Project	Downtown Revitalization Plan Reference by page no.	Statutory Citation	Estimated Cost
In District: Capital Infrastructure Design and Investments, including Financing Costs, for example: - Multi-modal surface and structured parking - Sidewalk and Other Pedestrian Enhancements, including Public Restrooms - Roadway Realignments/Paving - Crosswalks - Traffic Signals - Intersection Redesigns - Bicycle lanes, racks, and stations Infrastructure - Stormwater Management, including water and sewer upgrades - Telecommunications, lighting, and electrical distribution upgrades; Infrastructure improvements/enhancements - Wayfinding (signage) - Public plaza intersection improvements	19, 47 19, 20, 34,35, 48 19,20,34,35 19, 46 34, 46 19,20,34,35 19, 34,47 19, 33 19, 36 19,23, 35,47 22, 46	(1)(A)(1)(2)(3)(6)(7) (1)(A)(1)(2)(3)(4)(6)(7) (1)(A)(1)(2)(3)(6)(7) (1)(A)(1)(a)(i) (1)(A)(1)(2)(3) (1)(A)(1)(2)(3)(6)(7) (1)(A)(1)(a)(i) (1)(A)(1)(2)(3)(6)(7) (1)(A)(1)(2)(3)(7) (1)(A)(1) (1)(A)(1)(2)(3)(6)(7)	\$150 Million over the life of the District for these Capital Infrastructure Items.
In and out of District: New and Enhanced Transit Services, including operational costs, for example (see Exhibit K – Transit Map): - Creation of high frequency bus service on Congress Street at 15-minute intervals between the Portland Transportation Center (PTC) and Washington Avenue; - Enhancing Stevens Avenue- Allen Avenue- Congress Street bus service areas;	17, 20, 21, 20 20	(1)(A) and (1)(C)(7) (1)(A)(1)(a) and (1)(C)(7) (1)(A)(1)(a) and (1)(C)(7)	\$15 Million for Transit in this category.

~~JULY 2024~~~~AUGUST 2023~~ PROPOSED DOWNTOWN/TRANSIT TIF AMENDMENT #87 – REMOVING A PORTION OF 70 E. OXFORD~~25-CASCO~~ ST. FROM DISTRICT TO BE FREESTANDING AFFORDABLE

HOUSING TIF DISTRICT

- Corresponding costs for these enhancements, including transit operator salaries; transit vehicle fuel, and transit vehicle parts replacements. - Transit capital costs including transit vehicles and related equipment; bus shelters and other related structures; benches; signs, and other transit-related infrastructure. - Shuttle service to downtown businesses.	20 17, 20	(1)(A)(1)(a) and (1)(C)(7) (1)(A)(1)(a) and (1)(C)(7)	
In and out of District: City Marketing and Promotion through Creative Portland Corporation (CPC), for example (see Exhibit M Arts District Map within Downtown TOD TIF District): - In District: Center for the Arts, including rental residential space; - In District: capital, financing, real property assembly and professional service costs; - In and out of District: CPC staffing, administrative and marketing expenses; revolving loan or investment fund.	20, 21,47 20, 21,47 20, 21, 47	(1)(C)(1)(2) (1)(C)(1)(2) (1)(C)(1)(2)	\$200K annually beginning FY2024; \$5.2 Million over life of District
In and out of District: - <u>Housing and</u> Economic Dev. Dept. administrative costs and staff salaries at 100%, and prorated salaries of City Manager, Finance Director, and Planning Urban Development Director, and Planning staff*; - Professional services costs; - Workforce training funds. Costs of services and equipment to provide skills development and training, including scholarships to in-	21, Also TIF App. P. 3 See TIF App. P.3 See TIF App. P. 3	(1)(A)(5) and (1)(C)(1) <u>(1)(E)</u> (1)(A)(4);(1)(C)(1) (1)(C)(4)	\$15 Million over life of the District.

JULY 2024~~AUGUST 2023~~ **PROPOSED DOWNTOWN/TRANSIT TIF AMENDMENT #87 – REMOVING A PORTION OF 70 E. OXFORD**~~25-CASCO~~ **ST. FROM DISTRICT TO BE FREESTANDING AFFORDABLE**

HOUSING TIF DISTRICT

state educational institutions or to online learning entities when in-state options are not available, for jobs created or retained.			
In District: Small Public Capital Infrastructure and Equipment, for example (Downtown Plan pp. 6 and 7) - Parking meters - Vehicles for Public Works Dept., and Fire Dept., including ambulances	19 21, 36 to 44	(1)(A)(1)(a) (1)(A)(1)(a)	\$10 Million over life of the District
In District: Relocation of Displaced Persons (TIF Application, p. 6)	(see TIF application, p. 6)	1(A)(6)	Not budgeted/not anticipated at time of TIF application
In District: CEAs as Approved by City Council (TIF application p. 2) with a maximum average percentage of 65% capture and up to a 20-year term, or the remaining term of this District, pursuant to City TIF Policy (Exhibit B hereto).	(see TIF application p. 2)	(1)(A)(1)(2)(3)(6)(7)	Unknown at time of TIF application
Total Estimate of TIF Revenue Expenditure over 30 year term:			\$195,200,000

*This item is not unique to this TIF District, it is also included in the Bayside TIF District and Waterfront TIF District.

C. Strategic Growth and Development

This Amended Development Program and the Downtown Plan meld various studies and plans for the District into one document, thereby promoting those studies and plans and making investments at the appropriate time. The studies and plans noted in the Downtown Plan represent a series of community initiatives, both completed and underway, or in planning process. The Amended Development Program and Project List ([Table 1](#)) noted hereinabove represents the best thinking of City staff about current opportunities for realizing the City's longstanding, evolving vision for its Downtown.

D. Improvements to the Public Infrastructure

~~JULY 2024~~~~AUGUST 2023~~ PROPOSED DOWNTOWN/TRANSIT TIF AMENDMENT #87 – REMOVING A PORTION OF 70 E. OXFORD~~25-CASCO~~ ST. FROM DISTRICT TO BE FREESTANDING AFFORDABLE HOUSING TIF DISTRICT

As further set forth in Table 1 hereinabove, the City may use certain TIF Revenues for sidewalk and other pedestrian improvements including crosswalks, roadway realignments/paving, intersection redesigns, traffic signals, bicycle infrastructure, stormwater management improvements (including water and sewer maintenance), communications infrastructure improvements/enhancements, wayfinding, multi-modal surface and structured parking, and public plaza intersection improvements that are directly related and made necessary by development in the District.

E. Operational Components

1. Public Facilities

The City may use a portion of the TIF Revenues to fund certain projects approved within the District, outlined in Table 1 hereinabove.

2. Commercial Improvements Financed through the Development Program

At this time, no commercial improvements will be financed through the Development Program. The City may, in the future, reimburse a percentage of the TIF Revenues from any particular lot within the District to future developers through a credit enhancement agreement. Future credit enhancement agreements are authorized only if the City Council meets and holds a public hearing and votes to authorize, negotiate, and execute the credit enhancement agreement pursuant to City Council approved TIF Policy. Such credit enhancement agreements would be approved under the City's TIF Policy, as may be amended from time to time, but limited to the balance of the term of this District. Should the City enter into a credit enhancement agreement, it will provide the Maine Department of Economic and Community Development a description of the terms and conditions of any agreements, contracts, or other obligations related to the development program (see Table 1 last item and Exhibit B).

3. Relocation of Displaced Persons

It is not anticipated that any persons will be relocated; however, the City has provided that if, in the future, relocation of persons is necessary to accommodate future redevelopment within the District, the one-time relocation costs of such displaced persons can be paid for with TIF Revenues, exclusive of rent.

4. Transportation Improvements

The City may fund road/transportation improvements made necessary by the increased traffic to the District. Please see Table 1 hereinabove for more details.

5. Environmental Controls

The improvements made under this Development Program will meet or exceed all federal, state, and local environmental laws, regulations, and ordinances and will comply with all applicable land use requirements for the City.

6. Plan of Operation

During the term of the District, the City Manager or his designee will be responsible for all administrative matters within the purview of the City concerning the implementation and operation of the District.

~~JULY 2024~~AUGUST 2023 PROPOSED DOWNTOWN/TRANSIT TIF AMENDMENT #87 – REMOVING A PORTION OF 70 E. OXFORD~~25-CASCO~~ ST. FROM DISTRICT TO BE FREESTANDING AFFORDABLE HOUSING TIF DISTRICT

III. Amended Physical Description

Proposed Amendment #87 amends the acreage number for the Downtown TOD TIF as noted in Section I(g) above from ~~417.0408 to~~ 416.7288 to 416.1688.

The 416.~~1672~~88-acre District is bounded by Washington Avenue to the east, State Street to the west, following the edges of the adjacent Bayside and Waterfront Capital Improvement TIF Districts to the north and south. The District encompasses the central business district of Portland and the abutting east and west ends of the District. In creating the District, the outlying residential areas of the Eastern and Western Promenades have been purposely excluded. The District is shown on revised Exhibit C. The statutory threshold limits addressing the conditions for approval mandated by 30-A M.R.S.A. Section 5223(3) are set forth in revised Exhibit E.

IV. Financial Plan

A. Amended Financial Characteristics

Amendment #87 does not amend the original assessed value. With Amendment #87, the collective original assessed value of the real property in the District remains at ~~is decreased from \$965,007,320 to~~ \$964,702,263 as set forth in Exhibit F, Revised Assessor's Certificate. The backup for the Certificate includes revisions from Amendment #3, #4, #5, and #7. It is noted that Downtown TOD/TIF acreage and value calculations are exempt from State TIF law limits.

The City captured 12% in year 1 (City Fiscal Year 2015/2016), 22% in years 2 through 4, 25% in year 5, 30% in year 6, and 10% in years 7 through 9 ~~and 8~~ of the increased assessed value of the real property located within the District. Amendment 2 provided for the City to capture up to 100% for the duration of the 30-year term of the District. Personal property tax value will not be captured within the District. The TIF Revenues so collected will fund and/or contribute to the funding of the approved projects, including each of the projects described on Table 1 hereinabove, including entering into Credit Enhancement Agreements (see Table 1 last item and Exhibit B), which collectively increase the City's ability to stand out in a competitive marketplace as a dynamic municipality in which to grow a business. All assessed real property value captured in the District will be added to the general tax rolls at the end of the District's term. Please note that at any time during the term of the District, the municipality can vote to reduce the captured value percentage and instead deposit the tax revenues into the General Fund so long as the municipality does not receive the tax shift benefit associated with the tax revenues so deposited.

Upon each payment of real property taxes for property located inside the District, the City will deposit into a development program fund (the "Development Program Fund") the entirety of the property tax payments constituting TIF Revenues. The percentage of increased assessed value of real property within the District that will be captured shall be determined annually during the municipal budget process; however, the City may capture up to 100% in Years 5 through 30 of the increased assessed value of real property as captured assessed value. The Development Program Fund is pledged to and charged with the payment of the project costs in the manner and in the order provided in 30-A M.R.S.A. Section 5227(3). The Development

HOUSING TIF DISTRICT

Program Fund will consist of a development sinking fund account (the “Sinking Fund Account”) to the extent municipal bonded indebtedness is used to pay for projects costs, and a project cost account (the “Project Cost Account”). From the Development Program Fund, the City will deposit the TIF Revenues into the City’s Sinking Fund Account and/or the Project Cost Account to be used to fund projects listed in Table 1 hereinabove. If future credit enhancement agreements are approved by the City Council, then a subaccount within the Project Cost Account shall be created for any payments required to be made by the City pursuant to such credit enhancement agreement, dedicated to each credit enhancement agreement.

Estimates of the increased assessed property values of the Amended District, the anticipated TIF Revenues generated by the District, and the estimated tax shifts are shown in Revised Exhibit D-1 and Revised Exhibit D-2.

B. Costs and Sources of Revenues

The current and future developers owning or leasing properties located within the District are intended to pay for and/or finance all private improvements located in the District through private sources. Table 1 hereinabove provides estimated costs of the municipal projects costs to be undertaken with TIF Revenues.

C. Indebtedness

The City reserves the option to fund the project costs through public indebtedness.

V. Statutory Requirements and Thresholds

The statutory requirements and thresholds for approval required by Section 5223(3) of the TIF Statute are set forth in revised Exhibit E.

VI. Municipal Approvals

A. Notice of Public Hearing

Attached as Exhibit G hereto is a copy of the Notice of Public Hearing regarding amending the Development Program for the District, published in the *Portland Press Herald*, a newspaper of general circulation in the City, on July 3, 2024~~August 4, 2023~~, a date at least ten (10) days prior to the public hearing. The public hearing on the amended District was held on July 15, 2024~~August 14, 2023~~, in accordance with the requirements of 30-A M.R.S.A. Section 5226(1).

B. Minutes of Public Hearing Held by City Council

Attached as Exhibit H hereto is a certified copy of the minutes of the public hearing held on July 15, 2024~~August 14, 2023~~, at which time this amended District was discussed by the public.

C. Authorizing Votes

**~~JULY 2024~~~~AUGUST 2023~~ PROPOSED DOWNTOWN/TRANSIT TIF AMENDMENT #~~87~~ – REMOVING A
PORTION OF 70 E. OXFORD~~25-CASCO~~ ST. FROM DISTRICT TO BE FREESTANDING AFFORDABLE
HOUSING TIF DISTRICT**

Attached as Exhibit I hereto is an attested copy of the City of Portland Order approving this amended District with the results of the vote noted on this Order duly called and held on July 15, 2024~~August 14, 2023~~.

CITY OF PORTLAND DOWNTOWN REVITALIZATION

INVESTMENT PLAN

January 2015

Preparer: Christine Grimando, AICP, Senior Planner/City of Portland
Planning and Urban Development Dept.

Approved by City Council Order of 2/19/2015, particularly: "Order approving and adopting the Downtown Transit Oriented Development and Omnibus Tax Increment Financing District and Adopting the Municipal Development Program for that District with its Downtown Revitalization Investment Plan"

TABLE OF CONTENTS

1. INTRODUCTION
2. DOWNTOWN TOD/TIF GEOGRAPHY
3. PLAN PURPOSE
4. DOWNTOWN INVESTMENT FOCUS AREAS
5. CURRENT PLANNING INITIATIVES
6. RELATED PLANS & DOCUMENTS
7. APPENDIX 1, PORTLAND TAX INCREMENT FINANCE DISTRICTS MAP
8. APPENDIX 2, CAPITAL IMPROVEMENTS PLAN EXCERPT
9. APPENDIX 3, TIF Development Program
10. APPENDIX 4, TRANSPORTATION STRATEGIC INITIATIVES 2014-2019 MAP

INTRODUCTION

Downtown Portland contains a vibrant concentration of services, arts, civic and religious institutions, entertainment and commercial venues. As Maine's largest city, Portland's downtown is vitally important not only to its residents and visitors, but as a regional economic and cultural hub. Portland is constantly evolving and adapting to new realities, making every effort to plan for a healthy, sustainable, economically resilient and innovative downtown to engage residents and visitors alike. The range of public infrastructure improvements planned for Portland's downtown seeks to cultivate an environment that encourages reciprocal private improvements, and proactively plans for Portland's downtown infrastructure to become a catalyst for private investment that positively affects Portland's tax base, quality of life, cultural and business climate.

The Downtown Revitalization Investment Plan summarizes the myriad policy goals and slated projects targeted towards improving the built environment of Portland's downtown in the area of the peninsula encompassed by the Downtown Transit Oriented Development (TOD) TIF (Figure 1). In any given year, Portland is involved in a host of planning and public engagement initiatives focused on its downtown. These initiatives are carried out across multiple departments, including Planning and Urban Development, Economic Development, and Public Services, and in conjunction with regional and state agencies. There are consequently many planning documents pertaining to the many facets of Portland's downtown, representing years of research, analysis, public involvement, and dedicated Board, Committee and staff efforts. It is anticipated that portions of the Downtown TOD TIF revenues will also be used to improve bus service on the Congress Street corridor, and as well in funding of vehicles, bus shelters, and other transit-related capital investments. This document does not seek to replicate or summarize these many initiatives, but to provide a synopsis of what is needed to fulfill those goals.

DOWNTOWN TIF GEOGRAPHY

The Downtown TOD TIF, at approximately 410 acres, is bounded to Washington Avenue to the east, State Street to the west, following the edges of the adjacent Bayside TIF District (with proposed expanded boundaries currently under review with the Maine Department of Economic and Community Development) to the north and Waterfront Capital Improvement district to the south (Figure 1, Appendix 1). This area includes the historic downtown, as well as adjacent, contiguous areas of non-residential and mixed-use economic activity, including the burgeoning artisanal food production and associated businesses and the eclectic commercial land uses of Washington Avenue to the east, and a concentration of institutional and small scale commercial uses interspersed with the neighborhoods to the west.



Figure 1, Portland TIF Districts – Downtown TOD TIF in tan

PLAN PURPOSE

This Plan outlines the various categories of infrastructure investments needed to support a successful urban environment, consolidating recommended infrastructure-related investments from the existing Comprehensive Plan, ongoing maintenance, scheduled investments, and current policy initiatives. In the context of downtown redevelopment and this study, the term “infrastructure” is used to mean the services and capital investments required to support a successful urban environment.

This Downtown Revitalization Investment Plan is a snapshot of current projects and categories of investment, but meeting the infrastructure needs of Portland’s downtown is a dynamic process that will be updated locally on an annual basis or as needed. Though the specific projects prioritized and undertaken from year to year will change, categories of investment for the purpose of eligible uses of the Downtown TOD TIF will remain consistent. Actual project selections and prioritizations for funding will continue to be made on an annual basis during the budget and Capital Improvements Plan (CIP) process. The full list of Portland’s requested Capital Improvement Plan investments for FY 2015 - 2019 is included as Appendix 2. The CIP is the document that presents the City’s capital needs in the current year and plans for capital needs in future years. As a five year plan that is annually updated, the CIP is a dynamic planning document.

DOWNTOWN INVESTMENT FOCUS AREAS

The planning initiatives and policy documents listed below, as well as the annual budgeting process, include a robust and transparent public process, as well as extensive citizen engagement. The investment areas identified below are an outgrowth of the many planning initiatives (see **Current Planning Initiatives** below) recommended in the City's Comprehensive Plan, comprised of numerous adopted, site specific and topic specific documents (see **Related Plans and Documents** below). These focus areas encapsulate work underway and anticipated, whether slated capital improvements or ongoing maintenance of the existing, downtown public realm. A list of recommended Capital Improvement Plan investments for FY 2015 - 2019 is included as *Appendix 2*, and a list of Transportation Strategic Initiatives for 2014-2019 is included as *Appendix 4*, as supporting documentation of current anticipated costs, in addition to the specified investments itemized below.

Capital Infrastructure Investments

Portland's Downtown TOD TIF area has immediate ongoing capital infrastructure investment needs, both arising from recent planning recommendations for physical improvements, and for ongoing maintenance of the built environment. These capital infrastructure investments are critical to a safe, functional, healthy, and beautiful downtown. Capital investments categories include sidewalk and related pedestrian enhancements, including maintenance of existing sidewalks, redesign, and expansion; streetscape elements, such as street furniture and public art; street and decorative lighting; roadway realignments that result from change in traffic direction, redesign of intersections, additions of bicycle infrastructure, expansion of sidewalks, or other physical improvements implemented to foster safe and effective transit mobility; stormwater management, including controlling of both surface water quality and quantity. In addition to maintaining existing stormwater systems, new investments in downtown present opportunities to improve stormwater treatment in the form of green infrastructure, pervious surfaces, and expanding capacity of traditional treatment measures, and major infrastructure investments towards complying with Clean Water Act requirements; utilities, including public water and sewer maintenance; bicycle infrastructure, including storage, signage, parking, lanes, cycle tracks, sharrows, and other on-road dedicated space; communications infrastructure, including investments in high speed fiber optic networks, or other developing technologies needed to support a competitive local economy; wayfinding for the travelling public. A recent wayfinding study remains unimplemented, but promises to provide an aesthetically cohesive, consistent information path on-peninsula. Though peninsula-wide, the greatest concentration of signage would be installed in the downtown TIF area.

Select, specific examples of major capital infrastructure investments include City local match share for state roads which could include State, High, Spring, and Franklin Streets, Congress Square and plaza intersection improvements, along with City debt service to cover the costs of downtown paving and sidewalk rehabilitation. City Council approved FY 2015 CIP includes the following project investments:

- Franklin Street Paving (Middle to Fox): \$125,000

- Spring/Temple/Union Street Intersection (MPO ineligible costs): \$200,000
- Paving Rehabilitation: \$1,750,000*
- Sidewalk Rehabilitation: \$700,000 *¹

New Transit Services

In conjunction with METRO (Greater Portland Transit District), the City has undertaken the HUB Link Study, underway as of Fall 2014 and described in greater detail under Current Planning Initiatives, below, to create a phased operational plan for improved transit services linking established Portland transportation hubs.

It is anticipated that portions of Downtown TOD TIF revenues will be used to assist METRO to create a new and enhanced high frequency corridor on Congress Street with bus services at 15-minute intervals between the Portland Transportation Center (PTC) area and Washington Avenue. This includes improvements to its Route 3 Corridor (Stevens Avenue-Allen Avenue-Congress Street); its Route 6 Corridor (Washington Avenue-Congress Street); and its Route 1 Corridor (Congress Street). Downtown TOD TIF revenues would assist in funding transit vehicles; bus shelters; transit operator salaries, transit vehicle fuel, and transit vehicles parts replacement.

Beyond these immediate projects, the City has made a long term commitment to improve and expand public transit wherever feasible.

City Marketing and Promotion through Creative Portland Corporation

Portland's Arts District is a critical factor in the quality of Portland's downtown urban environment, its community life and its economic life. It seeks to support the continued presence of artists, art institutions and events, and to promote the establishments and growth of creative enterprises that are drawn to Portland's downtown by the City's quality of life and the presence of a lively arts culture. The Arts District and its 1996 Plan is centered on the downtown portion of Congress Street. Maintaining a supportive environment for the Arts District requires ongoing physical and operational investments to keep it a compelling, accessible destination.

In May 2006, the City held the "Creative Economy Summit" which brought together over 200 creative stakeholders of artists, cultural organizations, and creative enterprises in an all day session to plan for the growth and development of Portland's creative economy, which in turn would improve and broaden the tax base. Following the Summit, the Portland City Council established the *Creative Economy Steering Committee* to consider and expand upon the recommendations from the Summit. This resulted in the City Council accepting the Report of the Creative Economy Steering Committee in October 2008, with recommendations for the formation of the Creative Portland Corporation funded by the creation of a creative economy and arts TIF District. In November 2008, the City Council established the Creative Portland Development and Arts Tax Increment Financing District to support the Creative Portland Corporation.

With this Downtown TOD TIF, the City Council reduced and renamed the Arts TIF District to the Baxter Library TIF District, to include only that property at 619 Congress Street as it has an Credit

¹ *It is estimated that \$1 million of the paving and sidewalk investment will be located within the proposed Downtown TIF District.**

Enhancement Agreement expiring FY2018-2019. At the same time, the City Council also made provisions in the Downtown TOD TIF to continue its funding support of the Creative Portland Corporation, up to \$100,000 annually. Downtown TOD TIF revenues for Creative Portland Corporation include: (a) Center for the Arts, including rental residential space; (b) capital, financing, real property assembly and professional service costs; (c) staffing, administrative and marketing expenses; and (d) revolving loan or investment fund.

Funding of Economic Development Staff

It is proposed that a prorated portion of the City Manager and Planning Director's annual salaries be funded through Downtown TOD TIF revenue. Additionally, 100% of the Economic Development Department staff salaries could be funded from the Downtown TOD TIF District or, alternately, other existing City Council approved TIF districts.

Small Public Capital Infrastructure and Equipment

It is anticipated that there will be recurring, smaller capital items that would warrant investment of TIF revenue. Examples of recent expenditures that could qualify for TIF funds are parking meter replacement (\$175,000) and Department of Public Services Tractor Replacement (\$135,000).

CURRENT PLANNING INITIATIVES

Below is a list of current, major planning initiatives underway, each of which will result in recommended improvements and attendant infrastructure investments. A listing of current planning projects and other City initiatives with corresponding investment areas is attached as Appendix 3, TIF Development Program.

Congress Street Bus Priority Corridor

The 2012, the City of Portland with GPCOG and PACTS, carried out a FTA-funded study to consider a portion of Congress Street as a "Bus Priority Corridor." The Congress Street Bus Priority Corridor concept was recommended by the 2009 Peninsula Transit Study, an approved component of the City's Comprehensive Plan. The final recommendations of this report are focused on a set of infrastructure improvements to the Congress Street corridor within the study area, specifically including the following:

traffic signal removal and pedestrian crossing enhancements; traffic signal coordination and modification between State and Pearl Streets; Signage improvements, including mast arm installations; consolidated and improved bus stops between State and Franklin Streets with new



Figure 2, Hub Link Study Route Scenarios

shelters at key locations; and revised curb lines and pavement markings. The study area extends along Congress Street from Franklin Street to State Street.

Congress Square Redesign

On August 2, 2013, the City of Portland launched a visioning process for the redesign of Congress Square. The goal of this process is to create a shared vision for Congress Square as an urban open space and focuses on the activities and uses that **might** happen throughout the spaces within the square. Congress Square includes the intersection of High and Congress Streets, Congress Square Plaza, the public spaces in front of the Portland Museum of Art and the H. H. Hay building, and surrounding sidewalks and traffic islands.

Portland Transportation Hub Link Study

The City of Portland, in conjunction with PACTS, METRO, and the GPCOG is seeking to create a phased operational plan for improved transit services linking established Portland transportation hubs. It calls for feasibility analysis of several major route alternatives, each with downtown route and stop implications.

India Street Sustainable Neighborhood Plan

The purpose of the India Street Sustainable Neighborhood Plan is to create a policy and infrastructure masterplan to guide land use, capital investments, and strategic initiatives through the next phase of the area's development as a *downtown adjacent* neighborhood. Planning for this area is ongoing, with streetscape, green infrastructure and utility recommendations emerging.

Street - Free Street Area Streetscape Plan

Spring Street is at the center of the Portland Downtown District and acts as a critical transportation and development corridor between Franklin Arterial and High Street – linking the Old Port with the Arts District and the East End with the West End. The connective nature of this area means it is of great importance to the functionality and amicability of Portland. It is also home of the Cumberland County Civic Center, Portland Museum of Art, the University of Maine Health, as well as numerous businesses that supply vibrancy to Portland's Downtown District. The physical characteristics of this stretch of Spring Street are more suitable to suburban arterial roads, and create a streetscape that is out of character with the surrounding city, and that does not function ideally for all users and multiple modes of travel.



Figure 3, Spring Street - Free Street Study Area

This project seeks to reintegrate Spring Street into the fabric of the city by transforming it into a complete street that better connects with the districts around it, that enhances the character of the area, and that allows for future development aimed to encourage economic value and livability.

Franklin Street Corridor Feasibility Study

Starting as a citizen-led planning effort, the Reclaiming Franklin Street study developed three concept level plans for transitioning Franklin Street from an Urban Renewal era highway into a multimodal urban mixed use corridor. The concepts retained the arterial function of the street, but add cross street connectivity, bicycle and pedestrian infrastructure, and improved access to adjacent properties in a less land consumptive right of way. Since these initial efforts, the City has partnered with PACTS and MaineDOT to establish a preferred alternative for design from the concept drawings. This effort is currently underway.



Figure 4, Franklin Street Corridor Feasibility Study Area

State and High Streets Two Way Conversion Study

This study was funded by the City for the purpose of improving transportation in a portion of the city core. A large proportion of the infrastructure within this area is in need of an upgrade, so before making any financial investment, the study will assess what kind of changes could make the area more functional for all transportation modes – pedestrians, bicycles, transit and other vehicles.



Figure 5, Portland Peninsula Wayfinding Study Area

Portland Peninsula Vehicular Wayfinding Plan (2013)

In 2013 the City completed, in conjunction with Portland Area Comprehensive Transportation System (PACTS), a Portland Peninsula Vehicular Wayfinding Plan that has not yet been implemented. The intent of the vehicular wayfinding sign program is to provide a consistent and

repetitive information path for the traveling public on-peninsula and toward major destinations off-Peninsula. In addition to wayfinding signage for motorized vehicles, the plan also examines and makes recommendations for bicyclist and pedestrian wayfinding where it benefits the most existing and future users.

RELATED PLANS AND DOCUMENTS

The following is a listing of policy documents with significant downtown infrastructure implications for some or all of the Focus Areas above. These elements of Portland's Comprehensive Plan comprise, in sum, a multifaceted downtown plan.

Comprehensive Plan Elements

Downtown Vision (1991)

The 1991 Downtown Vision set a framework for downtown, including recommendations for parking, open space, lighting, economic development and the arts. Some of it has been implemented, some superseded by subsequent studies, but it remains broad in its reach for what a thriving downtown requires.

<http://www.portlandmaine.gov/DocumentCenter/Home/View/3376> and
<http://www.portlandmaine.gov/DocumentCenter/Home/View/3375>

A Plan for Portland's Arts District (1995)

This Plan's goal was to implement art-related portions of the Downtown Vision Plan, to make recommendations on how to best support development of Portland's arts economy, and to guide the planning process for what was then Portland's emerging downtown arts district. It is inseparable from the overall needs of downtown, emphasizing the importance of pedestrian connections, parking and transit strategy, a downtown Arts District designation, and the importance of the economic health of arts institutions and the role of the arts in the downtown economy.

<http://www.portlandmaine.gov/DocumentCenter/Home/View/3367>

Portland Downtown Traffic & Streetscape Study (1999)

The project study area is focused on Congress Street between State Street and Franklin Street, and makes recommendations regarding on-street parking, crafting a pedestrian-friendly streetscape that includes sidewalks, intersections, public parks and plazas, street trees, street furniture and bicycle parking, among others.

<http://www.portlandmaine.gov/DocumentCenter/Home/View/3371>

Portland's Comprehensive Plan Volume 1 & 2 (2002 & 2005)

These two volumes are the overarching documents that broadly address policy goals as well as inventory and analysis of existing conditions. They touch on many long term infrastructure needs of the city, including transportation, economic development, population and housing, and other areas critical to planning to accommodate future growth. These two volumes remain valuable, foundational documents that support the more in depth policy documents adopted by reference as part of the Comprehensive Plan.

<http://www.portlandmaine.gov/DocumentCenter/Home/View/2959> and
<http://www.portlandmaine.gov/DocumentCenter/Home/View/2960>

City of Portland Wayfinding System Study (2008)

The Portland Wayfinding System Plan created a set of criteria and graphic conventions for vehicular and pedestrian wayfinding city-wide. The Plan additionally established wayfinding districts and pedestrian signage for the Old Port, Government, Waterfront and Arts Districts. Pedestrian signage for these districts has been installed. In 2013 the City completed, in conjunction with Portland Area Comprehensive Transportation System (PACTS), a Portland Peninsula Vehicular Wayfinding Plan, including bicycle wayfinding, that has not yet been implemented.

<http://www.portlandmaine.gov/DocumentCenter/Home/View/3384>

Connecting Libbytown Trail Plan (2009)

The Connecting Libbytown plan envisions improved pedestrian and bicycle linkage between the Fore River Parkway and the Portland Transportation Center to Deering Oaks and the planned extension of the Bayside Trail. In addition to providing quality of life amenities for the Libbytown neighborhood, the plan's implementation will close gaps in completing a circapeninsular trail network. Though Libbytown itself is not in the TIF, the connections this plan identifies overlap with the Downtown TIF boundaries.

<http://www.portlandmaine.gov/DocumentCenter/Home/View/3372>

Portland Peninsula Transit Study (2008)

The Peninsula Transit Study was approved in 2009 with the expressed goal of reducing the number of single occupancy vehicle trips to and from the Portland Peninsula. Using an integrated approach of policy, land use, and infrastructure innovations, the Transit Study includes an action plan for phased implementation.

<http://www.portlandmaine.gov/DocumentCenter/Home/View/3383>

Pedestrian and Bicycle Chapter of the City of Portland Comprehensive Plan (2012) This most recent addition to Portland's Comprehensive Plan includes a map of planned citywide bike routes, standards for streets and sidewalks, recommended intersection and sidewalk improvements and a prioritized list of infrastructure improvements, in addition to performance standards and bike/ped education and promotion proposals.

<http://www.portlandmaine.gov/DocumentCenter/Home/View/3382>

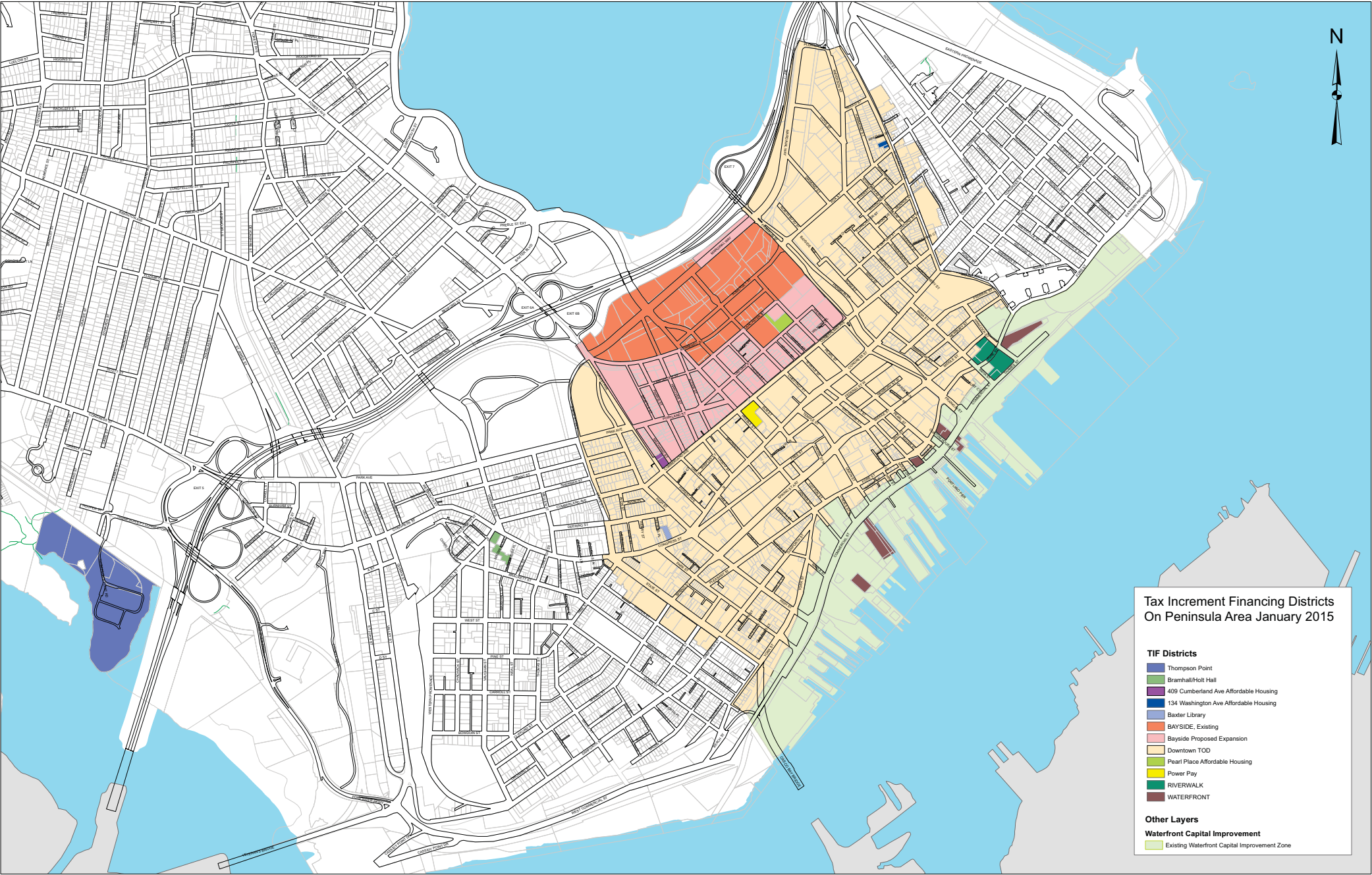
APPENDICES

APPENDIX 1, Portland Tax Increment Finance Districts Map

APPENDIX 2, Capital Improvements Plan, FY 2015-2019 (excerpt)

APPENDIX 3, TIF Development Program

APPENDIX 4, Transportation Strategic Initiatives 2014-2019 Map



D. REQUESTED CAPITAL PROJECTS - GENERAL FUND

	-ID-	2015	2016	2017	2018	2019
<i>Facilities</i>						
Buildings/Garages						
- Salt/Sand Storage on Peaks Island	152408	30,000	-	-	-	-
- Bramhall Roof Reinforcement	152495	50,000	-	-	-	-
- West School Demolition	152324	200,000	-	-	-	-
- Pump Room and Replace Pumps at Reiche Pool	141370	30,000	-	-	-	-
- Portland Ocean Terminal Roof Replacement	152240	210,000	-	-	-	-
- Roof at Ice Arena	141329	215,000	-	-	-	-
- Exhaust Removal System - Peaks Island	152496	-	28,400	-	-	-
- Generator for 55 Portland St	152238	-	85,000	-	-	-
- Fire Alarm & Sprinkler Systems at all Fire Stations	152415	-	600,000	-	-	-
- Generator at Bramhall Fire Station	141541	-	50,000	-	-	-
- Emergency Generators	141542	-	150,000	-	-	-
- Passenger Elevator at City Hall	141340	-	100,000	-	-	-
- Fire Alarm System at Barron Center I Replacement	141580	-	80,000	-	-	-
- Whirlpool Bath Trolley with Stretcher Replacement	152545	25,000	-	-	-	-
- Driveway Apron at Munjoy Hill Fire Station Repaving	141135	-	20,000	-	-	-
- Bleachers at Ice Arena	141363	-	100,000	-	-	-
- Emergency Egress at Exposition Building	141331	160,000	-	-	-	-
- Public Services Operations and Maintenance Facility	141029	-	1,120,000	10,950,000	-	-
- Portland Technology Park Road - Phase II	141454	500,000	-	-	-	-
- Overhead Door at Peaks Island Station Replacement	152374	60,000	-	-	-	-
- Munjoy Station Overhead Doors & Controls Replacement	152394	15,000	-	-	-	-
- Ultra Violet Water Treatment System at Riverton Pool	141356	50,000	-	-	-	-
- Air Handlers at Barron Center 1 Replacement	141465	-	272,000	-	-	-
- Portland Technology Park - Gas Main Connection from Westbrook Street	152411	162,000	-	-	-	-
- Plaza at Public Safety	141341	200,000	-	-	-	-
- Driveway Apron at Central Fire Station Repaving	141137	-	20,000	-	-	-
- Female Locker Room Expansion	152552	-	15,000	-	-	-
- Driveway Apron at Bramhall Fire Station Repaving	141136	-	20,000	-	-	-
- Roof at the Exposition Building	141336	-	260,000	-	-	-

D. REQUESTED CAPITAL PROJECTS - GENERAL FUND

	-ID-	2015	2016	2017	2018	2019
- Concession Stand at Exposition Building Renovation	152325	50,000	-	-	-	-
- Facilities Improvements	152428	-	-	2,000,000	-	-
- Roof at East Deering Fire Station	141130	-	-	90,000	-	-
- Emergency Paging System	152549	-	-	-	25,000	-
- Drainage at Peaks Community Center	141351	-	-	35,000	-	-
- Three Air Handling Units at Public Safety	141350	-	-	250,000	-	-
- Masonry and Windows at Cummings Center	141325	-	-	190,000	-	-
- Roof Deck at Temple Street Parking Garage	141290	-	-	650,000	-	-
- Roof Deck at Spring Street Parking Garage	141282	-	1,100,000	-	-	-
- Building at 90 Anderson St Demolition and Replacement	141343	-	-	-	250,000	-
- Windows at Public Safety	141346	-	225,000	225,000	-	-
- Windows and Doors at Merrill Auditorium	141344	-	-	330,000	-	-
- Patient Call System Replacement	141474	70,108	-	-	-	-
- Lobby/Concession Flooring Replacement at Merrill Auditorium	152251	80,000	-	-	-	-
- Wheel Chair Washer Purchase	152547	-	15,000	-	-	-
- Walk-in Refrigeration Room Expansion	141473	-	-	10,500	-	-
- Waterproof Decking Recoat at Spring St Garage	141427	-	-	-	250,000	-
- Waterproof Decking Recoat at Temple Street Parking Garage	141287	-	310,000	-	-	-
- Sealants and Waterproofing at Elm Street Garage	152519	-	-	-	-	475,000
- Freight Elevator at Barron Center 2 Replacement	141467	-	40,000	-	-	-
- Side Entry Whirlpool Tubs Replacement	152548	-	-	45,000	-	-
- Generator for City Hall	152237	30,000	200,000	-	-	-
- New Vehicle Storage Facility	141076	-	-	750,000	-	-
- Exterior Masonry at Exposition Building	141330	150,000	150,000	-	-	-
- Mortar Repointing at 55 Portland St	141373	-	-	-	50,000	-
- Copper Roof at City Hall	141338	-	1,500,000	-	-	-
- Gym Floor at Riverton School	141365	-	150,000	-	-	-
- Parking Lots and Campus Roadway Paving	141464	174,397	-	-	-	-
- Flooring Backstage at Merrill Auditorium	152253	-	-	1	-	-
- Kitchen at Bramhall Station	152397	-	15,000	-	-	-
- New Stage & Stage Barricade and Exposition Building	141375	-	150,000	-	-	-
- Repaint Steel at Spring Street Garage	141294	-	-	200,000	-	-

D. REQUESTED CAPITAL PROJECTS - GENERAL FUND

	-ID-	2015	2016	2017	2018	2019
- Air conditioning in Conference Rooms at Exposition Building	141337	-	20,000	-	-	-
Buildings/Garages Total		2,461,505	6,795,400	15,725,501	575,000	475,000
Library						
- Elevator - Burbank Branch Library	152571	125,000	-	-	-	-
- HVAC - Upgrades - Library	152568	65,000	60,000	50,000	50,000	50,000
- Roof Repairs - Library	152570	-	20,000	-	-	-
- Parking Lot Paving - Library	152569	-	15,000	-	-	-
Library Total		190,000	95,000	50,000	50,000	50,000
Marine						
- Portland Ocean Terminal Whale Wall Gabions	152239	225,000	-	-	-	-
- Great Diamond Island Barge Landing	141722	20,000	200,000	-	-	-
- Queuing Lanes Seawall	141773	450,000	125,000	-	-	-
- Cliff Island Wharf	141790	270,000	-	-	-	-
- Bollard Replacement at Portland Ocean Terminal	152257	-	75,000	-	-	-
- Floats at Cliff, Cushing, Maine State Pier	141789	100,000	-	-	-	-
- Capstans at Portland Ocean Terminal	141786	-	-	-	80,000	-
- Commercial Boat Landing Relocation	141764	-	1,500,000	-	-	-
- Piles at Portland Ocean Terminal	141775	280,000	-	-	-	-
- Ocean Gateway "A" Building - Add Sewer	141369	-	-	50,000	-	-
- Compass Park Pier Stabilization	152328	30,000	350,000	-	-	-
- Steel Piles at Ocean Gateway Pier	141788	-	500,000	500,000	-	-
Marine Total		1,375,000	2,750,000	550,000	80,000	-
Schools						
- Masonry at Lincoln Middle School	141613	500,000	-	-	-	-
- Casco Bay High School Expansion	141631	305,000	-	-	-	-
- Walkway Repairs at Deering High School	141791	100,000	-	-	-	-
- Elementary School Improvements		1,602,444	7,890,215	25,806,445	5,446,250	-
- Data Infrastructure at Lyman-Moore School	141624	-	280,000	-	-	-
- Windows at Portland High School	141629	-	500,000	-	-	-

D. REQUESTED CAPITAL PROJECTS - GENERAL FUND

	-ID-	2015	2016	2017	2018	2019
- Roof at Portland High School	141616	-	250,000	250,000	250,000	-
- Front Plaza Renovation at Lyman Moore School	141606	70,000	-	-	-	-
- Heating System Piping at Lincoln School	152322	-	-	-	-	100,000
- Windows at Lyman Moore School	141660	-	-	-	-	250,000
- Window at Lincoln Middle School	141659	-	-	-	-	250,000
- Boilers at Deering High School	152469	-	-	-	-	200,000
- Oil Tank and Boiler Abatement at Portland High School	152267	-	-	-	-	100,000
- Air Handling Units at Deering High School	152266	-	100,000	-	-	-
- Kitchen at Portland High School	141669	-	-	150,000	-	-
- Data Infrastructure and Phone System at King Middle School	141643	-	250,000	-	-	-
- Windows at Deering High School	141621	-	500,000	-	-	-
- Interior Renovations at Peaks Island School	141617	-	250,000	-	-	-
- Site Drainage at Deering High School	141619	-	200,000	-	-	-
- Corridor Floors & Lockers at Lincoln School	152321	-	-	-	250,000	-
- Floor Repairs at Portland High School	152320	-	-	140,000	-	-
- Masonry at Riverton School	141603	-	-	-	-	60,000
- HVAC and Electrical at Lyman Moore Middle School	141656	-	-	-	-	850,000
- Deering High School Kitchen	141649	20,000	180,000	-	-	-
- Auditorium Renovations at Portland High School	152303	-	-	350,000	-	-
- Masonry at PATHS	141628	-	-	-	-	200,000
- Electrical at Portland High School	141663	-	-	-	-	150,000
- Bathroom Repairs at King School	141614	-	70,000	-	-	-
- Ceilings at King Middle School	141664	-	-	-	-	80,000
- Masonry at Peaks Island School	141618	-	250,000	-	-	-
- Ceilings at Deering High School	141662	-	-	-	-	150,000
- Masonry at Portland High School	141615	-	750,000	-	-	-
- Pave Multiple School Campuses	141604	500,000	500,000	-	-	-
- A/C in Front Office of Deering High School	141620	-	-	-	-	250,000
- A/C at Riverton School	141638	-	-	-	-	50,000
Schools Total		3,097,444	11,970,215	26,696,445	5,946,250	2,690,000
Facilities Total		7,123,949	21,610,615	43,021,946	6,651,250	3,215,000

D. REQUESTED CAPITAL PROJECTS - GENERAL FUND

	-ID-	2015	2016	2017	2018	2019
<i>Parks, Fields, Trails</i>						
Parks						
- Water Line Replacement at Evergreen Cemetery	152392	14,000	-	-	-	-
- East End Beach Parking Lot Paving	152350	35,000	-	-	-	-
- Evergreen Cemetery - Repair Wall Along Stevens Avenue - Phase II	141723	70,000	-	-	-	-
- Capisic Pond Improvements	141769	2,250,000	-	-	-	-
- Congress Square Re-Design Phase I	152445		568,640	1,000,000	-	-
- Lincoln Park Walkways Repair	141745	235,000	-	-	-	-
- Evergreen Cemetery Expansion	141710	250,000	-	-	-	-
- Deering Oaks Lighting	152449	110,000	-	-	-	-
- Lincoln Park Fence Repair	141724	224,000	-	-	-	-
- Ft. Sumner Park Lighting Improvements - prior CDBG Request	141752	100,000	-	-	-	-
- Restroom Facilities at Deering Oaks	152323	300,000	-	-	-	-
- Western Promenade Walkways	141714	51,000	-	-	-	-
- Monument Square Rehabilitation	152201	261,000	500,000	-	-	-
- Eastern Cemetery Retaining Wall Repair Along Federal Street	141768	935,000	-	-	-	-
- Deering Oaks Parking Lot Paving	152349	41,000	-	-	-	-
Parks Total		4,876,000	1,068,640	1,000,000	-	-
Recreation						
- Payson Park Softball Field "A" - Amenity and Field Upgrades	152490	400,000	-	-	-	-
- Payson Park Playground and Splashpad	141345	50,000	-	-	-	-
- Seating at Hadlock Field	141334	190,000	-	-	-	-
- North Course Clubhouse	141747	225,000	200,000	-	-	-
- Lyman Moore Sports Complex	141347	-	275,000	-	-	-
- Playground at Riverton School	141359	-	250,000	-	-	-
- Softball Field at Riverton School	141355	75,000	-	-	-	-
- Roof at Hadlock Field	141332	-	80,000	-	-	-
- Structural Repairs - Hadlock Stadium	152244	40,000	150,000	-	-	-
- Golf Course Rehabilitation	152491	100,000	100,000	100,000	100,000	100,000
- Metal Siding at Hadlock Field	141333	-	60,000	-	-	-

D. REQUESTED CAPITAL PROJECTS - GENERAL FUND

	-ID-	2015	2016	2017	2018	2019
- Softball Field "A" Lights at Payson Park	141362	-	-	-	250,000	-
- Softball Field Lights at Riverton School	141360	-	-	-	275,000	-
- Playground at Hall School	141349	-	-	150,000	-	-
- Playground at Longfellow School	141353	-	-	-	150,000	-
- Practice Fields at Deering High School	141358	-	-	120,000	-	-
- Lights and Install Irrigation at Deering Oaks Baseball Field	141357	-	-	350,000	-	-
- Tennis Court Lighting at Deering Oaks Park	141361	-	-	-	-	350,000
- Driving Range	152355	45,000	-	-	-	-
- Multipurpose Field "B" at Payson Park	141354	-	100,000	-	-	-
- Dougherty Field Master Plan	152518	-	450,000	-	200,000	-
- North Course Clubhouse Landscaping	152360	-	-	-	75,000	-
- North Course Bathroom With Concessions Located on Course	152357	-	100,000	-	-	-
Recreation Total		1,125,000	1,765,000	720,000	1,050,000	450,000
Parks, Fields, Trails Total		6,001,000	2,833,640	1,720,000	1,050,000	450,000
<i>Wastewater</i>						
Facilities						
- Evergreen Cemetery Drainage	152551	490,000	-	-	-	-
Facilities Total		490,000	-	-	-	-
 Streets/Sidewalks						
- CSO Compliance - SRF Ineligibles	141009	1,000,000	1,000,000	1,000,000	1,000,000	-
Streets/Sidewalks Total		1,000,000	1,000,000	1,000,000	1,000,000	-
Wastewater Total		1,490,000	1,000,000	1,000,000	1,000,000	-
<i>Transportation</i>						
PACTS/Match						
- MaineDOT Arterial Paving Franklin St (Middle St to Fox St) - ineligible/system upgrades	152385	125,000	-	-	-	-

D. REQUESTED CAPITAL PROJECTS - GENERAL FUND

	-ID-	2015	2016	2017	2018	2019
- PACTS Collector Paving (Multiple Locations) - Local Share + Ineligibles/System upgrades	141011	487,000	1,000,000	-	1,080,000	-
- Regional Transportation Management Systems - Traffic Signals	141740	167,000	168,500	100,000	100,000	100,000
- MaineDOT Arterial Paving Alternate Route 1 Commercial St and High St to Franklin St and Middle St - ineligibles/system upgrades	152353	901,500	-	-	-	-
- Spring St and Temple/Union/Middle/Spring Intersection Traffic and Streetscape (Ineligibles/System upgrades)	141026	1,250,000	1,750,000	-	-	-
- PACTS 16/17 TIP Intersection Category - Brighton-Deering-Falmouth	141765	-	445,000	-	-	-
- PACTS 16/17 TIP Road Rebuild Category	152427	-	1,125,000	-	-	-
- PACTS TIP Bike/Ped Category - Local Share	141757	-	341,250	-	250,000	-
- MaineDOT Arterial Paving Riverside St (Brighton Av to Home Depot entrance) - ineligibles/system upgrades	152406	-	150,000	-	-	-
- PACTS 16/17 Intersections Category - Commercial at High	152426	-	62,750	-	-	-
- MaineDOT Arterial Paving Warren Av (Westbrook line to #450 Warren Av) - ineligibles/system upgrades	152395	-	90,000	-	-	-
- PACTS Martin's Pt East Coast Greenway Trail	141781	-	500,000	500,000	-	-
PACTS/Match Total		2,930,500	5,632,500	600,000	1,430,000	100,000
Streets/Sidewalks						
- Paving Preservation and Rehabilitation	141013	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000
- Sidewalk Rehabilitation/Accessibility	141030	850,000	850,000	850,000	850,000	850,000
- Forest Avenue Improvements - Forest/State/Marginal/High Intersection	141025	400,000	200,000	200,000	200,000	200,000
- Portland Street Reconstruction & Streetscape	141739	200,000	2,758,000	-	-	-
- Freshman Alley	152377	400,000	-	-	-	-
- Congress St and Bramhall St Pedestrian Improvements	151947	100,000	-	-	-	-
- MaineDOT Quality Community Program (Multiple Projects) - Local Match	141705	-	161,000	-	175,000	-
- Somerset Street Extension from Elm Street to Forest Avenue	141453	-	325,000	1,325,000	-	-
- Franklin Street Redesign	152574	-	500,000	4,500,000	-	-
- Street Reconstruction Munjoy St	141015	1,081,000	-	-	-	-
- Street Reconstruction Vesper St	141016	1,005,000	-	-	-	-

D. REQUESTED CAPITAL PROJECTS - GENERAL FUND

	-ID-	2015	2016	2017	2018	2019
- State St and High St Two-way Traffic Conversion	141703	600,000	2,400,000	2,000,000	-	-
- Street Reconstruction Mountfort St	141021	-	739,000	-	-	-
- Sidewalks at Exposition Building Entrance	152247	80,000	-	-	-	-
- West Commercial Street Trail from Beach Street to Harborview Park	152416	171,050	-	-	-	-
- Streets and Sidewalks Reconstruction on Moody St and Wilson St	152383	1,100,000	-	-	-	-
- Stairs and Improvements on Plum Street Alley	14912	88,000	-	-	-	-
- City Hall Street Rehabilitation & ADA Curb Accessibility	141072	250,000	-	-	-	-
- Street Reconstruction Woodford St	141012	-	990,000	-	-	-
- York Street Sidewalk and Pedestrian Signals	152423	110,000	-	-	-	-
- Street Reconstruction Morning St	141020	1,088,000	-	-	-	-
- Street Reconstruction Rowe Ave	141008	-	-	-	1,276,000	-
- Street Reconstruction Alba St	141019	-	-	1,002,000	-	-
- Street Reconstruction Riverside Industrial Parkway	141017	-	-	-	-	3,773,000
- Street Reconstruction Donald St	141751	-	-	-	128,000	-
- Safety and Pedestrian Improvements at Oakdale St and Falmouth St	152413	66,000	-	-	-	-
- West-Clark-Pine Street Intersection and Streetscape	141040	20,000	150,000	-	-	-
- Street Reconstruction Mabel St	141018	-	-	1,032,000	-	-
- Libbytown - Traffic and Streetscape Improvements	141027	604,000	1,247,000	151,000	322,000	399,000
- Street Reconstruction Cottage St	141014	-	275,000	-	-	-
- Sidewalks - Connect West End Sidewalks to West Commercial Trail	141039	-	35,000	-	-	-
- Traffic and Streetscape Improvements to Bramhall Street at Chadwick St and Vaughan St	152407	49,000	45,000	-	-	-
- City Hall Myrtle Street Sidewalk	152254	-	1	-	-	-
Streets/Sidewalks Total		12,262,050	14,675,001	15,060,000	6,951,000	9,222,000
Traffic/Streetlights						
- Railroad Quiet Zone Improvements (Woodford's Corner)	141708	400,000	400,000	400,000	400,000	400,000
- Traffic Signal Improvements (Preble St and Elm St)	141023	230,000	200,000	200,000	200,000	200,000
- Peninsula Wayfinding Program	141682	390,000	-	-	-	-
- Streetlighting along Fore Street	141422	43,500	-	-	-	-
- Streetlighting on Commercial Street	141420	50,000	285,890	-	-	-
Traffic/Streetlights Total		1,113,500	885,890	600,000	600,000	600,000

D. REQUESTED CAPITAL PROJECTS - GENERAL FUND

	-ID-	2015	2016	2017	2018	2019
Transportation Total		16,306,050	21,193,391	16,260,000	8,981,000	9,922,000
<i>Equipment and Vehicles</i>						
Equipment						
- Cardiac Monitors	152373	130,000	-	-	-	-
- Stretchers (4)	152572	60,000	-	-	-	-
- Revenue Control Software at Spring Street and Elm Street Garages	141291	30,000	-	-	-	-
- Parking Meters Replacement	141283	175,000	253,750	355,100	-	-
- Server at Public Services	152424	15,000	-	-	-	-
- Virtualization, Storage and Redundancy Upgrade	141596	65,000	65,000	75,000	55,000	-
- School Technology Equipment	141640	1,450,000	1,500,000	-	-	-
- Electronic Parking Ticketing	141285	75,000	-	-	-	-
- Communication System Replacement	141539	9,000,000	-	-	-	-
- Phone System Upgrade	14908	-	500,000	-	-	-
- Public Broadcast City Hall Internet Streaming	152575	55,000	-	-	-	-
- Fire Scheduling Software	152419	-	100,000	-	-	-
- Ticket Dispensers at Spring Street Parking Garage	141288	-	45,000	-	-	-
- Arrest Module Software	141044	51,960	-	-	-	-
- End Point Management System	152485	-	35,000	-	-	-
- Ticket Dispenser at Elm Street Parking Garage	141289	-	15,000	-	-	-
- Novell Open Workgroup Suite	141598	250,000	-	-	-	-
- Phonemail System Replacement	14907	45,000	-	-	-	-
- Electronic Document Storage	141476	136,710	-	-	-	-
- Police Scheduling Software	14933	68,336	-	-	-	-
- Human Resources Software Application	14902	40,000	-	-	-	-
- Riverside Recycling Truck Scale	141720	125,000	-	-	-	-
Equipment Total		11,772,006	2,513,750	430,100	55,000	-
Vehicles						
- Medcu Ambulance Replacement - Fire	141803	265,000	265,000	265,000	265,000	265,000
- Police Cruisers (7) Replacement - Police	141804	266,000	266,000	266,000	266,000	266,000

D. REQUESTED CAPITAL PROJECTS - GENERAL FUND

	-ID-	2015	2016	2017	2018	2019
- Trash Collection Vehicle - 4042	141717	230,000	-	-	-	-
- Backhoe Replacement - Cemeteries 5066	14954	95,000	-	-	-	-
- Sidewalk Tractor Replacement	14962	135,000	270,000	270,000	135,000	-
- School Bus	152468	92,650	-	-	-	-
- Electric Vehicle Lease - Code Enforcement 1000	141308	17,000	-	-	-	-
- 3/4 Ton Pickup Truck Replacement - Trades/Waterfront 3024	141095	50,000	-	-	-	-
- 3/4 Ton Pickup Replacement - Ballfields 2199	141570	35,000	-	-	-	-
- Arrest Vehicle Replacement - Police	14927	76,500	-	49,500	-	-
- Bucket Truck Replacement - Forestry 5098	14988	210,000	-	-	-	-
- Fleet Vehicle Replacements		-	500,000	500,000	500,000	500,000
- Unmarked Traffic Vehicle Replacement - Police	14929	38,000	-	-	-	-
- Car 4 Replacement - Fire 0216	141110	51,000	-	-	-	-
- Rubbish Packer Replacement	14953	240,000	480,000	480,000	480,000	480,000
- Ladder 1 Replacement - Fire	141106	-	1,300,000	-	-	-
- 3/4 Ton Pickup Replacement - Solid Waste 2033	14973	28,000	-	-	-	-
- Rescue 1 Replacement - Fire 0272	141105	990,000	-	-	-	-
- Engine 11 Replacement - Fire	141107	-	-	675,000	-	-
- Engine 6 Replacement - Fire 0279	152195	-	-	-	-	700,000
- Ladder 4 Replacement - Fire	141108	-	-	-	1,500,000	-
- 3/4 Ton Utility Truck Replacement - Playgrounds 2512	141253	-	-	40,000	-	-
- Skidsteer Replacement - PDD 5120	152172	-	-	-	-	45,000
- 1 Ton Pickup Replacement - Peaks 2518	141193	-	-	-	52,000	-
- Excavator Replacement - Districting 5082	141163	-	170,000	-	-	-
- Grader Replacement - Winter 5096	141174	-	320,000	-	-	-
- Mower Replacement - Districting 7156	14991	-	75,000	-	-	-
- Pulp Loader Replacement - Forestry 5097	14967	-	190,000	-	-	-
- 1 Ton Crew Cab Pickup Replacement - Forestry 2503	141237	-	-	35,000	-	-
- Dump Truck Replacement - Districting 3105	14994	-	60,000	-	-	-
- 3/4 Ton Pickup Replacement - Districting 2129	141261	-	-	-	30,000	-
- Tractor Replacement - Ballfields 7138	152177	-	55,000	-	-	-
- Tractor Replacement - Ballfields 8008	152132	-	-	-	-	12,000
- 1/2 Ton Pickup Replacement - Playgrounds 2188	14974	32,000	-	-	-	-

D. REQUESTED CAPITAL PROJECTS - GENERAL FUND

	-ID-	2015	2016	2017	2018	2019
- Peaks Island Police Vehicle Replacement	14926	-	-	42,000	-	-
- Dump Truck Replacement - Winter 3099	14997	160,000	-	-	-	-
- Special Reaction Team Vehicle Replacement - Police	14924	-	-	36,000	-	-
- 3/4 Ton Pickup Replacement - Construction 2001	141241	-	30,000	-	-	-
- Parking Enforcement Truck Replacement - Parking 2023	152180	-	-	25,000	-	-
- Van Replacement - Trades 2045	152125	-	30,000	-	-	-
- Grader Replacement - Public Services 5109	141183	-	-	-	320,000	-
- Mowers (2) Replacement - Districting 7160, 7161	152149	-	30,000	-	-	-
- 3/4 Ton Pickup Replacement - Districting 2128	141260	-	-	-	30,000	-
- Compact Pickup Replacement - Traffic 2030	141255	-	20,000	-	-	-
- Stock Yard Loader Replacement - Public Services 5003	152159	-	195,000	-	-	-
- Refrigerated Box Truck	141652	-	-	-	-	70,000
- Garages Vehicle Replacement - Parking 2196	141158	-	17,000	-	-	-
- Garage Maintenance Truck Replacement - Parking 2205	152182	-	-	-	-	27,000
- Staff Car Replacement - Engineering 1003	141167	-	17,000	-	-	-
- Kitchen Box Truck Replacement- Barron Center 3913	141122	30,000	-	-	-	-
- Patrol Supervisor Vehicle Replacement - Police	14938	39,500	39,500	39,500	39,500	39,500
- Activities League Vehicle Replacement - Police	14935	32,000	-	-	-	-
- 3/4 Ton Pickup Truck Replacement - Cemeteries 2121	14957	32,000	-	-	-	-
- 1 Ton Utility Truck Replacement - Traffic 2500	141242	-	-	55,000	-	-
- 3/4 Ton Truck Replacement - Construction 2000	141240	-	30,000	-	-	-
- Forklift Replacement - Fleet 6004	141181	-	-	40,000	-	-
- 1 Ton Crew Cab Pickup Truck Replacement - Districting 2014	14955	45,000	-	-	-	-
- 3/4 Ton Pickup Replacement - Districting 2130	141262	-	-	-	30,000	-
- Loader Snow Blower Replacement - Winter 7112	152154	-	110,000	-	-	-
- Mower Replacement - Golf	152198	-	-	70,000	-	-
- Mower Replacement - Districting 7155	14987	-	75,000	-	-	-
- Evidence Service Vehicle Replacement - Police	14923	-	-	24,500	-	-
- Pick-up Replacement - Ballfields 2143	141097	35,000	-	-	-	-
- Dump Truck Replacement - Winter 3203	152171	-	-	-	-	185,000
- Tool Cat Replacement - Ballfields 5002	141094	-	75,000	-	-	-
- Dump Truck Replacement - Construction 3098	141002	-	-	165,000	-	-

D. REQUESTED CAPITAL PROJECTS - GENERAL FUND

	-ID-	2015	2016	2017	2018	2019
- 1 Ton Dump Truck Replacement - Districting 3103	14993	-	60,000	-	-	-
- Meter Service Truck Replacement - Parking 2205	152181	30,000	-	-	-	-
- Criminal Investigation Division Vehicles Replacement - Police	14920	68,000	-	68,000	-	68,000
- 1/2 Ton Pickup Replacement - Engineering 2015	141249	-	-	25,000	-	-
- Mower Replacement - Districting 7180	152153	-	60,000	-	-	-
- Bucket Van Replacement - Trades 2218	152133	-	-	-	55,000	-
- 1 Ton Rack Truck Replacement - Construction 2505	152148	-	50,000	-	-	-
- 3/4 Ton Utility Van Replacement - Trades 2053	141556	-	-	-	25,000	-
- 1 Ton Dump Truck Replacement - Districting 3084	14985	60,000	-	-	-	-
- Turf Tractor Replacement - Cemeteries 7011	152173	-	-	-	-	60,000
- Rotary Trim Mower Replacement - Golf Course	152196	-	42,000	-	-	-
- Pavement Roller Replacement - Districting 5087	14968	-	15,000	-	-	-
- Pothole Patcher Replacement - Districting 5103	14989	-	40,000	-	-	-
- Bucket Truck Replacement - Traffic 5110	141166	-	-	125,000	-	-
- 1 Ton Dump Truck Replacement - Districting 3085	14986	60,000	-	-	-	-
- Skidsteer Replacement - Districting 5119	152162	-	-	45,000	-	-
- 3/4 Ton Pickup Replacement - Districting 2024	141247	-	30,000	-	-	-
- 1 Ton Truck Replacement - Ballfields 3104	141092	52,000	-	-	-	-
- Laundry Box Truck Replacement - Barron Center 3912	141117	-	30,000	-	-	-
- Animal Control Officer Van Replacement - Police	14925	-	-	27,500	-	-
- Fuel Truck Replacement - Public Services 2009	152139	32,000	-	-	-	-
- 3/4 Ton Utility Van Replacement - Engineering 2080	141299	-	-	25,000	-	-
- 3/4 Ton Pickup Replacement - Solid Waste 2182	141227	30,000	-	-	-	-
- Dump Truck Replacement - Winter 3130	141210	-	-	-	150,000	-
- 1/2 Ton Pickup Replacement - Cemeteries 2037	141245	-	25,000	-	-	-
- Fleet Parts Van Replacement - Public Services 0209	152150	25,000	-	-	-	-
- 3/4 Ton Pickup Replacement - Districting 2021	141246	-	25,000	-	-	-
- Staff Vehicle Replacement - Assessors 1079	152135	-	-	-	30,000	-
- 1/2 Ton Pickup Replacement - Construction 2022	141248	-	25,000	-	-	-
- Car 9 Replacement - Fire 0277	141146	17,500	-	-	-	-
- Box Van Replacement - Trades 2519	141566	-	25,000	-	-	-
- Mower Replacement - Ballfields 7025	152130	-	-	-	-	85,000

D. REQUESTED CAPITAL PROJECTS - GENERAL FUND

	-ID-	2015	2016	2017	2018	2019
- Bunker Trap Rake Replacement - Golf	152197	-	23,000	-	-	-
- 1 Ton Pickup Replacement - Trades 2151	141561	52,000	-	-	-	-
- Compact Pickup Replacement - PDD 2029	141254	-	20,000	-	-	-
- 1/2 Ton Utility Van Replacement - Trades 2032	141550	25,000	-	-	-	-
- Car 1 Replacement - Fire 0224	141111	51,000	-	-	-	-
- Tee Mower Replacement - Golf Course 4384	14972	70,000	-	-	-	-
- Solid Waste Inspections Pickup Replacement - Solid Waste 2155	152151	25,000	-	-	-	-
- 1/2 Ton Truck Replacement - Districting 2118	152140	25,000	-	-	-	-
- 1 Ton Truck Replacement - Districting 3100	141187	60,000	-	-	-	-
- Administrative Vehicle Replacement - Police	14934	33,000	33,000	33,000	33,000	33,000
- Pick-up Replacement - Ballfields 2013	152129	25,000	-	-	-	-
- Snow Blower Loader Replacement - Winter 7116	141279	-	-	120,000	-	-
- Staff Car Replacement - Safety 2016	152134	-	17,000	-	-	-
- 1 Ton Pickup Replacement - Districting 3002	141202	-	52,000	-	-	-
- 1 Ton Truck Replacement - Playgrounds 3091	141186	52,000	-	-	-	-
- 1/2 Ton Truck Replacement - Forestry 2038	152144	30,000	-	-	-	-
- Backhoe Replacement - Districting 5105	141182	-	-	-	75,000	-
- Skidsteer Replacement - Districting 5114	152156	-	-	45,000	-	-
- 3/4 Ton Pickup - Peaks 2050	141250	-	-	-	30,000	-
- 1 Ton Pickup Replacement - Peaks 3001	141207	-	52,000	-	-	-
- 1 Ton Dump Truck Replacement - Districting 3101	14990	60,000	-	-	-	-
- Wheel Loader Replacement - Trades 5006	141568	-	170,000	-	-	-
- Dump Truck Replacement - Public Services 3125	141203	-	150,000	-	-	-
- Dump Truck Replacement - Public Services 3201	141205	-	165,000	-	-	-
- Flatbed Dump Truck Replacement - Horticulture 3003	152169	-	-	-	-	55,000
- 1/2 Ton Pickup Replacement - Trades 2084	141558	-	25,000	-	-	-
- Dump Truck Replacement - Winter 3036	141204	-	150,000	-	-	-
- Parking Enforcement Vehicle Replacement - Parking 2158	141156	27,000	-	-	-	-
- Fleet Tire Truck Replacement - Public Services 2007	152147	40,000	-	-	-	-
- Pick-up Replacement - Ballfields 2012	152128	27,000	-	-	-	-
- 15-Passanger Van Replacement - Recreation 2194	141093	60,000	-	-	-	-
- Dump Truck Replacement - Public Services 3202	141206	-	165,000	-	-	-

D. REQUESTED CAPITAL PROJECTS - GENERAL FUND

	-ID-	2015	2016	2017	2018	2019
- 1 Ton Rack Body Truck Replacement - Trades 2507	141565	-	-	-	52,000	-
- 1/2 Ton Utility Van Replacement - Trades 2046	141553	-	23,000	-	-	-
- Compact Pickup Replacement - Trades 2070	141557	-	18,000	-	-	-
- Dump Truck Replacement - Winter 3111	141198	-	150,000	-	-	-
- Compact Pickup Replacement - Trades 2086	141559	-	18,000	-	-	-
- 3/4 Ton Utility Van Replacement - Engineering 2081	141300	-	-	25,000	-	-
- 3/4 Ton Pickup Replacement - Barron Center 3908	141119	30,000	-	-	-	-
- On-call Van Replacement - Public Services 2019	152152	-	-	25,000	-	-
- Car 8 Replacement - Fire 0059	152194	17,500	-	-	-	-
- 3/4 Ton Utility Van Replacement - Trades 2212	141562	25,000	-	-	-	-
- Dump Truck Replacement - Winter 3129	152170	-	-	-	-	160,000
- Compact Pickup Replacement - Solid Waste 2002	141238	-	20,000	-	-	-
- Dump Truck Replacement - Districting 3097	14999	-	-	165,000	-	-
- Staff Car Replacement - Parking 1013	152137	-	-	20,000	-	-
- Staff Car Replacement- Inspections 2052	152122	17,000	-	-	-	-
- Staff Vehicle Replacement - Assessors 1024	141309	-	-	17,000	-	-
- Dump Truck Replacement - Districting 3095	141000	-	-	165,000	-	-
- Van Replacement - Trades 2043	152124	25,000	-	-	-	-
- Rubbish Packer Replacement - Peaks 4060	141266	-	-	160,000	-	-
- Van Replacement - Trades 2085	152127	25,000	-	-	-	-
- Loader Replacement - Public Services 5099	141177	-	195,000	-	-	-
- Dump Truck Replacement - Peaks 3114	141199	-	150,000	-	-	-
- Backhoe Replacement - Districting 5031	141003	75,000	-	-	-	-
- Dump Truck Replacement - Public Services 3131	141211	-	-	-	150,000	-
- Rolloff Truck Replacement - Solid Waste 4000	152161	-	-	135,000	-	-
- Skidsteer Replacement - Trades 5001	141567	-	45,000	-	-	-
- Compact Pickup Replacement - Traffic 2061	141229	22,000	-	-	-	-
- Backhoe Replacement - Districting 5085	14982	75,000	-	-	-	-
- 3/4 Ton Pickup Replacement - Districting 2131	152168	-	-	-	-	32,000
- 1 Ton Pickup Replacement - Traffic 2008	141216	30,000	-	-	-	-
- 3/4 Ton Pickup Replacement - Districting 2202	141232	-	30,000	-	-	-
- 3/4 Ton Pickup Replacement - Districting 2183	141223	30,000	-	-	-	-

D. REQUESTED CAPITAL PROJECTS - GENERAL FUND

	-ID-	2015	2016	2017	2018	2019
- Homeless Outreach Vehicle Replacement - Social Services 1004	141322	-	30,000	-	-	-
- Cargo Van Replacement - Solid Waste 3108	141296	-	20,000	-	-	-
- Air Compressor New - Ballfields	141150	16,000	-	-	-	-
- 1 Ton Truck Replacement - Cemeteries 3090	141185	52,000	-	-	-	-
- Mower Replacement - Districting 7026	152165	-	-	-	95,000	-
- Dump Truck Replacement - Construction 3093	14952	165,000	-	-	-	-
- Fleet Service Truck Replacement - Public Services 2521	152155	-	-	-	30,000	-
- Dump Truck Replacement - Public Services 3113	141194	-	150,000	-	-	-
- Car Carrier Replacement - Fleet 3082	141304	-	30,000	-	-	-
- Dump Truck Replacement - Winter 3034	141195	-	150,000	-	-	-
- 1 Ton Pavement Roller Replacement - Construction 5095	141173	18,000	-	-	-	-
- Loader Replacement - Public Services 5101	141180	-	-	195,000	-	-
- Staff Vehicle Replacement - Public Services Safety 1084	141168	-	-	30,000	-	-
- Dump Truck Replacement - Winter 3109	141196	-	150,000	-	-	-
- 3/4 Ton Utility Van Replacement - Traffic 2083	141298	25,000	-	-	-	-
- Dump Truck Replacement - Public Services 3115	141197	-	150,000	-	-	-
- Compact Pickup Replacement - Barron Center 2209	141320	-	-	18,000	-	-
- 1/2 Ton Pickup Replacement - Social Services 2207	141323	30,000	-	-	-	-
- 4 WD Utility Tractor w/ Loader Backhoe Replacement - Recreation	152199	-	-	-	45,000	-
- Rolloff Truck Replacement - Peaks 4037	141275	-	145,000	-	-	-
- 1 Ton Dump Truck Replacement - Barron Center 3914	141118	60,000	-	-	-	-
- Mini Holder Replacement - PDD 8109	152163	-	-	100,000	-	-
- Parking Enforcement Vehicle Replacement - Parking 2216	141160	-	-	-	25,000	-
- 1 Ton Wrecker Replacement - Fleet 2501	141305	-	115,000	-	-	-
- Compact Pickup Replacement - Engineering 2018	14961	22,000	-	-	-	-
- Skidsteer Replacement - Districting 5117	152157	-	-	45,000	-	-
- 3/4 Ton Pickup Replacement - Barron Center 3915	141321	-	30,000	-	-	-
- Dump Truck Replacement - Construction 3094	14977	165,000	-	-	-	-
- Van Replacement - Trades 2048	152126	-	30,000	-	-	-
- Compact Pickup Replacement - PDD 2180	141228	28,000	-	-	-	-
- 1/2 Ton Pickup Replacement - Cemeteries 2186	141220	-	25,000	-	-	-
- 3/4 Ton Crew Cab Pickup Replacement - Open Space 2514	141259	-	-	38,000	-	-

D. REQUESTED CAPITAL PROJECTS - GENERAL FUND

	-ID-	2015	2016	2017	2018	2019
- Compact Pickup Replacement - Districting 2181	141226	30,000	-	-	-	-
- 1 Ton Truck Replacement - Traffic 2515	141217	40,000	-	-	-	-
- 3/4 Ton Utility Van Replacement - Trades 2217	141564	-	25,000	-	-	-
- Toolcat Replacement - Ballfields 5002	152131	-	55,000	-	-	-
- 1/2 Ton Pickup Replacement - Trades 2041	141551	-	-	25,000	-	-
- Roll-off Truck Replacement - Peaks 4018	14970	145,000	-	-	-	-
- 3/4 Ton Pickup Replacement - Horticulture 2187	141222	30,000	-	-	-	-
- 3/4 Ton Utility Van Replacement - Trades 2006	141549	-	25,000	-	-	-
- Fleet Weldshop 1 Ton Truck - Public Services 2520	152158	-	-	-	-	50,000
- Wheel Loader Replacement - Winter 5093	14996	-	-	190,000	-	-
- Mower Replacement - Districting 7158	14963	60,000	-	-	-	-
- Dump Truck Replacement - Districting 3096	14998	-	-	165,000	-	-
- 1 Ton Utility Van Replacement - Trades 2090	141560	-	-	28,000	-	-
- Mini Van Replacement - Trades 2047	141554	-	-	20,000	-	-
- 1 Ton Truck Replacement - Cemeteries 3121	141189	52,000	-	-	-	-
- 1 Ton Truck Replacement - Construction 3117	141192	52,000	-	-	-	-
- 3/4 Ton Pickup Replacement - Districting 2184	141224	30,000	-	-	-	-
- 3/3 Ton Truck Replacement - Cemeteries 2142	152146	30,000	-	-	-	-
- Skidsteer Replacement - Districting 5102	141176	45,000	-	-	-	-
- Compact Pickup Replacement - Forestry 2200	141231	-	20,000	-	-	-
- Mowers (3) Replacement - Golf	152200	-	-	-	-	210,000
- Car 7 Replacement - Fire	141114	-	50,000	-	-	-
- Dump Truck Replacement - Districting 3106	14995	-	60,000	-	-	-
- Dozer Replacement - Public Services 5090	152304	300,000	-	-	-	-
- Mower Replacement - Districting 7162	14979	50,000	-	-	-	-
- Skidsteer Replacement - Construction 5106	141179	-	45,000	-	-	-
- Staff Vehicle Replacement - Safety 1012	152136	-	-	-	-	17,000
- Heavy Wrecker Replacement - Fleet 5035	141306	75,000	-	-	-	-
- 1/2 Ton Pickup Replacement - Trades 2003	141546	-	-	25,000	-	-
- Mower Replacement - Districting 7016	141213	-	95,000	-	-	-
- 1/2 Ton Pickup Replacement - Engineering 2051	141236	25,000	-	-	-	-
- Plow Bay Truck Replacement - Public Services 2135	152143	38,000	-	-	-	-

D. REQUESTED CAPITAL PROJECTS - GENERAL FUND

	-ID-	2015	2016	2017	2018	2019
- 3/4 Ton Pickup Truck Replacement - Horticulture 2134	152160	-	-	-	30,000	-
- 1/2 Ton Truck Replacement - Cemeteries 2100	152145	25,000	-	-	-	-
- 1 Ton Truck Replacement - Cemeteries 2522	152141	52,000	-	-	-	-
- Car 3 Replacement - Fire	141115	-	40,000	-	-	-
- Hole Patcher Replacement - Public Services 5104	141171	40,000	-	-	-	-
- 1 Ton Dump Truck Replacement - Peaks 2508	141244	-	-	-	52,000	-
- 3/4 Ton Pickup Replacement - Trades - 2004	141547	-	-	30,000	-	-
- 1 Ton Truck Replacement - Cemeteries 3119	141188	52,000	-	-	-	-
- Compact Pickup Replacement - PDD 2060	141239	20,000	-	-	-	-
- 1 Ton Rack Truck Replacement - Forestry 2509	141243	-	-	-	40,000	-
- Activity Bus Replacement - Recreation 2700	152138	-	60,000	-	-	-
- Wheelchair Accessible Bus Replacement - Barron Center 3902	141121	-	-	-	40,000	-
- Homeless Outreach Vehicle New - Social Services	152327	27,000	-	-	-	-
- Forklift Replacement - Fleet 6001	141175	-	-	-	40,000	-
- 1/2 Ton Pickup - Public Services Street Openings 2062	152167	-	-	-	-	25,000
- Turf Tractor Replacement - Districting 7010	152164	-	-	-	40,000	-
- Staff Vehicle Replacement - Public Services 1006	152166	-	-	-	-	30,000
- Mower Replacement - Districting	152142	-	90,000	-	-	-
- 1 Ton Truck Replacement - Districting 3118	141190	52,000	-	-	-	-
- Patient Transport Van Replacement - Barron Center 3901	141120	-	-	-	30,000	-
- 1 Ton Truck Replacement - Districting 3120	141191	52,000	-	-	-	-
- 3/4 Ton Pickup Replacement - Districting 2203	141233	-	30,000	-	-	-
- 1/2 Ton Pickup Replacement - Trades 2005	141548	-	-	25,000	-	-
- 3/4 Ton Pickup Replacement - PDD 2204	141234	-	30,000	-	-	-
- 1/2 Ton Pickup Replacement - Trades 2042	141552	-	-	25,000	-	-
- 3/4 Ton Pickup Replacement - Public Services 2185	141225	30,000	-	-	-	-
- Litter Vac Replacement - PDD	152246	75,000	-	-	-	-
- 1 Ton Dump Truck Replacement - Construction 2502	141235	-	52,000	-	-	-
- Car 2 Replacement - Fire 0223	141112	-	50,000	-	-	-
- Staff Vehicle Replacement - Code Enforcement 1083	141307	17,000	-	-	-	-
- Staff Vehicles (2) New- Inspections	141726	-	34,000	-	-	-
Vehicles Total		6,657,650	8,503,500	5,262,000	4,714,500	3,414,500

D. REQUESTED CAPITAL PROJECTS - GENERAL FUND

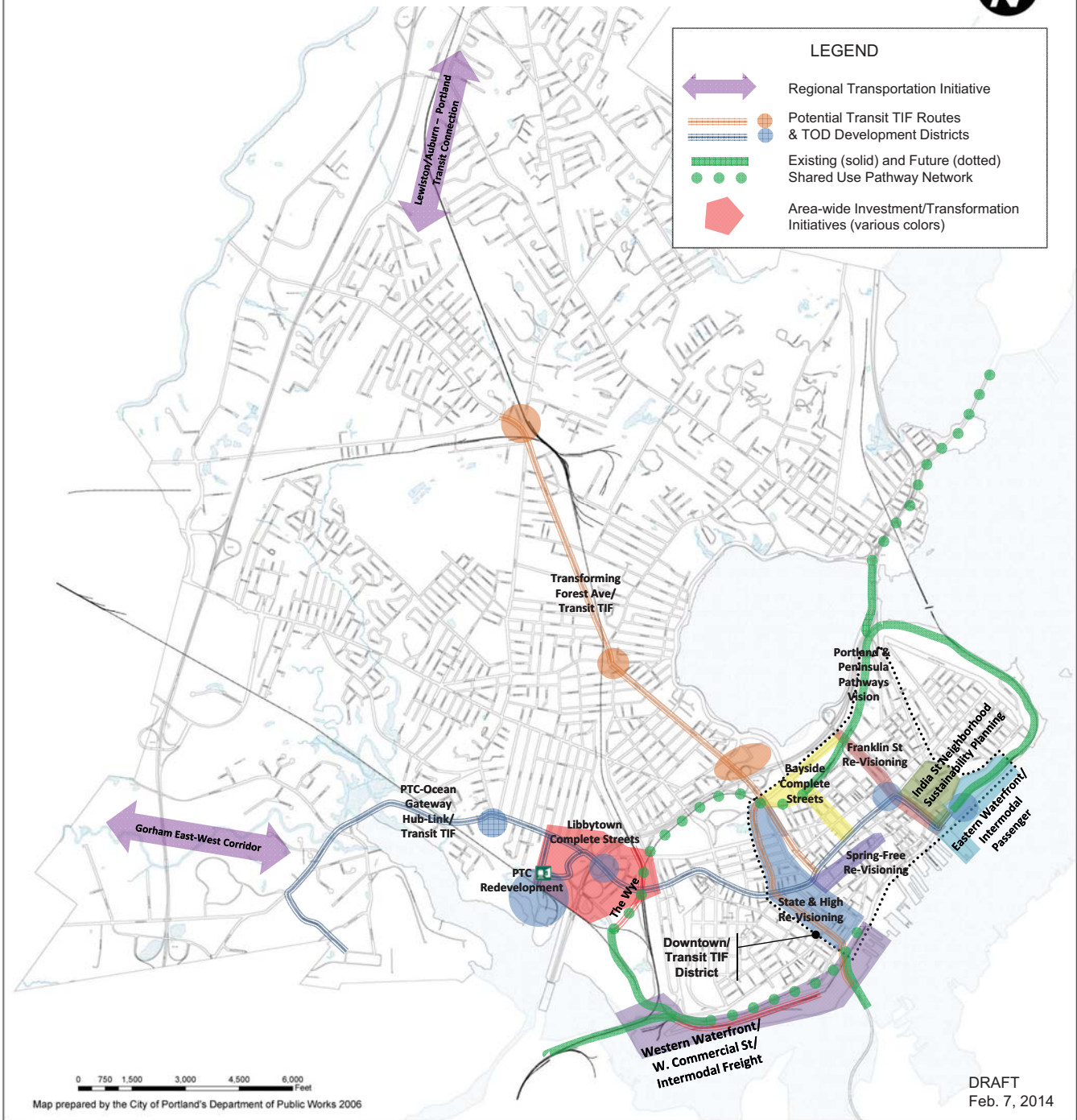
	-ID-	2015	2016	2017	2018	2019
Equipment and Vehicles Total		18,429,656	11,017,250	5,692,100	4,769,500	3,414,500
Grand Total		49,350,655	57,654,896	67,694,046	22,451,750	17,001,500

Current Planning Projects											
	Project Description	Category									
		Sidewalk/ Ped Enhancements	Streetscape	Lighting	Street Realignment	Stormwater Management	Utilities	Bicycle Improvements	Public Transit	Wayfinding	Lighting
Congress Street Bus Priority Corridor Report	The final recommendations of this report are focused on a set of infrastructure improvements to the Congress Street corridor within the study area, specifically including the following: traffic signal removal and pedestrian crossing enhancements; traffic signal coordination and modification between State and Pearl Streets; Signage improvements, including mast arm installations; consolidated and improved bus stops between State and Franklin Streets with new shelters at key locations; and revised curb lines and pavement markings. The study area extends along Congress Street from Franklin Street to State Street.	x	x		x				x		x
Congress Square Redesign	The goal of this process is to create a shared vision for Congress Square as an urban open space, focused on the activities and uses that might happen throughout the spaces within the square. Congress Square includes the intersection of High and Congress Streets, Congress Square Plaza, the public spaces in front of the Portland Museum of Art and the H. H. Hay building, and surrounding sidewalks and traffic islands.	x	x	x	x			x			
India Street Neighborhood Plan	The purpose of the India Street Sustainable Neighborhood Plan is to create a policy and infrastructure masterplan to guide land use, capital investments, and strategic initiatives through the next phase of the area's development as a <i>downtown adjacent</i> neighborhood. Planning for this area is ongoing, with streetscape, green infrastructure and utility recommendations emerging.	x	x	x		x	x	x			
Spring Street - Free Street Area Streetscape Plan	The physical characteristics of this stretch of Spring Street are more suitable to suburban arterial roads, and create a streetscape that is out of character with the surrounding city, and that does not function ideally for all users and multiple modes of travel. This project seeks to reintegrate Spring Street into the fabric of the city by transforming it into a complete street that better connects with the districts around it, that enhances the character of the area, and that allows for future development aimed to encourage economic value and livability.	x	x	x	x	x	x	x			x

	Project Description	Category									
		Sidewalk/ Ped Enhancements	Streetscape	Lighting	Street Realignment	Stormwater Management	Utilities	Bicycle Improvements	Public Transit	Wayfinding	Lighting
Franklin Street Corridor Feasibility Study	The Reclaiming Franklin Street study developed three concept level plans for transitioning Franklin Street from an Urban Renewal era highway into a multi-modal urban mixed use corridor. The concepts retained the arterial function of the street, but add cross street connectivity, bicycle and pedestrian infrastructure, and improved access to adjacent properties. Since these initial efforts, Phase II of this study, to refine a recommended alternative design, is currently underway.	x	x	x	x	x	x	x	x		x
Portland Transportation Hub Link Study	The City of Portland, in conjunction with PACTS, METRO, and the GPCOG is seeking to create a phased operational plan for improved transit services linking established Portland transportation hubs. It calls for feasibility analysis of several major route alternatives, each with downtown route and stop implications.								x		
State & High Streets Two Way Conversion Study	This study is currently underway, to evaluate the feasibility of converting State Streets and High Streets back to two-way traffic, with evaluation of the impacts of such a change on local and regional traffic, bicycle traffic, pedestrian traffic, and transit services.	x			x			x			
Portland Peninsula Vehicular Wayfinding Plan	In 2013 the City completed a Portland Peninsula Vehicular Wayfinding Plan that has not yet been implemented. The intent of the vehicular wayfinding sign program is to provide a consistent and repetitive information path for the traveling public on-peninsula and toward major destinations off-Peninsula. In addition to wayfinding signage for motorized vehicles, the plan also examines and makes recommendations for bicyclist and pedestrian wayfinding where it benefits the most existing and future users.									x	
Other Initiatives											
Creative Portland											
Communications Infrastructure							x				

	Project Description	Category									
		Sidewalk/ Ped Enhancements	Streetscape	Lighting	Street Realignment	Stormwater Management	Utilities	Bicycle Improvements	Public Transit	Wayfinding	Lighting
Downtown Lighting	This is a plan for improved pedestrian and street lighting in the Downtown, Old Port, Bayside, India Street, and the Waterfront districts. Based on the original <i>Downtown Lighting Plan</i> and ensuing plans for the other districts, this plan informs capital investment implementation project phasing and provides details and specifications for street and sidewalk lighting in each district. Much of Congress Street and the Old Port has been upgraded according to the plan, and private development adds to the system based on the technical manual lighting specifications.		x				x				x
Ongoing Or Recurring Activities											
Tree Planting			x			x					
Parks and Public Space Maintenance		x	x			x					
Paving Rehabilitation		x									
Sidewalk Rehabilitation		x	x								
Clean Water Act Compliance						x					

Transportation Strategic Initiatives 2014-2019



Transportation Strategy



CITY OF PORTLAND, MAINE
PUBLIC SERVICES DEPARTMENT
ENGINEERING DIVISION

Initiatives Map

2014-2019
(February 2014)

PORTLAND TIF POLICY

February 22, 2021

I. INTRODUCTION

Tax Increment Financing (TIF) is an economic development program authorized under state law to support municipal projects. The TIF program allows municipalities to provide financial assistance to local economic development projects and programs – from infrastructure, municipal economic development programs and staff, to business expansions - by using new property taxes that result from new commercial or residential investment associated with the corresponding increase in property value.

Portland TIF Policy supports investment in municipal economic development programs, infrastructure investment (which is generally through the establishment of area wide or neighborhood TIF districts) and individual project site specific TIF districts to support either infrastructure or individual private project financing needs.

The City is committed to invest in infrastructure located within the public rights-of-way that encourage economic development. Use of TIF investment to invest in infrastructure recognizes the savings which occurs through the TIF Program tax sheltering benefits.

“Infrastructure” is defined, but not limited to: traffic upgrades, public parking facilities, roadway improvements, lighting, sidewalks, water and sewer utilities, storm water management improvements and placing above ground overhead electric and telecommunications lines underground.

II. STATE TIF LIMITATION

There are acreage and value caps limitations for municipalities to establish TIF along with term limits. Term limits include bonds which may be issued for a maximum of 20 years (anticipation notes for three years). TIF districts may be designated for a maximum of 30 years.

III. PURPOSE

The primary purposes of the TIF Policy include:

- A. To support Portland Economic Development and Housing Plans and Policies;
- B. To stimulate expansion of the City’s commercial and industrial tax base;
- C. To stimulate new affordable and market rate housing investment;
- D. To retain and create quality employment;
- E. To support Portland’s Capital Improvement Plan; and,
- F. To establish standards upon which the City Council will authorize TIF.

IV. GENERAL PRINCIPLES

The three primary general principles for the City Council to establish TIF districts include:

A. Investment

Minimum Real Property Investment. A minimum of \$1 million in new taxable investment property value for commercial and industrial development and \$500,000 for affordable housing development is needed to qualify for a TIF. This is the minimum amount which makes practical sense to consider use of the TIF program due to the amount of new municipal property tax revenue generated from new private investment.

B. Jobs Associated with Commercial and Industrial Development

Applicants for TIF participation will be required to provide a plan outlining the number and quality of jobs retained or created associated with each TIF district. While there is not a specific formula for the numbers of jobs associated with the amount of TIF financial assistance, the number and quality of the jobs will be taken into consideration for each TIF district. It is recognized that housing projects do not create many permanent jobs.

C. Maximize Tax Sheltering Benefits

A municipality's total equalized assessed value is used to calculate General Purpose Aid to Education (subsidy), State Revenue Sharing (subsidy) and County taxes (expense). When a municipality's equalized assessed value increases, State Aid for Education decreases, municipal revenue sharing decreases, and the municipality pays a greater portion of County taxes. TIF allows municipalities to "shelter" new value resulting from private investment from the calculation of its State subsidies (education and revenue sharing) and County taxes. In other words, specific municipal shelter benefits, for the term of the TIF, include:

- 1)** No reduction in State aid for education,
- 2)** No reduction in municipal revenue sharing and
- 3)** No increase in County taxes.

Annually, the Council Committee with jurisdiction over housing and community development and City Council will evaluate available TIF district capacity related to State acreage and value limitations to determine whether existing TIF districts need amending and/or new TIF district establishment. Scheduled public infrastructure investments included in the City's Capital Improvement Plan will inform decisions about adjustments to existing TIF districts or establishment of new TIF districts.

V. APPROACH, POLICY, and TERM REQUIREMENTS

Must meet or exceed the below requirements.

A. Approach

There are three approaches to consider establishing TIF districts. They include:

- 1) ***Municipal Economic Development Programs funded directly through a pay-as-you-go approach.***

Examples of municipal economic development programs include paying for economic development staff, annual funding to Creative Portland for city marketing/branding, and other TIF law allowable activities.

- 2) ***Area wide TIF districts financed by City Bond/Debt Issuance***

Issuance of municipal general obligation bonds or limited obligation bonds is a mechanism that may be used to fund a TIF district program. Allowable uses are spelled out in state TIF law. Generally, municipalities will issue debt to cover the cost of infrastructure investment.

- 3) ***Individual Site Specific TIF districts utilizing Credit Enhancement Agreements (CEAs)***

A CEA is a contract between a municipality and developer to assist an individual development project by using a percentage or all of the tax revenue generated by the investment to pay certain authorized project costs which could include site specific infrastructure or private individual project financing needs. Allowable project costs are spelled out in state TIF law.

B. Policy for the Three Approaches

1. **Policy for Municipal Economic Development Programs.**

Requires annual review and City Council financial appropriations.

2. **Policy for Area wide TIF District Locations (for City Bond/Debt Issuance)**

- a) Area wide TIF will be established for infrastructure investment which has applications beyond one individual project.
- b) City TIF emphasis will be placed upon the following general “Priority Revitalization Areas” to support commercial development, housing development, redevelopment, or to support buildings in need to redevelopment, address blight or historic preservation:

- Affordable housing projects off peninsula;
- Riverside Street commercial and industrial zoned areas;
- Forest Avenue corridor from I-295 to Woodfords Corner;
- Washington Avenue corridor from Congress Street to I-295;
- Portland Technology Park ;
- Areas in which future significant wastewater and/or stormwater infrastructure investments are planned;
- West Commercial Street vacant property;
- Libbytown;
- St. Johns Street Valley;
- Other areas based upon scheduled public infrastructure investment included in the City's Capital Improvement Plan.

The above list of general priority revitalization areas serve as guides to establish specific boundaries for TIF districts at time of district establishment.

- c) Market Rate Housing. Market rate rental housing projects must be located in priority revitalization areas to stimulate housing investment for the purpose of attracting 24/7 pedestrian activity. Pursuant to State Law, TIF for condominium projects are not allowed.
- d) Affordable Housing. Affordable Housing TIF (AHTIF) may be designated on an area wide or site specific basis.

The relevant City Council Committee will complete an annual assessment of housing needs and priorities. This assessment will include a determination regarding designation of an area wide AHTIF. Site specific AHTIF requests submitted by developers will be considered on a case-by-case basis. Area wide or site specific AHTIF designations must address an identified community need.

State law requires that at least 25% of the district area must be suitable for residential use, development must be primarily residential, and at least 1/3 of the units must be for households at or below 120% of area median income which allows for individual mixed income projects or area wide affordable housing TIF districts.

Allowable uses of AHTIF revenues are defined by State law.

- e) City preference is to invest in area wide public infrastructure TIF districts versus establishing individual private site specific TIF districts.

- f) Area wide TIF districts also should seek to maximize the benefit of downtown and transit oriented development (TOD) districts which are exempt from State TIF law for acreage and value limitations.
- g) Terms for area wide TIF districts will be considered for up to 100% of new tax revenue and upwards of thirty (30) years, the maximum allowed by State law, due to the long-term need to invest in neighborhood infrastructure.

NOTE 1: As of this Amended TIF Policy date, there are two existing area wide TIF Districts, i.e., Bayside and Waterfront TIF Districts.

NOTE 2: As of this Amended TIF Policy date, there also exists two Transit Oriented Development (TOD) District, namely the Thompson Point TOD TIF District and the Downtown TOD TIF District to support new or expanded transit services and improved transit connections between the Portland Transportation Center, Jetport and Downtown.

3. Policy for Individual Site Specific TIF Districts Utilizing Credit Enhancement Agreements (CEAs)

- a) CEAs for individual site specific TIF districts will be considered for investment in infrastructure or project financing need and cannot be applied to any agreed upon public infrastructure improvements associated with a City Council approved conditional rezone agreement. Additional provisions related to CEAs include:

- i) City Green Building Code

Compliance with the City's Green Building Code is required when TIF assistance is provided to individual private project CEAs.

- ii) Affordable Housing

Affordable Housing TIF (AHTIF) may be designated on an area wide or site specific basis. Developments are encouraged to promote economic diversity.

The City Council Committee will complete an annual assessment of housing needs and priorities. This assessment will include a determination regarding designation of an area wide AHTIF. Site specific AHTIF requests submitted by developers will be considered on a case-by-case basis. Area wide or site specific AHTIF designations must address an identified community need.

State law requires that at least 25% of the district area must be suitable for residential use, development must be primarily residential, and at least 1/3 of the units must be for households at or below 120% of area median income which allows for individual mixed income projects or area wide AHTIF districts.

Affordable means that the percentage of income a household is charged in rent and other housing expenses including utilities, or must pay in monthly mortgage payments (including real estate taxes, mortgage insurance, condominium/HOA fees, insurance and utilities), does not exceed 30% of a household's gross income, or other amount established in city regulations that does not vary significantly from this amount. These restrictions must remain in place for the full term of the AHTIF district.

Allowable uses of AHTIF revenues are defined by State law.

(iii) State Prevailing Wage Requirement

Any firms employed in the construction phase of a TIF-assisted project must compensate all employees the current wage rates and fringe benefits as required under applicable state prevailing wage law under 26 M.R.S.A. §1306, or Portland City Ordinance Ch. 33, §33-1 to 33-12, whichever is greater.

City staff shall provide to the relevant City Council Committee an annual update on:

- a) the impact of this prevailing wage requirements on CEAs;
- b) feasibility of construction firms to pay prevailing wages and benefits; and
- c) compliance with this section.

(iv) Equal Employment Opportunities and Nondiscrimination

The developer and its contractors employed in the construction phase of a TIF-assisted project shall adhere to a policy of non-discrimination in all employment actions, practices, policies, procedures, phases, and conditions of employment. All employment-related decisions (including but not limited to hiring, discharge, transfers, promotions, discipline, training, job opportunities, and wage and salary levels) will be made without discrimination based on an individual's race or color, religion, age, sex (including pregnancy), sexual orientation, gender identity or expression, ancestry or national origin, physical or mental disability, veteran status,

genetic information, previous assertion of a claim or right under Maine's Workers' Compensation Act, previous actions taken protected under Maine's Whistleblowers' Protection Act, or any other protected group status as defined by applicable law. Provisions in applicable laws providing for bona fide occupational qualifications, business necessity, or age limitations will be adhered to by the developer and its contractors where appropriate. This policy shall not be construed to prohibit any employment action or policy which is required by federal law, rule or executive order.

b) Applicants for CEA participation must demonstrate and pay the following:

i) Financial Necessity.

The applicant must demonstrate the City's participation is financially necessary in order for the project to proceed.

ii) Financial Capacity.

The applicant must demonstrate financial capacity to support their project.

iii) Fees

A financial underwriting analysis will be conducted by a third party on all projects requesting CEA participation. Applicants for CEA assistance will be responsible for reimbursing the City for all project third party legal and financial underwriting costs.

C. Terms for CEA Projects

1) Maximum Percentages.

A maximum average percentage of 65% for the entire term associated with individual project CEAs. Notwithstanding the previous sentence, the maximum average percentage for the entire term associated with individual project CEAs for affordable housing shall be 75%. For the purposes of this policy, the term affordable housing shall be defined as in "V. Approach, Policy, and Term Requirements" Section B(3)(a)(ii) (Affordable Housing) of the Portland TIF Policy.

2) Maximum Number of Years.

Up to twenty (20) years to match individual private sector commercial financing terms; for Affordable Housing projects, up to thirty (30) years (affordability must be maintained for the full term of the TIF). The term of a TIF may start upon

agreed trigger event, such as an increased assessed value. This would be included in a CEA on that negotiated triggering event.

3) Use of Maine Services for CEA Projects Encouraged.

VI. TIF APPLICATION AND ADMINISTRATION PROCESS

A. Application Information and Contact.

The Housing and Economic Development Department handle all TIF inquires and processes requests for TIF. An applicant must submit a letter or application to the Housing and Economic Development Department outlining the proposed project, including TIF project financial information, a plan outlining both the number of permanent and construction jobs associated with the proposed project, housing affordability, as well as a demonstrated ability to meet the requirements under Section B(3)(a) of this policy.

B. Approval Process.

There is a two step approval process which includes obtaining a recommendation from the City Council Committee and City Council approval. Two meetings (or readings) by the City Council are needed. The City Council vote on the TIF occurs at the second meeting.

C. Post-Construction Report to City Council.

The Housing and Economic Development Department shall provide a post-construction report to the City Council Committee and City Council regarding each TIF-assisted project which shall include, but not be limited to, an analysis of the adherence to Section (V)(B)(3)(a) of this policy.

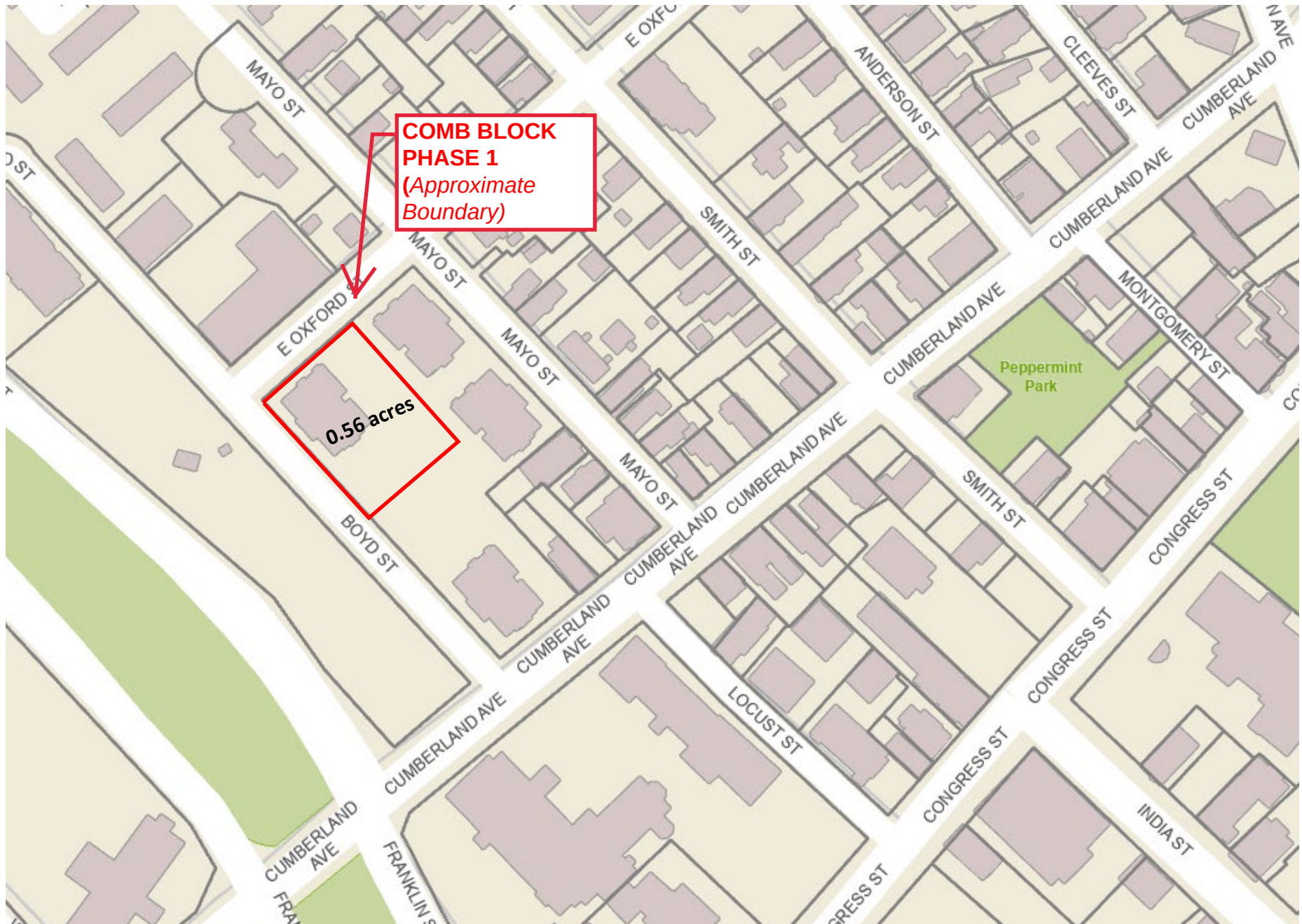
D. Annual Report to City Council.

The Housing and Economic Development Department shall provide annual reports to the City Council Committee and City Council regarding TIF district activity.



COMB BLOCK PHASE 1

Approximate Boundaries



City of Portland - Downtown TOD TIF Model

Actual IAV FY2016 through FY2024

Estimates FY2025 through FY2045

6/26/2024

Annual mil rate increase FY2025 through FY2045:

2%

Annual valuation increase FY2025 through FY2045:

1%

Original Assessed Value ao 4/1/2013:

\$968,136,850

Adjusted Original Assessed Value ao 4/1/2019:

\$965,007,320

City of Portland - Downtown TOD TIF Projection Table

TIF Year	Tax Year- April 1	City Fiscal Year	Increased Assessed Value Real Prop.	% of Value Captured	Captured Valuation	Projected Mill Rate	Total Projected New Taxes Captured	Captured Revenue to Business Project Account	Captured Revenue to Municipal Project Account	City Non- Captured General Fund Revenues	OAV General Fund Revenue
1	2015	FY2015/2016	\$72,245,340	12.00%	\$8,669,441	20.63	\$178,851	\$0	\$178,851	\$1,311,571	\$19,972,663
2	2016	FY2016/2017	\$84,092,870	22.00%	\$18,500,431	21.11	\$390,544	\$0	\$390,544	\$1,384,656	\$20,437,369
3	2017	FY2017/2018	\$126,688,910	22.00%	\$27,871,560	21.65	\$603,419	\$0	\$603,419	\$2,139,396	\$20,960,163
4	2018	FY2018/2019	\$169,840,880	22.00%	\$37,364,994	22.48	\$839,965	\$0	\$839,965	\$2,978,058	\$21,763,716
5	2019	FY2019/2020	\$182,428,630	25.00%	\$45,607,158	23.31	\$1,063,103	\$0	\$1,063,103	\$3,189,309	\$22,567,270
6	2020	FY2020/2021	\$218,676,820	30.00%	\$65,603,046	23.31	\$1,529,207	\$0	\$1,529,207	\$3,568,150	\$22,494,321
7	2021	FY2021/2022	\$1,306,850,420	10.00%	\$130,685,042	12.99	\$1,697,599	\$0	\$1,697,599	\$15,278,388	\$12,535,445
8	2022	FY2022/2023	\$1,292,130,420	10.00%	\$129,213,042	13.61	\$1,758,590	\$0	\$1,758,590	\$15,827,306	\$13,133,750
9	2023	FY2023/2024	\$1,316,986,167	10.00%	\$131,698,617	14.41	\$1,897,777	\$0	\$1,897,777	\$17,079,994	\$13,905,755
10	2024	FY2024/2025	\$1,339,803,051	100.00%	\$1,339,803,051	14.70	\$19,692,693	\$0	\$19,692,693	\$0	\$14,183,871
11	2025	FY2025/2026	\$1,362,848,104	100.00%	\$1,362,848,104	14.99	\$20,432,042	\$0	\$20,432,042	\$0	\$14,467,548
12	2026	FY2026/2027	\$1,386,123,608	100.00%	\$1,386,123,608	15.29	\$21,196,612	\$0	\$21,196,612	\$0	\$14,756,899
13	2027	FY2027/2028	\$1,409,631,867	100.00%	\$1,409,631,867	15.60	\$21,987,223	\$0	\$21,987,223	\$0	\$15,052,037
14	2028	FY2028/2029	\$1,433,375,208	100.00%	\$1,433,375,208	15.91	\$22,804,719	\$0	\$22,804,719	\$0	\$15,353,078
15	2029	FY2029/2030	\$1,457,355,983	100.00%	\$1,457,355,983	16.23	\$23,649,974	\$0	\$23,649,974	\$0	\$15,660,139
16	2030	FY2030/2031	\$1,481,576,565	100.00%	\$1,481,576,565	16.55	\$24,523,886	\$0	\$24,523,886	\$0	\$15,973,342
17	2031	FY2031/2032	\$1,506,039,354	100.00%	\$1,506,039,354	16.88	\$25,427,384	\$0	\$25,427,384	\$0	\$16,292,809
18	2032	FY2032/2033	\$1,530,746,770	100.00%	\$1,530,746,770	17.22	\$26,361,425	\$0	\$26,361,425	\$0	\$16,618,665
19	2033	FY2033/2034	\$1,555,701,260	100.00%	\$1,555,701,260	17.57	\$27,326,997	\$0	\$27,326,997	\$0	\$16,951,038
20	2034	FY2034/2035	\$1,580,905,295	100.00%	\$1,580,905,295	17.92	\$28,325,118	\$0	\$28,325,118	\$0	\$17,290,059
21	2035	FY2035/2036	\$1,606,361,371	100.00%	\$1,606,361,371	18.28	\$29,356,839	\$0	\$29,356,839	\$0	\$17,635,860
22	2036	FY2036/2037	\$1,632,072,007	100.00%	\$1,632,072,007	18.64	\$30,423,245	\$0	\$30,423,245	\$0	\$17,988,577
23	2037	FY2037/2038	\$1,658,039,750	100.00%	\$1,658,039,750	19.01	\$31,525,452	\$0	\$31,525,452	\$0	\$18,348,349
24	2038	FY2038/2039	\$1,684,267,170	100.00%	\$1,684,267,170	19.39	\$32,664,615	\$0	\$32,664,615	\$0	\$18,715,316
25	2039	FY2039/2040	\$1,710,756,864	100.00%	\$1,710,756,864	19.78	\$33,841,922	\$0	\$33,841,922	\$0	\$19,089,622
26	2040	FY2040/2041	\$1,737,511,456	100.00%	\$1,737,511,456	20.18	\$35,058,601	\$0	\$35,058,601	\$0	\$19,471,415
27	2041	FY2041/2042	\$1,764,533,593	100.00%	\$1,764,533,593	20.58	\$36,315,916	\$0	\$36,315,916	\$0	\$19,860,843
28	2042	FY2042/2043	\$1,791,825,951	100.00%	\$1,791,825,951	20.99	\$37,615,173	\$0	\$37,615,173	\$0	\$20,258,060
29	2043	FY2043/2044	\$1,819,391,234	100.00%	\$1,819,391,234	21.41	\$38,957,718	\$0	\$38,957,718	\$0	\$20,663,221
30	2044	FY2044/2045	\$1,847,232,169	100.00%	\$1,847,232,169	21.84	\$40,344,940	\$0	\$40,344,940	\$0	\$21,076,486
30 Year TIF Total			\$38,066,039,087		\$33,891,311,960		\$617,791,547	\$0	\$617,791,547	\$62,756,826	\$533,477,687
30 Year Average			\$1,268,867,970		\$1,129,710,399		\$20,593,052		\$20,593,052	\$2,091,894	\$17,782,590

Actual Above Line

Estimates Below Line

City of Portland Downtown TOD TIF Model
8/3/2023
Assumptions:
All tax shifts have been calculated according to Maine DECD best practice guidelines.
The tax shifts resulting from the sheltering of valuation from the state school funding formula are based on the state EPS funding model in which a statewide mill rate of 8.18 mills in FY 2020-21 and the same thereafter is applied to a district's state valuation to determine the amount of local property taxes to be raised for education. By sheltering valuation through a TIF, the district avoids having to raise an amount equal to the valuation sheltered X mills.
State Municipal Revenue Sharing amounts are calculated from spreadsheet provided by Maine Revenue Services, FY 2021 Projected Municipal Revenue Sharing - updated 3-4-2020.
County tax calculations are based on data from the Cumberland County Finance Department for the FY 2018 County Tax Year. For purposes of this analysis, the total county tax assessment is assumed to remain constant throughout the life of the TIF when in actuality increases in the total county tax assessment are likely.

Tax Shifts-Avoided Formula Impacts from Sheltering of Valuation: City of Portland- Downtown TOD TIF Model

30 years: Year 1 - 12% to Municipal Project Account, 88% to City General Fund; Years 2 through 4: 22% to Municipal Project Account, 78% to City General Fund; Year 5 - 25% to Municipal Project Account, 75% to General Fund; Year 6 30% to Municipal Project Account, 70% to General Fund; Years 7 thru 9: 10% to Municipal Project Account, 90% to City General Fund; Years 10 through 30: 100% to Municipal Project Account

TIF Year	Tax Year- April 1	City Fiscal Year	Total Added Valuation	Sheltered Valuation	Avoided Formula Impacts from Sheltering of Valuation			
					Avoided Loss of State Aid to for Education	Avoided Loss of State Municipal Revenue Sharing	Avoided Increase in County Tax	Total Avoided Impacts
1	2015	FY2015/2016	\$72,245,340	\$8,669,441	\$0	\$8,202	\$4,786	\$12,988
2	2016	FY2016/2017	\$84,092,870	\$18,500,431	\$0	\$17,503	\$10,211	\$27,714
3	2017	FY2017/2018	\$126,688,910	\$27,871,560	\$0	\$26,369	\$15,380	\$41,749
4	2018	FY2018/2019	\$169,840,880	\$37,364,994	\$103,127	\$35,351	\$20,615	\$159,093
5	2019	FY2019/2020	\$182,428,630	\$46,389,473	\$256,070	\$43,889	\$25,588	\$325,547
6	2020	FY2020/2021	\$218,676,820	\$65,603,046	\$543,193	\$62,066	\$36,170	\$641,430
7	2021	FY2021/2022	\$1,306,850,420	\$130,685,042	\$1,082,072	\$123,640	\$71,948	\$1,277,659
8	2022	FY2022/2023	\$1,292,130,420	\$129,213,042	\$1,069,884	\$122,247	\$71,140	\$1,263,271
9	2023	FY2023/2024	\$1,316,986,167	\$131,668,111	\$1,090,212	\$124,570	\$72,487	\$1,287,269
10	2024	FY2024/2025	\$1,339,803,051	\$1,339,497,994	\$11,091,043	\$1,267,285	\$717,810	\$13,076,139
11	2025	FY2025/2026	\$1,362,848,104	\$1,362,543,047	\$11,281,856	\$1,289,088	\$729,789	\$13,300,733
12	2026	FY2026/2027	\$1,386,123,608	\$1,385,818,551	\$11,474,578	\$1,311,108	\$741,875	\$13,527,561
13	2027	FY2027/2028	\$1,409,631,867	\$1,409,326,810	\$11,669,226	\$1,333,349	\$754,070	\$13,756,645
14	2028	FY2028/2029	\$1,433,375,208	\$1,433,070,151	\$11,865,821	\$1,355,813	\$766,374	\$13,988,007
15	2029	FY2029/2030	\$1,457,355,983	\$1,457,050,926	\$12,064,382	\$1,378,501	\$778,788	\$14,221,670
16	2030	FY2030/2031	\$1,481,576,565	\$1,481,271,508	\$12,264,928	\$1,401,415	\$791,312	\$14,457,656
17	2031	FY2031/2032	\$1,506,039,354	\$1,505,734,297	\$12,467,480	\$1,424,559	\$803,949	\$14,695,988
18	2032	FY2032/2033	\$1,530,746,770	\$1,530,441,713	\$12,672,057	\$1,447,935	\$816,698	\$14,936,690
19	2033	FY2033/2034	\$1,555,701,260	\$1,555,396,203	\$12,878,681	\$1,447,935	\$829,560	\$15,156,175
20	2034	FY2034/2035	\$1,580,905,295	\$1,580,600,238	\$13,087,370	\$1,495,389	\$842,537	\$15,425,296
21	2035	FY2035/2036	\$1,606,361,371	\$1,606,056,314	\$13,298,146	\$1,519,473	\$855,629	\$15,673,248
22	2036	FY2036/2037	\$1,632,072,007	\$1,631,766,950	\$13,511,030	\$1,543,797	\$868,837	\$15,923,665
23	2037	FY2037/2038	\$1,658,039,750	\$1,657,734,693	\$13,726,043	\$1,568,365	\$882,162	\$16,176,571
24	2038	FY2038/2039	\$1,684,267,170	\$1,683,962,113	\$13,943,206	\$1,593,179	\$895,605	\$16,431,990
25	2039	FY2039/2040	\$1,710,756,864	\$1,710,451,807	\$14,162,541	\$1,618,240	\$909,167	\$16,689,948
26	2040	FY2040/2041	\$1,737,511,456	\$1,737,206,399	\$14,384,069	\$1,643,553	\$922,848	\$16,950,470
27	2041	FY2041/2042	\$1,764,533,593	\$1,764,228,536	\$14,607,812	\$1,669,118	\$936,650	\$17,213,581
28	2042	FY2042/2043	\$1,791,825,951	\$1,791,520,894	\$14,833,793	\$1,694,939	\$950,574	\$17,479,306
29	2043	FY2043/2044	\$1,819,391,234	\$1,819,086,177	\$15,062,034	\$1,721,018	\$964,620	\$17,747,672
30	2044	FY2044/2045	\$1,847,232,169	\$1,846,927,112	\$15,292,556	\$1,747,358	\$978,789	\$18,018,704
30 Year TIF Total			\$38,066,039,087	\$33,885,657,573	\$279,783,212	\$32,035,254	\$18,065,967	\$329,884,433
30 Year Average			\$1,268,867,970	\$1,129,521,919	\$9,326,107	\$1,067,842	\$602,199	\$10,996,148

REVISED EXHIBIT E
STATUTORY REQUIREMENTS AND THRESHOLDS
Portland Downtown TOD TIF Amendment #8 a/o 6/26/2024

SECTION A. Acreage Caps		
1. Total municipal acreage;	13,785.6	
2. Acreage of proposed Municipal TIF District (Amended DTIF&3 Proposed AHTIFs);	417.7988	
3. Downtown-designation ¹ acres in proposed Municipal TIF District;	416.1688	
4. Transit-Oriented Development ² acres in proposed Municipal TIF District;	0	
5. Total acreage [=A2-A3-A4] of proposed Municipal TIF District counted <u>toward</u> 2% limit;	1.63	
6. Percentage [=A5÷A1] of total acreage in proposed Municipal TIF District (CANNOT EXCEED 2%).	.0118%	
7. Total acreage of all <u>existing/proposed</u> Municipal TIF districts in municipality including Municipal Affordable Housing Development districts: ³ See attached listing.	Existing	472.91
	Proposed	417.7988
	Total:	890.7088
30-A § 5223(3) EXEMPTIONS⁴		
8. Acreage of an <u>existing/proposed</u> Downtown Municipal TIF district;	416.1688	
9. Acreage of all <u>existing/proposed</u> Transit-Oriented Development Municipal TIF districts: Thompson's Point TOD TIF/30 Acres	30	
10. 1Acreage of all <u>existing/proposed</u> Community Wind Power Municipal TIF districts: None	0	
11. Acreage in all <u>existing/proposed</u> Municipal TIF districts common to ⁵ Pine Tree Development Zones per 30-A § 5250-I (14)(A) excluding any such acreage also factored in Exemptions 8-10 above: None	0	
12. Total acreage [=A7-A8-A9-A10-A11] of all <u>existing/proposed</u> Municipal TIF districts counted toward 5% limit;	444.540	
13. Percentage of total acreage [=A12÷A1] of all <u>existing/proposed</u> Municipal TIF districts (CANNOT EXCEED 5%).	3.225%	
14. Real property in proposed Municipal TIF District that is:	ACRES	% [=Acres÷A2]
a. A blighted area;		
b. In need of rehabilitation, redevelopment or conservation;		
c. Suitable for commercial or arts district uses.	417.7988	100%
TOTAL (except for § 5223 (3) exemptions a., b. <u>OR</u> c. must be at least 25%)		

¹ Before final designation, the Commissioner will seek advice from MDOACF and MDOT per 30-A § 5226(2).

² For Transit-Oriented Development (TOD) definitions see 30-A § 5222 sub-§§ 19-24.

³ For AH-TIF acreage requirement see 30-A § 5247(3)(B). Alternatively, Section B. must exclude AH-TIF valuation.

⁴ Downtown/TOD overlap nets single acreage/valuation caps exemption.

⁵ PTZ districts approved through December 31, 2008.

REVISED EXHIBIT E
STATUTORY REQUIREMENTS AND THRESHOLDS
Portland Downtown TOD TIF Amendment #8 a/o 6/26/2024

SECTION B. Valuation Cap		
1. Total TAXABLE municipal valuation—use most recent April 1;	\$14,872,866,446	
2. Taxable Original Assessed Value (OAV) of proposed Municipal TIF District as of March 31 preceding municipal designation—same as April 1 prior to such March 31	\$964,702,263	
3. Taxable OAV of all <u>existing/proposed</u> Municipal TIF districts in municipality excluding Municipal Affordable Housing Development districts: See Attached Listing	Existing	\$162,824,320
	Proposed	\$964,702,263
	Total:	\$1,127,526,583
30-A § 5223(3) EXEMPTIONS		
4. Taxable OAV of an <u>existing/proposed</u> Downtown Municipal TIF district;	\$964,702,263	
5. Taxable OAV of all <u>existing/proposed</u> Transit-Oriented Development Municipal TIF districts: Thompson's Point TOD TIF	\$4,970,470	
6. Taxable OAV of all <u>existing/proposed</u> Community Wind Power Municipal TIF districts: None	\$0	
7. Taxable OAV of all <u>existing/proposed</u> Single Taxpayer/High Valuation ⁶ Municipal TIF districts: None	\$0	
8. Taxable OAV in all <u>existing/proposed</u> Municipal TIF districts common to Pine Tree Development Zones per 30-A § 5250-I (14)(A) excluding any such OAV also factored in Exemptions 4-7 above: None	0	
9. Total taxable OAV [=B3-B4-B5-B6-B7-B8] of all <u>existing/proposed</u> Municipal TIF districts counted toward 5% limit;	\$157,853,850	
10. Percentage of total taxable OAV [=B9÷B1] of all <u>existing/proposed</u> Municipal TIF districts (CANNOT EXCEED 5%).	1.061%	

COMPLETED BY	
NAME :	Lori Paulette, Principal Adm. Officer
DATE :	6/26/2024

⁶ For this exemption see 30-A §5223(3)(C) sub-§§ 1-4.

Listing of Existing TIF Districts for 3 Proposed AHTIF Districts, with one (70 E. Oxford St.) to be taken out of the Downtown TOD TIF - 6/26/2024

6/26/2024

Active and Proposed TIFs			
TIF District	FY Start/End	Original Assessed Value (OAV)	Acres
Waterfront/and W Maine Sub District/Added March 2018 Parcels	FY2002-03/FY2031-32	\$8,283,740	6.625
- WTIF 9/2018 Added Parcels		\$20,076,870	77.560
- WTIF 5/2019 Added Parcels		\$5,938,400	13.430
Bayside Expanded TIF District	FY2003-04/FY2032-33	\$121,639,640	128.728
Pearl Place/Avesta-AH TIF	FY2007-08/FY2035-36	\$0	1.035
Public Market/Power Pay	FY2010-11/FY2039-40	\$1,862,600	1.070
McAuley Place	FY2009-10/FY2038-39	\$0	5.320
Avesta/409 Cumberland Ave-AH TIF	FY2013-14/FY2034-35	\$0	0.410
Thompson's Pt TOD/TIF II	FY2014-15/FY2043-44	\$4,970,470	30.000
134 Washington Avenue/AH TIF	FY2014-15/FY2033-34	\$0	0.230
17 Carleton St/AH TIF	FY2015-16/FY2036-37	\$0	0.572
Proposed Amd Downtown TOD TIF	FY2015-16/FY2044-45	\$964,702,263	416.1688
ImmuCell TIF	FY2017-18/FY2028-29	\$52,600	1.110
58 Boyd Street/AH TIF	FY2018-19/FY2047-48	\$0	0.480
178 Kennebec St/AH TIF	FY2019-20/FY2048-49	\$0	0.220
Deering Place/AHTIF	FY2018-19/FY2047-48	\$0	1.090
977 Brighton Avenue/AHTIF	FY2019-20/FY2048-49	\$0	0.730
66 State Street AHTIF	FY2020-2021/FY2049-50	\$0	0.509
PHA Front Street AHTIF	FY2020-2021/FY2049-50	\$0	3.487
200 Valley Street AHTIF	FY2020-2021/FY2049-50	\$0	0.344
577 Washington Avenue AHTIF	FY2020-2021/FY2049-50	\$0	3.610
337 Cumberland Avenue AHTIF	FY2020-2021/FY2049-50	\$0	0.452
104 Grant Street AHTIF	FY2020-2021/FY2049-50	\$0	0.330
83 Middle Street AHTIF	FY2020-2021/FY2049-50	\$0	0.285
91 Winter Street AHTIF	FY2021-2022/FY2050-51	\$0	0.0000
73 Winter Street AHTIF	FY2021-2022/FY2050-51	\$0	0.3941
45 Dougherty Street AHTIF	FY2023/2024/FY2052-53	\$0	1.6750
25 Casco Street AHTIF	FY2024-2025/FY2053-54	\$0	0.312
Riverton Park	FY2024-2025/FY2043-44	\$0	19.8649
Portland Tourism Dev. District	n/a	n/a	42.1269
Portland Downtown Munic. Dev. Dist.	n/a	n/a	130.9100
Proposed 70 E Oxford AHTIF		\$0	0.560
Proposed 186 Woodford St AHTIF		\$0	0.640
Proposed 202 Woodford St AHTIF		\$0	0.430
Sub-Total:		\$1,127,526,583	890.7087
Less Exempt:			
Thompson's Point (TOD TIF)	FY2014-15/FY2043-44	-\$4,970,470	-30.000
Downtown TOD District	FY2015-16/FY2044-45	-\$964,702,263	-416.1688
Totals for Caps:		\$157,853,850	444.540
FY2023 Aggregate Total Value:		\$14,872,866,446	
Total Acreage for Ptld:			13,785.600
5% Allowed to be TIF'd:		\$743,643,322	689.280
Current Amounts TIF'd:		\$157,853,850	444.540
Amount Remaining that can be TIF'd:		\$585,789,472	244.740

MEMORANDUM
City Council Agenda Item

FROM: Victoria Volent, Housing Program Manager

DATE: June 24, 2024

SUBJECT: Order 20-24/25 Designating and Adopting the Municipal Development Program for the 70 East Oxford Street Affordable Housing Development and Tax Increment Financing District - Sponsored by the Housing and Economic Development Committee, Councilor Pious Ali, Chair

SPONSOR: Sponsored by the Housing and Economic Development Committee, Councilor Pious Ali, Chair

The Housing and Economic Development Committee met on June 25, 2024 and voted (3-1) to forward this item to the City Council with a recommendation for passage.

(If sponsored by a Council committee, include the date the committee met and the results of the vote.)

COUNCIL MEETING DATE ACTION IS REQUESTED:

1st Reading 7/15/2024

**Final
Action 8/19/2024**

Can action be taken at a later date: No The applicant is applying for 9% Low Income Housing Tax Credit (LIHTC) funding through MaineHousing. At least 30 days prior (August 20, 2024) to the application deadline (September 21, 2024), the applicant must submit a complete application for the Affordable Housing TIF with MaineHousing. To meet the August 20, 2024 filing deadline, the second read must be on August 19, 2024.

Does this item involve a new contract with the City: Corporation Counsel has reviewed and approved the Declaration of Covenants, and the Development Program.

PRESENTATION: Greg Waton, Housing and Economic Development Director will be available for questions.

I. SUMMARY

Portland Housing Development Corporation (PHDC) is proposing to demolish the four existing multifamily buildings containing 40 units of public housing located on the parcel of land bound by Cumberland Avenue, Oxford Street, Mayo Street, and Boyd Street (COMB Block) to create a six-story building of 55 mixed-income units with 50 affordable rental units for low income households and 5 rental units at market rate located at 70 East Oxford Street, also known as COMB Block Phase One. PHDC is requesting financial assistance from the City in the form of Affordable Housing Tax Increment Financing (AHTIF) to support the cashflow of the project. If approved, the AHTIF would be provided through a Credit Enhancement Agreement at 75% of the increased taxable value currently estimated at an average of \$92,474 annually for 20 years.

II. AGENDA DESCRIPTION

During a meeting held on June 25, 2024, the Housing and Economic Development Committee voted (3-1) to forward this item to the City Council with a recommendation for passage.

Portland Housing Development Corporation (PHDC) is proposing to demolish the four existing multifamily buildings containing 40 units of public housing located on the parcel of land bound by Cumberland Avenue, Oxford Street, Mayo Street, and Boyd Street (COMB Block) to create a six-story building of 55 mixed-income

units with 50 affordable rental units for low income households at 70 East Oxford Street, also known as COMB Block Phase One. PHDC is requesting financial assistance from the City in the form of Affordable Housing Tax Increment Financing (AHTIF) to support the cashflow of the project. If approved, the AHTIF would be provided through a Credit Enhancement Agreement at 75% of the increased taxable value currently estimated at an average of \$92,474 annually for 20 years.

The COMB Block Phase One project would include 33 units for households earning up to 50% of the area median income (AMI) (i.e. \$57,400 for three people), 17 units for households earning up to 60% of the AMI (i.e. \$68,850 for three people), and 5 units at market rate. The project would set aside 20% of units for Persons Experiencing Homelessness or persons who have disabilities, are victims of domestic violence, or have other special housing needs. The building would offer five (5) studio units, fifteen (15) one-bedroom units, sixteen (16) two-bedroom units, and nineteen (19) three-bedroom units.

PHDC is requesting two forms of financial assistance: (1) \$650,000 in Affordable Housing Development funding, and (2) Affordable Housing Tax Increment Financing (AHTIF). If approved, the AHTIF would be provided through a Credit Enhancement Agreement at 75% of the increased taxable value, currently estimated at an annual average of \$92,474 with an estimated total of \$1,849,475 over 20 years in captured increased assessed value tax-revenue returned to the project/developer to support the cash flow of the project. The proposed project would be taxable with an estimated annual assessment of \$6,905,000 and current annual tax of \$99,501 at the current 24 FY millage rate. The remaining increased taxable value, currently estimated at a 20-year average of \$30,825 with an estimated total of \$616,492, would be non-captured general fund revenue.

This item must be read on two separate occasions. Five affirmative votes are required for passage after public comment. To make this item effective immediately, staff is requesting that this item be passed as an emergency. Seven affirmative votes are required for passage as an emergency after public comment.

III. BACKGROUND

Approval of this AHTIF request is key to making the project feasible.

The City Council must:

- (1) authorize the creation of the AHTIF District; and
- (2) approved the Credit Enhancement Agreement
- (3) authorize the City Manager to sign and submit to MaineHousing for approval the documents to establish the district in substantially the form as enclosed.

IV. INTENDED RESULT AND/OR COUNCIL GOAL ADDRESSED

Establishing an Affordable Housing Tax Increment Financing District to support the creation of a six-story building with 50 affordable rental units for low-income households and 5 market rate units.

V. FINANCIAL IMPACT

Item name

VI. STAFF ANALYSIS AND BACKGROUND

Staff Analysis that will not appear in the Agenda Description.

VII. RECOMMENDATION

Staff is requesting the City Council (1) approve the establishment of the 70 East Oxford Street Affordable Housing Development Tax Increment Financing District; (2) approved a Credit Enhancement Agreement with Community Housing of Maine; and (3) authorize the City Manager to sign and submit to MaineHousing for approval the documents to establish the district in substantially the form as enclosed.

VIII. LIST ATTACHMENTS

1. Order 20 - Designating 70 East Oxford Street Affordable Housing TIF
2. 70 East Oxford attachments
3. Bullett Amendment 1 to Order 20

Prepared by:

Victoria Volent, Housing Program Manager

Date: 06/24/2024

MARK DION (MAYOR)
PIOUS ALI (A/L)
APRIL D. FOURNIER(A/L)
ROBERTO RODRÍGUEZ (A/L)

**CITY OF PORTLAND
IN THE CITY COUNCIL**

ANNA TREVORROW (1)
VICTORIA L. PELLETIER (2)
REGINA L. PHILLIPS (3)
ANNA BULLETT (4)
KATE SYKES (5)

**ORDER DESIGNATING 70 EAST OXFORD STREET
AN AFFORDABLE HOUSING DEVELOPMENT DISTRICT
AND TAX INCREMENT FINANCING DISTRICT
AND ADOPTING THE MUNICIPAL DEVELOPMENT PROGRAM
FOR THE DISTRICT**

WHEREAS, the City of Portland is authorized pursuant to Chapter 206 of Title 30-A of the Maine Revised Statutes, as amended, to designate specified areas within the City as an Affordable Housing Development Tax Increment Financing District, and to adopt a Development Program for such District; and

WHEREAS, there is a need for affordable housing in the City of Portland and the surrounding region; and

WHEREAS, COMB Block Phase I, LP intends to construct certain improvements within the 70 East Oxford Street Affordable Housing Development and Tax Increment Financing (“TIF”) District (the “District”), including 55 units of affordable housing; and

WHEREAS, the District will remain in place for a period of 20 years from the tax year in which the Certificate of Approval is signed by Maine State Housing Authority; and

WHEREAS, the City of Portland will utilize 25% of the tax revenues generated in the District in its General Fund; and

WHEREAS, 75% of the tax revenues generated in the District will be returned to the developer; and

WHEREAS, there is a need to provide continuing affordable housing opportunities for the residents of Portland and the surrounding region; to improve and broaden the tax base of the City of Portland; and to improve the general economy of the City of Portland, the surrounding region and the State of Maine; and

WHEREAS, the 70 East Oxford Street Affordable Housing Development and Tax Increment Financing District will help improve and broaden the tax base in the City of Portland; and improve the economy of the City of Portland and the State of Maine; and

WHEREAS, there is a need to provide continuing affordable housing opportunities for the citizens of Portland and the surrounding region; to improve and broaden the tax base of the City of Portland; and to improve the general economy of the City of Portland, the surrounding region and the State of Maine; and

WHEREAS, the City has held a public hearing on the question of establishing the District in accordance with the requirements of 30-A M.R.S.A. § 5226, upon at least ten (10) days prior notice published in a newspaper of general circulation within the City; and

WHEREAS, the City desires to designate the 70 East Oxford Street Affordable Housing Development and Tax Increment Financing District and adopt a Development Program for such District; and

WHEREAS, the City Council has considered the comments provided at the public hearing, both for and against the designation of the 70 East Oxford Street Affordable Housing Development and Tax Increment Financing District, if any; and

WHEREAS, it is expected that approval will be sought and obtained from the Maine State Housing Authority, approving the designation of the 70 East Oxford Street Affordable Housing Development and Tax Increment District, and Development Program for the District;

NOW THEREFORE BE IT HEREBY ORDERED BY THE CITY COUNCIL AS FOLLOWS:

That, under and pursuant to the provisions of Title 30-A, Chapter 206, Subchapter 3 of the Maine Revised Statutes as amended, the development program and financial plan entitled “70 East Oxford Street Affordable Housing Development and Tax Increment Financing District” as presented to this meeting and a copy of which is hereby incorporated herein by reference and as part of the minutes of this meeting, is hereby approved in substantially the form as presented as the Development Program for the District and for the reasons set forth therein, the City, after considering whether the District and the Development Program will contribute to the expansion of affordable housing opportunities within the City and to the betterment of the health, welfare or safety of the inhabitants of the City and whether any detriment to any existing property interest in the City, finds and determines that: designation of the District and pursuit of the Development Program will make a contribution to the expansion of

affordable housing opportunities within the City and the betterment of the health, welfare or safety of its inhabitants, constituting good and valid public purposes and any adverse economic effect on or detriment to any existing property interests is outweighed by the contribution made by the District and the Development Program to the availability of affordable housing within the City and to the betterment of the health, welfare and safety of its inhabitants, and the City further makes the other findings and determinations as set forth in said Development Program and the Exhibits thereto; and

BE IT FURTHER ORDERED, that the area of the City of Portland entitled “70 East Oxford Street Affordable Housing Development and Tax Increment Financing District” as more particularly described in said Development Program is hereby designated as an affordable housing development district and such designation shall automatically become final and shall take full force and effect upon receipt by the City of approval of the District by the Director of the Maine State Housing Authority, without the requirement of any further action by the City, the Municipal Officers or any party; and

BE IT FURTHER ORDERED, that the percentage of increased assessed value of said District to be retained as captured assessed value in accordance with the Development Program is hereby established as set forth in the Development Program and Financial Plan; and

BE IT FURTHER ORDERED, that the City Manager is hereby authorized and directed, on behalf of the City of Portland, Maine to execute and submit to Director of the Maine State Housing Authority for approval such applications and further documentation as may be necessary or appropriate for final approval and establishment of the “70 East Oxford Street Affordable Housing Development and Tax Increment Financing District” and its Development Program and Financial Plan pursuant to 30-A M.R.S.A. chapter 206, Subchapter 3; and the City Manager be, and hereby is, authorized and empowered, at her discretion, from time to time, to make such technical revisions to the Development Program for the District as he or she deems reasonably necessary or convenient in order to facilitate the process for review and approval of the District by the Director of the Maine State Housing Authority, so long as such revisions are not inconsistent with this Order or the basic structure and intent of the Development Program; and

BE IT FURTHER ORDERED, that the City’s Housing and Economic Development Director is authorized to submit annual reports on the status of the “70 East Oxford Street Affordable Housing Development and Tax Increment Financing District” on behalf of the municipal legislative body.

TO: Councilor Ali, Chair
Members of the Housing and Economic Development Committee
FROM: Mary Davis, Division Director
Victoria Volent, Housing Program Manager
Housing and Community Development Division
DATE: June 21, 2024
SUBJECT: Affordable Housing and TIF Development Funding Requests

Introduction

On April 8, 2024, the *Affordable Housing Development and Tax Increment Financing Application* was released. Applicants requiring a conditional commitment or reservation of funds as part of other financing applications (e.g. 9% LIHTC) were given an April 30, 2024 submission deadline.

The 2024 *Affordable Housing Development and Tax Increment Financing Application* made available a total of \$1,961,008 for affordable housing development based on an estimated HUD HOME funding allocation for FY25 of \$395,711 and Jill C. Duson Housing Trust Fund (JCD HTF) balance of \$1,565,297. The HUD HOME funding available for affordable housing development is now based on the actual FY25 HOME allocation of \$294,489 (as opposed to the estimated FY25 HOME allocation of \$395,711). JCD HTF funds available for funding requests is now \$3,041,717 which includes the minimum balance of \$500,000 plus additional funding received in 2024 of \$976,420. Staff is requesting that the HEDC recommend the City Council appropriate the use of the additional funding in the JCD HTF which would almost fully fund all applications received to date.

In response to the request for proposals, the City received eight funding requests. Not all applications are ready for funding consideration based on the initial underwriting review. This memo introduces funding requests that meet threshold requirements included in the *Affordable Housing Development and Tax Increment Financing Application*.

Three proposals are requesting a total of \$1,592,000 in capital subsidy funding, and are also requesting Affordable Housing Development and Tax Increment Financing (AHTIF) to assist in the creation of a total of 134 affordable and 5 market rate rental units.

TIF Analysis – City TIF Policy and MaineHousing Program Deadlines

The City's TIF Policy allows for Credit Enhancement Agreements (CEA) terms of up to 75% over thirty years for individual affordable housing projects. This allowance was adopted, in part, to assist affordable housing development projects leverage points in the MaineHousing Low Income Housing Tax Credit (LIHTC) Program. The LIHTC Program application awards a maximum of 3 points to projects that receive a Credit Enhancement Agreement. The number of available points fluctuates based on the percentage and duration of the tax benefit, as noted in the chart below.

Percentage and Duration of Tax Benefit or Relief	Points
50% to <75% for at least 15 years	1 point
50% to <75% for at least 30 years	2 points
≥ 75% for at least 15 years	2 points
≥ 75% for at least 30 years	3 points

The LIHTC Program is very competitive and often there is only a 1- or 2-point difference that separates those projects receiving tax credits and those that do not.

The LIHTC Program application also requires that TIF applications must be submitted to MaineHousing (the entity identified by State Statute to review and approve TIF applications) 30 calendar days before the LIHTC application is due. For example, if the LIHTC application is due on September 19, the City must submit the TIF application to MaineHousing no later than August 20 in order for the developer to be awarded the TIF points.

The City's TIF Policy also requires CEA applicants to demonstrate financial necessity, i.e. *"The applicant must demonstrate the City's participation is financially necessary in order for the project to proceed."* and financial capacity, i.e. *"The applicant must demonstrate financial capacity to support their project."* The policy also requires that a financial underwriting analysis is conducted by a third party on all projects requesting a CEA.

The TIF recommendations presented in the attachments reflect staff's recommendations based on the financial analysis completed by the City's contracted third-party consultant. These recommendations do not necessarily reflect the terms requested in the developers' applications.

The projects requesting subsidy and AHTIF funding are:

- ATTACHMENT 1: 186 Woodford Street (Phase 1) (\$492,000 and AHTIF)
- ATTACHMENT 2: 202 Woodford Street Senior Housing (Phase 2) (\$450,000 and AHTIF)
- ATTACHMENT 3: 70 E Oxford (COMB Block Phase 1) (\$650,000 and AHTIF)

Recommendations

1. Motion to recommend to the City Council approval of an amendment to the Funding Budget for the 2024 Jill C. Duson Housing Trust Fund Annual Plan to increase the available funding to \$3,041,717.
2. Motion to recommend to the City Council approval of a loan from the JCD HTF in the amount of \$492,000 for the CHOM 186 Woodford Street Phase I Project, with the terms as presented by staff.
3. Motion to recommend to the City Council approval of an Affordable Housing Tax Increment Financing District and Credit Enhancement agreement for the CHOM 186 Woodford Street Phase I Project, with the terms as presented by staff.
4. Motion to recommend to the City Council approval of a loan in the amount of \$450,000 (\$294,489 in HOME funds and \$155,511 in JCD HTF) for the CHOM 202 Woodford Street Phase II Project, with the terms as presented by staff.
5. Motion to recommend to the City Council approval of an Affordable Housing Tax Increment Financing District and Credit Enhancement Agreement for the CHOM 202 Woodford Street Phase II Project, with the terms as presented by staff.
6. Motion to recommend to the City Council approval of a loan from the JCD HTF in the amount of \$650,000 for the PHDC 70 East Oxford Street COMB Block Project, with terms as presented by staff.

7. Motion to recommend to the City Council to remove 70 East Oxford Street from the Downtown Transit Oriented Development and Omnibus Tax Increment Financing District.
8. Motion to recommend to the City Council approval of an Affordable Housing Tax Increment Financing District and Credit Enhancement Agreement for the PHDC 70 East Oxford Street COMB Block Project, with the terms as presented by staff.

Attachments:

1. 186 Woodfords Church: Project Summary, pp. 4 to 40
2. 202 Woodfords Church Senior Housing (Phase 2): Project Summary, pp. 41 to 76
3. 70 E Oxford (COMB Block Phase 1): Project Summary, pp. 77 to 123

70 East Oxford (COMB Block Phase 1)

Portland Housing Development Corporation (PHDC) is requesting an Affordable Housing TIF (75% for 30 years) and subsidy funding of \$650,000 to demolish the four existing ten-unit multifamily buildings located between Cumberland, Oxford, Mayo and Boyd Streets (COMB Block), and construct Phase 1 of a multi-phase project to redevelop the site. During Phase 1, PHDC is proposing to construct a six-story, 55-unit affordable housing building comprised of 5 studio, 15 one-bedroom, 16 two-bedroom, and 19 three-bedroom apartments at 70 East Oxford Street.

Units would be affordable to 17 households earning at or below 60% AMI (i.e. \$68,850 for a three-person household), 33 households earning at or below 50% AMI (i.e. \$57,400 for a three-person household), and the remaining 5 units would be market rate housing. Twenty percent of the units would be set aside for people who have been experiencing homelessness. The property would include a community room with cooking and bathroom facilities, meeting room, and lounge. After completion, the project would be managed by the Portland Housing Authority. The design and construction of the building project would be in accordance with Passive House certification and would exceed Portland's Green Building Ordinance. Construction would begin October 2025 and complete March 2027.

PHDC has requested two forms of financial assistance.

- (1) City Affordable Housing Development fund request: \$650,000
- (2) Affordable Housing Tax Increment Financing request: At 75% for 30 years

The underwriting recommendation is as follows:

- (1) City Affordable Housing Development fund request from the Jill C. Duson Housing Trust Fund in the amount of \$650,000 with a 30 year term, 3% interest, payable out of cashflow with a minimum of 10% of cashflow to the City until the sooner of Deferred Developer Fee loan is retired, or 10 year of operations, which ever is first, then 25% of cashflow to the City.
- (2) Affordable Housing Tax Increment Financing request: At 75% for 20 years, the estimated 20-year total of \$1,849,475 in captured increased assessed-value tax revenue (or 20-year annual average of \$92,474) would be returned to the project/developer. The remaining 25% estimated 20-year total of \$616,492 in non-captured increased assessed-value tax revenue (or 20-year annual average of \$30,825) would be general fund revenue for the City.

Both loan and TIF recommendations include the following conditions:

- Satisfactory review of hazard remediation plan, including funding plan.

Prior to loan closing, satisfactory review of:

1. Appraisal supporting land price;
2. Market Study;
3. Completion of hazard remediation plan and site stabilization;
4. All standard construction loan conditions, including satisfactory review of final contract with GC consistent with budgeted estimates, and total contractor overhead, profit and general conditions not to exceed 14% of net construction cost.

70 E Oxford (COMB Block Phase 1)		
Studio (5)	at or below 50% area median income	5
	at or below 60% area median income	0
One Bedroom (15)	at or below 50% area median income	3
	at or below 60% area median income	10
Two Bedroom (16)	at market rate	2
	at or below 50% area median income	10
	at or below 60% area median income	3
	at market rate	3
Three Bedroom (19)	at or below 50% area median income	15
	at or below 60% area median income	4
Total	at or below 50% area median income	33
Total	at or below 60% area median income	17
Total	at market rate	5
Total Units		55

According to the developer's application:

70 E Oxford Street is a 55 unit mixed-income development in the East Bayside neighborhood that includes units reserved for Low- and Very Low-Income Households while also encouraging income diversity with five market rate units. The project will set aside 20% of the units to create permanent supportive housing for Persons Experiencing Homelessness or persons who have disabilities, are victims of domestic violence, or have other special housing needs. Portland Housing Authority owns and operates some of the only affordable housing with 4-, 5-, and 6-bedroom units in the City of Portland. For larger families, this type of rental housing can be extremely challenging to find. The COMB Block Phase 1 development will include nineteen three-bedroom units restricted to households earning at or below 60% Area Median Income. The development is located on the peninsula and walkable to downtown Portland amenities. Today, the property consists of 40 public housing units that, due to poor construction and deferred maintenance from lack of funding, have extended past their useful life. The existing public housing will be demolished and redeveloped as part of this project to replace the existing unit count and add much needed, deeply affordable housing in the heart of Portland.

The development will consist of a 6-story building, handicap parking, and common outdoor greenspace. The building will be constructed to meet Passive House standard with energy efficient building materials, design, and mechanical systems. The proximity of the development to transit lines, bike paths, and recreational opportunities will support households without automobiles. The COMB Block was identified in Portland Housing Authority's 2015 Strategic Vision Plan as the top priority property for re-development due to deterioration of buildings, poor construction quality and structural issues with poor soils. A 2024 Physical Needs Assessment concluded that the buildings were at the end of their useful life.

FINANCIAL IMPACT

When completed, this project's new total assessed-value is estimated at \$6.9 million, which would yield \$99,501 in annual assessed property value in year one at the current FY24 millage rate. Over a twenty year span, assuming a 2% increase to the mill rate each year for twenty years, seventy-five percent (75%) of the increased assessed-value tax revenue would total \$1,849,475 or approximately \$92,474 per year (when averaged over the 20-year term). The increased assessed-value tax revenue (i.e. \$1,849,475 in total after twenty years) is the approximate total amount of tax revenue (aka captured valuation) that would be returned to the project/developer to off-set project operating costs. The remaining twenty-five percent (25%) of non-captured revenue from the increased assessed-value tax revenue would total \$616,492 (over a twenty year span, assuming a 2% increase to the mill rate each year for twenty years) or approximately \$30,825 per year when averaged over the 20-year term. If the project is not constructed, the tax yield on this non-profit property remains at \$0. The tax revenue returned to the project/developer is \$0, and the amount of tax revenue that would be deposited into the general fund is \$0. In summary, the Credit Enhancement Agreement would return approximately \$1,849,475 in captured increased assessed-value tax revenue to the project/developer (averaged at \$92,474 annually over twenty years) to be used by the developer to off-set project operating costs.

Total development costs are estimated at \$19.7 million.

	Increased Assessed Value	75% of Increased Assessed Value (aka Captured Valuation)	Total Projected New Taxes at 14.70 mill rate on captured valuation	25% of Increased Assessed Value (aka Non-Captured Valuation)	Total Projected New Taxes at 14.70 mill rate on non-captured valuation
TIF Year 1	\$6,905,000	\$5,178,750	\$76,118	\$1,726,250	\$25,373
20 Year TIF Total	\$138,100,000	\$103,575,000	\$1,849,475		\$616,492
20 Year Average	\$4,603,333	\$5,178,750	\$92,474		\$30,825

With the tax sheltering benefits of TIF Districts, overall savings to the City during the term of the district averages an estimated annual amount of \$38,402+, or \$768,035 + over the life of the district.

	1. Sheltered Valuation (same as Captured Valuation)	2. Avoided Loss of State Aid for Education	3. Avoided Loss of State Municipal Revenue Sharing	4. Avoided Increase in County Tax	5. Total Avoided Impacts (2+3+4)
20 Year TIF Total	\$103,575,000	\$577,534	\$144,766	\$45,735	\$768,035
20 Year Average	\$5,178,750	\$28,877	\$7,238	\$2,287	\$38,402

70 E Oxford (COMB Block Phase 1) is seeking a 9% Low Income Housing Tax Credit and tax-exempt debt with Maine Housing.

70 E Oxford Street (COMB Block Phase 1) is awaiting Planning Board review.

TIF projections, proposed district map, floor plans, illustrations, and underwriting memo are included in the backup to this memo.

70 E Oxford Street is currently in the Downtown Transit Oriented Development (DOTD) and Omnibus Tax Increment Financing District. The DOTD TIF District will need to be amended by the City Council during the July 15, 2024 meeting to removed .56 acres at 70 E Oxford in order for the property to be made and Affordable Housing Tax Increment Financing District.

B. Project Information

Completed by stataczuk@porthouse.org on 6/20/2024 12:46 PM

Case Id: 30505

Name: Portland Housing Development Corporation -

Address: 70 E Oxford Street, Portland, ME 04101

B. Project Information

Please provide the following information.

B.1. Property Address

70 E Oxford Street Portland, ME 04101

B.2. Project Name

COMB Block Phase 1

B.3. Tax chart, block, and lot number

Chart 22, Block H1, Lot 1

B.4. Zoning Designation

R6 Residential Zone and R7 Overlay

B.5. Is the requested funding type HOME/HTF?

Yes

B.6. Requested amount of Affordable Housing Development Funding

\$650,000.00

B.7. Is the requested funding type AHTIF?

Yes

AHTIF Terms:

This application requests the creation of an AHTIF District and a Credit Enhancement Agreement to convey 75% of the incremental taxable revenue for the entire property towards operating support for the project for a term of 30 years.

B.8. Total number of housing units to be constructed:

55

B.9. Total number of housing units to be rehabilitated:

0

B.10. Total Number of market rate units:

5

B.11. Total number of deed restricted units:

50

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B.12. Total number of Units at 120% AMI:

0

B.13. Total number of Units at 110% AMI:

0

B.14. Total number of Units at 100% AMI:

0

B.15. Total number of Units at 80% AMI:

0

B.16. Total number of Units at 60% AMI:

17

B.17. Total number of Units at 50% AMI:

33

B.18. Total number of Units at 40% AMI:

0

B.19. Housing Type

Rental

B.20. Total number of studio/efficiency units:

5

B.21. Total number of one-bedroom units:

15

B.22. Total number of two-bedroom units:

16

B.23. Total number of three-bedroom units

19

B.24. Total number of four-bedroom units

0

B.25. Total number of five-bedroom units

0

B.26. Property Manager

Portland Housing Authority, Cora Lanclos

B.27. When is construction expected to begin?

10/10/2025

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2 of 7

B.28. Please use the box below to answer the remaining questions and provide a narrative description of the project that includes:

- **Description of municipal housing need and how the development addresses that need;**
- **Requested amount of Affordable Housing Development Funding;**
- **Description of how City's participation is financially necessary in order for the project to proceed;**
- **Description of allowed uses in the zone;**
- **Description of residential and non-residential uses in the area;**
- **Description of accessory uses relating to residential use, if any;**
- **Indicate if this project requires relocation of existing commercial or residential tenants;**
- **Description of relocation plan for persons temporarily or permanently displaced by development activities;**
- **Description of how the development is consistent with the Comprehensive Plan**
- **Description of how housing and facilities in the development will be operated after completion;**
- **Description of planned uses of tax increment revenues from the district (AHTIF projects only).**

PROJECT OVERVIEW

This application requests funding to support the construction of 55 unit mixed-income development with 50 affordable housing units located in the East Bayside neighborhood of Portland, Maine. The development will consist of a 6-story building, handicap parking, and common outdoor greenspace. The building will be constructed to meet Passive House standard with energy efficient building materials, design, and mechanical systems. The proximity of the development to transit lines, bike paths, and recreational opportunities will support households without automobiles.

COMB Block Phase 1 Project Amenities:

- 55 total housing units (10% market rate, 90% affordable)
- Accessible outdoor green space
- Passive House certified new construction
- Enhancements to the streetscape on Boyd and Oxford Street
- Increased mid-block pedestrian connectivity
- Community Room & Lounge

COMB Block Phase 1 will serve Very Low- and Low-Income households with 60% of the total units (33 units) reserved for Very Low-Income households earning at or below 50% Area Median Income (\$63,750 for a household of four) and an additional 30% of the total units (17 units) reserved for Low-Income households earning at or below 60% Area Median Income (\$97,800 for a household of four). The project will set aside 20% of units for Persons Experiencing Homelessness or persons who have disabilities, are victims of domestic violence, or have other special housing needs, to create permanent supportive housing for persons who require that level of intervention within the special needs population.

History of COMB Block:

The COMB Block is a parcel of land bound by Cumberland Ave., Oxford Street, Mayo Street, and Boyd Street in the East Bayside neighborhood of Portland Maine. The block currently consists of four public housing buildings built in 1972, with 40 two-bedroom units serving families. The COMB Block was identified in Portland Housing Authority's 2015 Strategic Vision Plan as the top priority property for re-development due to deterioration of buildings, poor construction quality and structural issues with poor soils. A 2024 Physical Needs Assessment concluded that the buildings were at the end of their useful life, and PHA's Strategic Vision Plan made them a top priority among the 1,000 apartments owned by PHA. The Physical Needs Assessment determined that renovations would be costlier than demolition and new construction. Given the age of the property, there are hazardous materials that will need to be removed before the demolition.

PHA will apply to HUD for approval under Section 18 Demolition and Disposition of the Housing Act of 1937 in the spring of 2024 to re-develop the COMB Block public housing. PHA intends to commit approximately 25 Project-Based Vouchers in Phase 1 for returning residents, mostly with Extremely Low-Income. Five units in Phase 1 will be market rate with a goal of protecting existing Extremely Low-Income families while diversifying incomes in the development and neighborhood. The balance of units will be at or below 50% and 60% of Area Median Income.

COMB Block Phase 1 will obtain Planning Board approval within 3 months and anticipates a LIHTC award this year. The project has been in pre-development since early 2023. Portland Housing expects to close the project and commence construction in October 2025.

DESCRIPTION OF MUNICIPAL HOUSING NEED AND HOW THE DEVELOPMENT ADDRESSES THAT NEED

Housing need in Maine is on top of minds for communities, families, and policymakers. Housing supply directly impacts economic growth and the region's ability to attract and retain workers and families that contribute to the economy and enhance the vibrancy of our communities. In recent years especially, low, and very low-income families have been facing increased daily challenges due to inflation pressures increasing the cost of daily goods such as groceries and gas. These same families have been entirely priced out of the housing market.

Inflation, supply chain challenges, shortages in workforce, and increasing construction costs have made developing new housing units an increasingly difficult task year over year. In 2023, Maine State Housing Authority, alongside the Governor's Office of Policy Innovation and the Future, and the Department of Economic and Community Development released the State of Maine Housing Production Needs Study. This study identified a need for at least 84,000 new homes within the next seven years to meet anticipated demand.

According to the 2022 US Census ACS 5-year estimate, approximately 44% of renter-occupied households in Portland were cost-burdened, meaning the household pays more than 30% of their total income on housing costs. The city continues to see both renter and homeowner households struggling to compete in the current market. The city recorded 489 total new units completed in 2023, with only 141 of those units affordable to households earning at or below 80% Area Median Income.

The Project proposed in this application is a 55 unit mixed-income development in the East Bayside neighborhood that includes units reserved for Low- and Very Low-Income Households (earning at or below 50% Area Median Income), while also encouraging income diversity with five market rate units. The development is located on the peninsula and walkable to downtown Portland amenities. Today, the property consists of 40 public housing units that, due to poor construction and deferred maintenance from lack of funding, have extended past their useful life. The existing public housing will be demolished and redeveloped as part of this project to replace the existing unit count and add much needed, deeply affordable housing in the heart of Portland.

REQUESTED AMOUNT OF AFFORDABLE HOUSING DEVELOPMENT FUNDING

\$650,000 is requested for the COMB Block Phase 1 project (\$11,818 per unit or \$13,000 per affordable unit). To fill the funding gap and maintain an acceptable loan-to-value (LTV) ratio on permanent debt, we propose structuring this loan as a non-recourse, cash flow-contingent note with a 30-year term and a 0% interest rate that does not accrue. As cash flow becomes available, the City would receive available debt service payments.

DESCRIPTION OF HOW CITY'S PARTICIPATION IS FINANCIALLY NECESSARY IN ORDER FOR THE PROJECT TO PROCEED

The COMB Block Phase 1 pro forma has a 1.16 Debt Service Coverage Ratio (DSCR) in year 1. The project cannot support additional permanent loan amount as it is at maximum loan-to-value (LTV) ratio. The City's participation is necessary to fill the remaining funding gap and make this project financially feasible. Without this funding, the COMB

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4 of 7

Block Phase 1 project could not proceed as currently envisioned.

The development budget costs and operating expenses are reasonable, in-line with comparable projects, and reflect actual market conditions, which has seen unprecedented inflation during the past 24-36 months. All development budget and operating expense line items comply with applicable City of Portland and MaineHousing guidelines.

DESCRIPTION OF ALLOWED USES IN THE ZONE

COMB Block Phase 1 is located within the R6 Residential Zone within the R7 Compact Residential Overlay Zone. The portion of the lot proposed for development and within the R7 zone allows for multi-family residential uses. The COMB Block Phase 1 project is proposed to take advantage of the Affordable Housing bonuses allowed per Section 18.2 of Chapter 14.

The proposed project fully complies with current zoning – including density/lot area, height, setbacks, lot coverage, frontage, floor area, etc. – and does not require any rezoning amendments.

DESCRIPTION OF RESIDENTIAL AND NON-RESIDENTIAL USES IN THE AREA;

Uses immediately surrounding the COMB Block are primarily residential to the north and west. Easterly to the site there are a variety of uses including commercial and institutional. Directly neighboring the property are two commercial uses, a small restaurant, and a performing arts center. Across Cumberland Avenue you'll find the Cathedral of Immaculate Conception, Portland Adult Education, Peppermint Park, and other small commercial uses.

DESCRIPTION OF ACCESSORY USES RELATING TO RESIDENTIAL USE, IF ANY

Not Applicable. See Exhibit "15 – Evidence of Commitment of Resident Services" for more information on service need and offerings at the COMB Block and in Bayside East.

INDICATE IF THIS PROJECT REQUIRES RELOCATION OF EXISTING COMMERCIAL OR RESIDENTIAL TENANTS

The 40 existing Public Housing Units at the COMB Block located within the four buildings, 25 Boyd Street, 9 Boyd Street, 20 Mayo Street, and 24 Mayo Street in Portland, are currently being taken offline due to poor unit conditions that may impact the health and safety of residents. Property Management began relocating residents in March 2024 under the 2023 Portland Housing Authority Admissions and Continued Occupancy Policy, Chapter 12 Transfer Policy; Part I: Emergency Transfers. See Exhibit "19 – Relocation Plan & Budget" for the full Chapter 12 Transfer Policy.

All households residing in COMB Block public housing units will be relocated well ahead of the commencement of this redevelopment project.

DESCRIPTION OF RELOCATION PLAN FOR PERSONS TEMPORARILY OR PERMANENTLY DISPLACED BY DEVELOPMENT ACTIVITIES

The PHA Relocation Plan for this project can be found in the "19 - Relocation Plan & Budget" attachment.

DESCRIPTION OF HOW THE DEVELOPMENT IS CONSISTENT WITH THE COMPREHENSIVE PLAN

Policy Guide: Environment

7. Support Sustainable Land Use and Transportation Policies

"Plan for the mitigation and redevelopment of brownfields to support productive uses and a healthier environment for residents." – COMB Block Phase 1 will include the redevelopment of a brownfields site. The redevelopment will include both removal of hazardous building materials in the existing public housing and mitigation of contaminated

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5 of 7

soils on the site.

Policy Guide: Housing

3. Remove Housing Barriers

- “Evaluate whether current zoning allows for new development consistent with historic patterns of form, density, and/or use, as well as whether it allows for priority growth areas.” – The zoning of the COMB Block parcel allows for a significant increase in density than what exists on the property today. The project proposes to modestly increase the overall number of rental units available to 55 units from 40, while also expanding community space. The redevelopment of COMB Block Phase 1 is approximately 30% of the overall existing parcel. Future development opportunity hopes to bring even more affordable units to East Bayside. The new units are centrally located in East Bayside, with close proximity to services, transit, recreation, jobs, and neighborhood amenities.

4. Promote Sustainability

- “Encourage energy efficiency in new construction and rehabilitation of our housing stock.” – COMB Block Phase 1 will be built to Passive House standard with efficient building design, materials, and mechanical systems. This means the new building will be significantly more efficient than a code-built building.

8. Support Age-Friendly Housing Options

- “Create, promote, and facilitate safe, affordable, and practical housing solutions that will meet the evolving needs of Portland residents as they age.” – The project will create approximately 11 accessible units for persons with a physical disability. To facilitate aging in place, the new multifamily building will be elevatored and include a diversity of unit sizes, ranging from one-bedroom units to three-bedroom units. Sitework will improve accessible routes throughout the site. A full-time Resident Services Coordination (RSC) will also be available to assist older adults, including connecting them to local service providers as their needs evolve.

9. Adapt Affordable Housing

- “Pursue new opportunities for increased energy efficiency, increased densities, mixed incomes, and greater connectivity to surrounding neighborhoods.” – The project will increase energy-efficiency of the community (see “4. Promote Sustainability” above). The project will increase residential densities of the community to approximately 55 units from 40 units currently. The project will include five market rate units to contribute to the income diversity in the community.

DESCRIPTION OF HOW HOUSING AND FACILITIES IN THE DEVELOPMENT WILL BE OPERATED AFTER COMPLETION
Portland Housing Authority (PHA) will manage COMB Block Phase 1 following construction completion. PHA and its affiliated corporations provide long-term affordable rental housing and rental assistance to more than 2,700 low-income families, seniors and disabled individuals through its Low-Income Public Housing (LIPH) and Housing Choice Voucher (HCV) Programs. This includes management of nearly 1,000 LIPH and market-rate units and administration of over 2,000 housing vouchers. PHA houses over 6,500 residents, close to 10% of the City’s population. PHA believes that providing safe, quality, affordable housing gives residents the stability they need and the opportunity for success they deserve.

PHA’s management has a team approach in its day to day operations that begins and ends with the on-site management and maintenance staff. PHA expects the on-site management and maintenance staff to be fully trained, equipped and educated in all business aspects, and property specific requirements. PHA’s Executive Director, Asset Manager, Facilities Director, Director of Housing Services, Director of Finance and Administration and Director of Property Management oversee the management operations and work together to ensure PHA meets its overall goals.

See Exhibit “18 – Management Plan” for more information on the operations of COMB Block Phase 1 including Resident Services, Maintenance, Facilities, Finance, and Compliance.

DESCRIPTION OF PLANNED USES OF TAX INCREMENT REVENUES FROM THE DISTRICT (AHTIF PROJECTS ONLY)

This application requests the creation of an AHTIF District and a Credit Enhancement Agreement to convey 75% of the

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6 of 7

incremental taxable revenue for the entire property towards operating support for the project for a term of 30 years. This will reduce operating expenses to this affordable property and allow it to carry additional debt to finance the new construction of 55 units. In order to make the project financially feasible, this project requires multiple subsidy sources in addition to a AHTIF of no less than 75%.

To: Mary Davis, City of Portland
From: Anne Boynton, Urban Ventures, Inc.
Re: COMB Block Phase I, PHDC
Date: June 20, 2024

Portland Housing Development Corporation (PHDC) requests a loan of \$650,000 and a 75% TIF for 30 years to support Phase I of the proposed new construction at Portland Housing Authority’s COMB block site. The \$650,000 million loan request is \$13,000 per affordable unit (\$11,818 including the market rate units). The requested 75% 30-year TIF has a value of \$3,027,425, which is a subsidy of \$55,044/unit.

Prior to the transfer of the land from PHA to PHDC, PHA will complete the demolition of four structures with 40 existing PHA units, the cleanup of all environmental hazards on the site, and the stabilization of the site which has significant grade issues. Once the site issues are addressed, Phase I will construct a new 55-unit building. Phase II is expected to include 50-60 additional units, about 1 year behind Phase I. Phase III is expected to include 30-40 units, 1 year behind Phase II. Over all three Phases, the current 40 units will be replaced with 130 - 150 units in 3 buildings

Phase I will provide family housing with a unit mix from efficiency to 3 bedrooms. Project Based Vouchers will support affordability for 25 households in 2- and 3-bedroom units, while 5 units will be market rate.

Sources and Uses

Sources:		Uses:	
Maine State 1 st Mortgage	\$ 9,400,000	Demo/Site/Environmental	0
City of Portland	\$650,000	Acquisition	\$150,000
LIHTC Net Equity	\$10,198,980	New Construction	17,498,866
Maine Housing Subsidy	\$1,986,467	Soft Costs:	3,440,000
AHP Direct Subsidy	\$850,000	Reserves:	937,234
AHP Subsidized Advance	\$1,200,000	Hard & Soft Cost Contingency	1,485,347
Deferred Developer Fee	\$ 500,000	Developer Fee:	<u>\$1,250,000</u>
Total Sources:	\$24,785,447	Total Uses:	\$24,785,447

PHDC plans to submit a fall application to Maine Housing for 9% LIHTC and permanent mortgage financing. PHDC has a letter of interest from WNC & Associates to purchase the LIHTC at \$.85.

The AHP application will be submitted in July and a decision announced in December. PHDC has received three recent AHP Subsidy awards, at Washington Gardens, Solterra, and Front Street Phase 2. COMB Block Phase 1 meets the goal of the AHP program by targeting low- and very low-income households. COMB Block Phase 1 scores in the mid to low 70s on the self-scoring form which has been a competitive score in previous years.

For analysis of “Uses,” see Development Budget.

Development Budget

On the face of it, the total development cost per unit look high, at \$450,208 per unit. However, the larger unit size is a mitigating factor. The unit mix with 19 3-bedroom reduces the total number of units in the building, though not the number of people housed. The housing benefit of these larger units is not reflected in the simple cost/unit calculation.

Note that all demolition, hazard remediation and site stabilization is occurring before the transfer of the land to PHDC. None of these expenses are carried in the project budget.

Construction Costs:

Construction costs are from a construction estimate by Penobscot General Contractor's dated 6/17/24, based on Conceptual Designs and a trades breakdown. This estimate includes provision for prevailing wage labor costs.

Green: The building will be built to Passive House standards. So far, no green funding has been included in the capital stack because the designs are not developed enough to determine the level of funding available. PHDC states available funding for energy efficiency will be incorporated into the capital stack.

Soft Costs:

Total soft costs are \$105,041 per unit, which is on the high end, primarily driven by higher projected financing costs. Developer fee of \$1,250,000 is reasonable by industry standards at 5.5% of Total Development Cost, excluding reserves and developer fee. It is the only project in this round adding Deferred Developer Fee above the \$750,000 developer fee cap imposed by Maine Housing. Given the larger size of the project and complexity of the site, this fee is reasonable.

A satisfactory relocation plan and budget has been submitted for this project. Due to current potentially hazardous conditions, PHA began transferring residents on an emergency basis in March, and relocation is almost complete. The cost of transferring residents out of the property is outside the project budget. Each tenant will be offered the opportunity to return, if there is an appropriate unit. The relocation budget of \$30,000 will cover the actual moving expenses for returning residents and PHA relocation staffing.

Contingency:

The hard cost contingency is 8%, carried in part in contractor contingency and in part in developer contingency. This allows for a 5% minimum industry standard hard cost contingency, a 2% estimating contingency to allow for Conceptual Design and potential inflation, and a weather allowance. Given the early stage of development and continued uncertainty of price escalation and supply chain difficulties, this is the minimum contingency I am comfortable recommending.

The soft cost total includes a soft cost contingency of \$50,000, less than 1% of soft costs and far too slender for this complex project at this stage of development. This risk is mitigated by PHDC's substantial available resources to cover unexpected costs, see Developer Financial Analysis below.

Acquisition and Environmental:

PHA plans to transfer this site after completion of demolition, hazard remediation and site stabilization. This is a complex site with topographic challenges and some areas where the soil samples show

potentially hazardous levels of arsenic, lead, and polycyclic aromatic hydrocarbons (PAH). PAHs are known carcinogens, can cause genetic mutations, and are potent immunosuppressants. The Phase II Environmental Site Assessment recommends immediate action to decrease exposure from a portion of the site with surface level contamination and development of a mitigation plan for the full site. There are also potential hazards associated with the demolition of the structures themselves, including black mold and asbestos containing materials. A Hazardous Building Material Inventory report is expected by the end of June. While PHA will transfer the site after these issues have been addressed, satisfactory review of the hazard mitigation plan, including the plan for funding, is a recommended condition of funding commitment. Successful completion of the plan is a recommended condition of funding.

The public has an interest in insuring that publicly funded projects purchase the property for no more than the market value. This review is especially important in cases like this one where the seller plays multiple roles in the transaction, where PHA controlled entities are both the seller and the buyer. The PHA proposes to sell the land for the value of the outstanding first mortgage on the existing facility of \$150,000. This is a per unit acquisition cost of \$2,727, borne entirely by the Phase I units. Assuming the land transfers free of hazards, this will be a substantially below market sale. An acceptable appraisal which supports the acquisition price is a standard best practice recommended condition of closing.

Operating Budget & 20 Year Cashflow Projection

Project Income and Market:

There will be a total of 55 residential units in this mixed income development. Five units will be market rate units, with no income limitation on resident households. Seventeen units will be affordable to residents at 60% AMI (30% of units). Thirty-three units will serve households below 50% AMI (60% of units), and Project Based Vouchers will support 25 of those 30 units.

Rents for the 50% and 60% units (LIHTC without additional operating subsidy) are budgeted at the maximum allowable LIHTC rate for each unit type. The rents for the 5 market rate units are budgeted at voucher payment standards, consistent with PHA/PHDC's policy in all their market rate units. Voucher payment standards are reviewed annually and documented by rent comparison studies. This consistent pricing policy makes it possible to size the TIF with some assurance that the rents won't suddenly rise, resulting in an over-subsidy.

A market study has not been submitted for this development. PHA's management team reports that all market units in their portfolio are current leased, with a waiting list. Review of a satisfactory market study is a standard best practice recommended condition of closing. Portland Housing Authority's experience in the Portland market amply demonstrates the need, and effective demand, for the 50% and 60% affordable units. The waiting list for PHA's East Bayside public housing is currently 1,727 and the occupancy rate is 98%. Portland Housing Authority's full waitlist has 11,721 people on it. The current portfolio wide occupancy rate of stabilized units is 97.04%.

There will only be 6 ADA parking places for the entire three phase development, however, this central location is excellent for car free living, with a near perfect walk score of 97 -- considered "walker's paradise." There are grocery, drug store, and neighborhood commercial with 5-minute walk. Kennedy Park soccer and basketball courts are also 5-minute walk. In addition to some on-site services, PHA

provides more for children in PHA/PHDC properties in the immediate vicinity: Head Start is a 2-minute walk, the Study Center a 4 minute walk. The transit score is 51, evaluated as “good transit.”

Operating Expense

The per unit operating expense of \$10,328 is high by industry standards. However, this includes all utilities and reflects the full tax bill (\$1,990/unit). The supportive services budget is \$21,818, sufficient for the minimum Maine Housing required staffing and a few supplies (and additional services for children are a short walk away, per above).

Utilities look high at \$2,319 per unit for Passive House construction, but these include larger than standard units and water consumption is a significant driver of cost in PHA/PHDC’s family sized units. Based on a comparison of square footage (electric) and per bedroom (water/sewer) costs with current PHA/PHDC property operations in other Passive House projects, these estimates are reasonable. The maintenance budget of \$1,850 per unit per year is reasonable, especially considering many of these are 3-bedroom family units. Reserve for replacement is budgeted at \$500/unit/year, above Maine Housing standard of \$450. This is an appropriate contribution as this property will sustain substantial wear and tear. Despite the high “list price” per unit, the operating costs considered as a whole are reasonable given the needs of the project.

30 Year Cashflow & Debt Service Coverage Ratio (DSCR)

DSCR measures the margin within the operating budget to meet expenses. The critical question for TIF sizing is, “How much margin is “Financially Necessary?” which is the statutory language for TIF approval.

With TIF as originally requested (75%, 30-year, projected value \$3,027,425): The cashflow projections show a 1.15 debt service coverage ratio in the first full year of operations. By year 21, the DSCR is a very comfortable 1.47, and continues climbing to 1.62 at the end of year 30. A 75% TIF is not financially necessary for years 21-30.

With the TIF as recommended (75%, 20-year, projected value \$1,813,210): The cashflow is 1.15 in year one of operations and identical to the requested TIF until the end of year 20. Then in year 21, cashflow makes a single modest downward adjustment when the TIF ends -- from 1.46 in year 20 to a still high 1.30 in year 21. Thereafter, cashflow again climbs steadily. Even without the TIF, in year 30 the DSCR is 1.41. The 75% 20-year TIF meets the definition of “Financial Necessity” as it provides sufficient operating support to meet the cashflow expectations of the syndicator and the first mortgage lender until property operations sustain a very comfortable margin.

Developer Financials

Portland Housing Authority has submitted audits for FY 2021, 2022 and 2023. The audits include primary (consolidated) entities, which include PHDC, and also reports on “Discrete Component Units,” projects controlled by PHA but reflected separately in the audit. Their fiscal year ends 6/30.

For PHA (consolidated entities), 2023 was a very strong year operationally. Their audit as of 6/30/23 shows strong financial health, with current assets of \$33.5 million and current liabilities of \$2.8 mill, for a very strong current ratio of 12. The Quick Ratio (cash and cash equivalents divided by current liabilities) is a remarkably healthy 5.4. Net position is quite strong at \$25.8 million, up \$3.5 million over

FY22. PHA FY23 operating revenue was up a remarkable 9.7% while core operating expenses (admin, maintenance, utilities) were held to a 7.1% increase.

“Discrete Component Entities” (Bayside Anchor, 58 Boyd, and Washington Gardens) adds substantial additional net position to the already very strong financial picture. The combined net position of the “Discrete Component Entities” is \$11.7 million, bringing the total combined net position to almost \$37.5 million. In 2023, “Discrete Component Entities” tenant rental income grew by \$433,249 (19% over ’22), while operating expenses grew by \$519,087 (25% over ’22) for the 3 projects included in FY22. That’s not a great trend line, but rental revenue still exceeded operating expense for the component entities.

Managements income/expense reports as of March 31, 2024 (unaudited) suggest this year is acceptable for both PHA and PHDC, with both income and expense below budget. PHA’s net operating income is \$584,501 YTD (prior to cashflow adjustments), and PHDC’s net operating income is \$380,702 (prior to cashflow adjustments).

Overall, PHA has very strong financial health. This developer has the financial capacity to intervene in a development facing unexpected setbacks and/or cost over-runs to keep the development process moving forward. Their financial strength as an organization mitigates the risk of the thin soft cost contingency.

Recommendations :

The developer must at minimum meet three primary criteria for an AHTIF approval:

1. Community Need: “...site specific AHTIF designations must address an identified community need.”

PHDC proposes to redevelop an underinvested site, deeply renovating and creating a total of 182 units of housing for households at 50-80% AM. Affordable housing is identified as a community need in Portland’s Plan 2030 and the City Council’s 2020 Common Goals

2. Financial Necessity: “The applicant must demonstrate the City’s participation is financially necessary in order for the project to proceed.”

The financial projections demonstrate that a TIF will be necessary for the project to proceed. The TIF functions to support the cashflow of the project and demonstrates a cashflow cushion to the mortgage lender to meet the lender’s underwriting standards, in this case Maine Housing’s requirement of 1.15 DSCR in year 1. A 75% TIF for 20 years comfortably meets the financial need of the project. Relative to a 5% TIF for 30 years, the 20-year TIF reserves for the City’s General Fund over \$1.2 million in tax revenue which the project does not need to meet either the syndicator or Maine Housing’s underwriting standards. While a TIF is demonstrably necessary in the early years of the project, a TIF is not needed after year 20.

3. Financial Capacity: “The applicant must demonstrate financial capacity to support their project.”

PHA and PHDC have demonstrated the financial capacity to support their project through their strong organizational financials (see Developer Financials above) and a letter of interest from their syndicator with good pricing, demonstrating the syndicator's strong positive evaluation of the project.

This is an appropriate redevelopment, making good use of a complex site by a developer with the development experience and financial resources to make the project successful.

I recommend a loan in the amount of no more than \$650,000, with a 30-year term, 3% percent interest, payable out of cashflow with a minimum of 10% of cashflow to the City until the sooner of Deferred Developer Fee loan is retired, or 10 years of operations, whichever is first, then with 25% of cashflow to the City.

I also recommend a 75% TIF for 20 years.

Both loan and TIF recommendations with the following conditions:

- Satisfactory review of hazard remediation plan, including funding plan.

Prior to loan closing, satisfactory review of:

1. Appraisal supporting land price;
2. Market Study;
3. Completion of hazard remediation plan and site stabilization;
4. All standard construction loan conditions, including satisfactory review of final contract with GC consistent with budgeted estimates, and total contractor overhead, profit and general conditions of not to exceed 14% of net construction costs.

CITY OF PORTLAND
Declaration of Covenants, Conditions and Restrictions for the 70 East Oxford Street
Affordable Housing Development and Tax Increment Financing District

This Declaration of Covenants, Conditions and Restrictions (the “Declaration”) is entered into by and between the **City of Portland**, a public body corporate and politic with its principal place of business at 389 Congress Street, Portland, Maine, 04101 (“City”) and **COMB Block Phase One, LP**, a Maine Limited Partnership with a mailing address of c/o Portland Housing Development Corporation, 14 Baxter Boulevard, Portland, Maine 04101 Developer”).

W I T N E S S E T H

WHEREAS, the Developer acknowledges that City is providing Affordable Housing Tax Increment Financing to the Developer (the “AHTIF”) for project operating costs associated with the development of fifty-five (55) units of rental housing located at 70 East Oxford Street, Portland, Maine (the “Development”); and

WHEREAS the Developer acknowledges City’s resulting beneficial interest in the Development, and Developer acknowledges that its ownership and operation of the Development are in furtherance of discharge of the public trust; and

WHEREAS, City has provided the AHTIF to Developer in consideration of the Developer’s agreement to abide by the provisions of this Declaration.

NOW THEREFORE, City and the Developer agree as follows:

1. **Term**. The term of this Declaration shall be for the period beginning on date of the approval of the District by the Director of the Maine State Housing Authority (the “Effective Date”) and continuing for twenty (20) years from the Effective Date of this Declaration (the “Qualified Project Period”).
2. **Enforceability of Covenants**. The covenants and restrictions of Developer set forth herein are intended to be and shall be considered covenants that run with the real estate described in Exhibit A attached hereto and made a part hereof and shall bind all subsequent owners and holders of any interest in said real estate, except to the extent herein provided. The City may

enforce the covenants set forth herein as a contract beneficiary whether or not Developer is or remains indebted to the City. The covenants of Developer set forth herein shall survive a sale, transfer, or other disposition of the Development by Developer, a foreclosure or transfer of title in lieu of foreclosure, but shall cease to apply to the Development in the event of involuntary noncompliance caused by substantial destruction, seizure, requisition, or change in law or an action of a governmental agency that prevents the City from enforcing the covenants, even though compensated by insurance.

3. **Covenants**. Developer hereby covenants and represents to the City as follows:

- a. **Development**. The Development shall consist of the land described in Exhibit A attached hereto, together with all buildings and improvements, which after completion of the work will contain a total of fifty-five (55) units of rental housing and related amenities. The units in the Development shall be of comparable quality and have comparable amenities. Developer shall not make any change in the number of the units in the Development.
- b. **Use**. The Developer shall rent or make available for rental all of the units in the Development on a continuous and non-transient basis to members of the general public throughout the Qualified Project Period. Developer covenants and agrees that no change of use shall occur without the express written consent of the City.
- c. **Low Income Units**. For a period of twenty (20) years at least fifty (50) of the units will be occupied by households with incomes at or below sixty percent (60%) of the area median income, (referred to as the “Low Income Units”).
 - i. Income and area median income shall be as determined in accordance with Section 42 of the Internal Revenue Code of 1986 and associated regulations and guidance, all as may be amended from time to time, (“Section 42”) and income limits shall be adjusted for family size.
 - ii. Prior to initial occupancy and at least annually, the Developer shall verify that the income, based on the then current income, of each household occupying a Low Income Unit in the Development does not exceed the Applicable Income Limit (the “Determination”).
 - iii. A Low Income Unit occupied by a household, who at the commencement of occupancy, met the Applicable Income Limit shall continue to be treated as occupied by a qualified resident even though the household’s income may exceed the Applicable Income Limit, adjusted for family size, at the time of the most recent Determination, if after such Determination, but before the next Determination, any unit in the Development of comparable size is occupied by a new household whose income does not exceed the Applicable Income Limit.
 - iv. After initial occupancy but upon again becoming vacant, a Low Income Unit shall be treated as occupied by a household meeting the Applicable Income

Limit until occupied (other than occupancy by another resident for a temporary period not to exceed 31 days), at which time the character of the unit shall be re-determined in light of the new resident's income.

- d. **Rent Restrictions.** For the Qualified Project Period, the Low Income Units shall be rent-restricted. A unit is rent-restricted if the gross monthly rent does not exceed one-twelfth ($1/12^{\text{th}}$) of thirty percent (30%) of the imputed income limitation applicable to the unit. The imputed income limitation is the Applicable Income Limit for the unit, except the adjustment for family size shall be based, not on the actual number of occupants, but by assuming the number of occupants as follows:

- i. For a unit without a separate bedroom, one individual.
- ii. For a unit with one or more separate bedrooms, one and one-half individuals for each separate bedroom.

Gross monthly rent shall not include any payment under Section 8 of the United States Housing Act of 1937 and associated regulations and guidance, all as may be amended from time to time ("Section 8") but shall include any utility allowance, where applicable, taking into account such determinations under Section 8.

- e. **Discrimination Prohibited.** Developer shall not segregate or physically isolate the Low Income Units from each other and from other units in the Development and the Developer shall use its best efforts to proportionately distribute the Low Income Units among each unit size in the Development. Developer shall not refuse to rent a unit in the Development to any applicant because the applicant holds a voucher or a certificate of eligibility under Section 8.
- 4. **Compliance.** Developer agrees to furnish to City such information as City may require in a form acceptable to City, including without limitation certifications and/or verifications of occupancy and resident income, to determine Developer's compliance with the covenants set forth herein. Information deemed acceptable by Maine State Housing Authority shall be acceptable to the City.
 - 5. **Income Certifications/Leases.** Developer shall use residential lease forms acceptable to City and obtain written and signed certifications of residents in a form acceptable to City to determine the qualifications of the residents for occupancy of a Low Income Unit. Such leases or certifications shall contain clauses wherein each resident (a) certifies as to the accuracy of statements made relating to the resident's income, (b) agrees that resident income and other eligibility requirements shall be deemed substantial and material obligations of the tenancy, (c) agrees to comply all requests for information with respect thereto from Developer or City, and (d) agrees that failure to provide accurate information or refusal to comply with a request for information shall be deemed a violation of a substantial obligation of the tenancy. Developer covenants and agrees to take such action as City deems necessary to comply with the covenants herein or to correct or cure any failure of the Developer to comply with the covenants herein, including, without limitation, the eviction of any tenant in accordance with applicable law. Lease forms which have been approved by Maine State Housing Authority

shall be deemed approved by City.

6. **Real Estate Taxes.** Developer agrees that it shall pay all real estate taxes assessed on the Development during its ownership of the Development. Nothing contained in this section shall be deemed a waiver or limitation on Developer's right to seek abatement of property taxes if Developer believes the Development is over-assessed.
7. **Records.** Developer shall maintain and keep current all books, documents, plans and records concerning the Development, including, but not limited to, books and records related to compliance with the covenants contained in this Declaration. Such books, records, documents and plans shall be kept for: (a) a minimum of six (6) years after the expiration of the Qualified Project Period for those books, records, documents and plans pertaining to the rent and occupancy requirements described in Section 3 of this Declaration and the rent roll for all units in the Development; and (b) for a minimum of six (6) years after the end of the fiscal year or calendar year, as applicable, for all other books, records, documents and plans pertaining to the Development. Upon reasonable notice, City may audit and examine these books, records, documents and plans, and may inspect the buildings, grounds, equipment offices of the Development.
8. **Violation.** Developer shall immediately notify the City if Developer anticipates or discovers any noncompliance with any restriction or covenant in this Declaration, including, without limitation, noncompliance with the occupancy restrictions in Section 3 of this Declaration. Developer agrees to take such action as the City deems necessary to prevent noncompliance or to correct or cure any failure to comply with the covenants in this Declaration. In the event the Developer fails to comply with the covenants set forth herein, and fails to cure such non-compliance within any applicable cure period, the City shall be entitled to exercise any of its rights under the documents executed in connection with the AHTIF, maintain an action in law or in equity against the Developer to recover damages incurred by the City from such failure, including, without limitation, reasonable attorneys' fees and costs, and to require the Developer (through injunctive relief or specific performance) to comply with the provisions and covenants set forth herein and to immediately cure any failure to comply with the covenants set forth herein by the Developer.
9. **Indemnification.** Developer shall indemnify and hold City and its agents harmless from and against any and all claims, demands, liability, loss, cost or expense (including, but not limited to reasonable attorney's fees and other costs of litigation) which may be incurred by the City arising out of or in any way related to the Developer's breach of any of its obligations under this Declaration or any action taken by the City to enforce or exercise its rights under this Declaration as a result of such breach, except for claims arising from the gross negligence or willful acts of the City. The obligations under this section shall survive the termination or expiration of this Declaration as necessary to effectuate its provisions.
10. **Modifications.** This Declaration may be amended or modified, in whole or in part, only by written agreement of Developer and the City clearly expressing the intent to modify this Declaration.

11. **Severability.** The validity of any clause, part or provision of this Declaration shall not affect the validity of the remaining portions thereof.
12. **Successors and Assigns.** This Declaration shall be binding upon Developer's respective heirs, personal representatives, executors, administrators, successors and assigns and shall inure to the benefit of and be enforceable by City, its successors, transferees and assigns.
13. **Governing Law.** This Declaration shall be construed in accordance with and governed by the laws of the State of Maine.
14. **Notices.** Any notice or demand required or provided for in this Declaration shall be in writing and shall be deemed to have been sufficiently given for all purposes when hand-delivered or mailed by certified or registered United States mail, postage prepaid, or sent by overnight United States mail or overnight commercial delivery service to the Developer or the City at their respective addresses set forth herein, or at such other address as either of them may from time to time hereafter designate by notice given to the other as herein provided. The City shall endeavor to provide a copy of any notice to Developer with a copy to Counsel, or such other addresses as may from time to time hereafter be designated by notice given to the City as herein provided.
15. **Intercreditor.** This Declaration is subject to the terms and conditions of the Intercreditor and Subordination Agreement by and among Maine State Housing Authority, the City of Portland, _____, and _____ **[construction lender and any other entities providing financing will also be parties]** dated _____, _____ to be recorded in the Cumberland County Registry of Deeds herewith.

Signature pages follow.

IN WITNESS WHEREOF, this Declaration has been duly executed by the Developer and City as of _____, 2024.

CITY OF PORTLAND, ME

Witness

By: _____
Danielle P. West
Its: City Manager

State of Maine
Cumberland, ss.

_____, 2024

Personally appeared the above named Danielle P. West, City Manager to the City of Portland, and acknowledged the foregoing instrument to be her free act and deed in her said capacity and the free act and deed of said City of Portland.

Before me,

Notary Public/Attorney-at-Law

(Print or type name)

Signature page follows.

COMB BLOCK PHASE ONE, LP
By: COMB Block Development, LLC
Its: General Partner

Witness

By: _____
Name: Brian Frost
Its: President

State of Maine
Cumberland, ss.

_____, 2024

Personally appeared the above named Brin Frost, President of COMB Block Development, LLC, General Partner of COMB Block Phase One LP and acknowledged the foregoing instrument to be his free act and deed in said capacity and the free act and deed of said partnership and limited liability company.

Before me,

Notary Public/Attorney-at-Law

(Print or type name)

EXHIBIT A

CITY OF PORTLAND

**70 EAST OXFORD STREET AFFORDABLE HOUSING DEVELOPMENT AND TAX
INCREMENT FINANCING DISTRICT**

DEVELOPMENT PROGRAM

Date: , 202_

TABLE OF CONTENTS

70 East Oxford Street Affordable Housing Development and Tax Increment Financing District Development Program

Article I. Introduction and Summary of Benefits

Article II. Development Program Narrative and Designation of the District

- Section 2.01 Statement of Means and Objectives
- Section 2.02 Brief Discussion of Financial Plan
- Section 2.03 Project Cost Descriptions
- Section 2.04 Relocation Plan
- Section 2.05 Environmental Controls
- Section 2.06 District Operation
- Section 2.07 Assurance of Compliance
- Section 2.08 Program Duration
- Section 2.09 Approval Considerations and Characteristics of the District
- Section 2.10 Designation of the District

Article III. Financial Plan

- Section 3.01 Cost Estimates for the Development Program
- Section 3.02 Amount of Indebtedness to be Incurred
- Section 3.03 Sources of Anticipated Revenues
- Section 3.04 Estimated Increased Assessed Value; Portion Applied to Development Program
- Section 3.05 Description of Terms and Conditions of Agreements
- Section 3.06 Calculation of Tax Shifts

Article IV. Municipal Approvals

- Section 4.01 Public Hearing
- Section 4.02 Authorizing Votes

Exhibits

- Exhibit A Estimated Allocation of Tax Increment and Estimated Tax Increment Revenues
- Exhibit B Estimated Development Costs
- Exhibit C Property Description and Configuration of the District
- Exhibit D Certificate of Assessor
- Exhibit E Credit Enhancement Agreement
- Exhibit F Tax Shift Computations
- Exhibit G Notice of Public Hearing
- Exhibit H City Council Orders
- Exhibit I Declaration of Covenants, Conditions and Restrictions
- Exhibit J District Narrative

70 East Oxford Street Affordable Housing Development and Tax Increment Financing District Development Program

Article I. Introduction and Summary of Benefits.

A. Affordable Housing Development District. This Development Program provides for the creation of an Affordable Housing Development District located at 70 East Oxford Street in Portland. The area includes approximately .56 acres. By providing for the reinvestment of a portion of the new or incremental tax revenues in the District, the District will provide an impetus for affordable housing development within the District and the development of affordable, livable housing and the containment of the costs of unplanned growth in the City.

B. Benefits of the District.

1. Affordable Housing. This Development Program will provide for the development of affordable housing in the City and the containment of the costs of unplanned growth.

2. No City Bonds or Risks. The District will not involve any borrowings by or the issuance bonds of the City to pay for any of the costs of the Development Program and will not affect existing tax revenues in any way.

3. Additional Tax Revenues. Creation of the District and Development Program will result in additional tax revenues for the City.

4. Shelter of New Tax Base Growth. Seventy-five percent (75%) of the captured assessed value of the District will be sheltered from the otherwise negative impacts of new development that result in increased county taxes and loss of State aid to education and revenue sharing when new development occurs without the creation of an Affordable Housing Tax Increment Financing District. The sheltered portion of the tax increment revenues will be used to pay Project Costs.

Article II. Development Program Narrative and Designation of the District.

Section 2.01: Statement of Means and Objectives. The City of Portland (“the City”), like many other Maine municipalities, desires to provide affordable housing in the City and to contain costs of unplanned growth by providing the facilities described in this Development Program.

In order to fulfill these goals, certain property has been proposed as the 70 East Oxford Street Affordable Housing Development and Tax Increment Financing District (the “District”). The Development Program described herein will serve the purpose of administering the District as an Affordable Housing Development District pursuant to Chapter 206, subchapter 3 of Title 30-A of the Maine Revised Statutes, as amended (the “Development Program”). Upon approval by the City of Portland designating the District and adoption of this Development Program by the City, the designation of the District and adoption of the Development Program will become final immediately, subject only to approval by the Director of the Maine State Housing Authority. The Development Program provides for affordable housing similar in some respects to the economic development incentives called municipal tax increment financing (“TIF”) similar to that adopted by a number of other Maine municipalities including the City. A Development District involves the creation of a geographically defined district in the City and the “capture” or reinvestment of some of the new increased or “incremental” tax revenues generated on the increased assessed value of property in the District to pay certain costs of the development.

The District is designed to stimulate development of affordable housing in the City by allocating certain tax revenues generated on the increased assessed value in the District to Project Costs, consisting of allowable operating costs per 30-A M.R.S.A. §5249 and described in Section 2.03 hereof by COMB Block Phase One, LP, its successors and assigns (the “Developer”). Under the Development Program, the City will make portions of the tax increment revenues as set forth in Section 3.04 hereof and under the Credit Enhancement Agreement attached hereto as Exhibit E (the “Credit Enhancement Agreement”) from the District available to the Developer pursuant to the Credit Enhancement Agreement. These revenues will be used either to pay or reimburse the Developer for Project Costs per Section 2.03 directly. All additional Project Costs will be the responsibility of the Developer, its successors or assigns. All tax increment revenues following expiration of the term of the Credit Enhancement Agreement will go directly into the City's general fund.

The District will result in significant new tax revenues for the City.

The Development Program thus will provide significant public benefit to the City by providing for the development of affordable housing in the City and for new tax revenues. The means and objectives of the Development Program are to provide: financial assistance towards Project Costs, and the development of affordable housing in the City.

The City, by adopting this Development Program, finds that the Development Program described herein, including the Capital Project, will provide substantial affordable housing in the City, thereby accomplishing an important public purpose.

Section 2.02: Brief Discussion of Financial Plan. The following is a brief summary of the Financial Plan. The Financial Plan is set forth in greater detail in Article III of this Development Program. As described in Section 3.04 hereof and Exhibit A hereof, the property taxes assessed by the City upon the Increased Assessed Value of property in the District (the “Tax Increment”) resulting from the investments by the Developer will be captured or used by the City under the Development Program to pay Project Costs described in Section 2.03 hereof. The development costs and sources and uses of funds associated with the Development Program within the District are described in Article III. The Project Costs and any continuing investment by Developer will be financed by Developer through equity of and loans to the Developer, its successors or assigns, and the tax increment revenues from the District. As part of the Development Program, the City and Developer will enter into a Credit Enhancement Agreement pursuant to which the City will pay to Developer the percentage of Tax Increment Revenues from the Increased Assessed Value with respect to property in the District, described herein as the Tax Increment Revenues (Developer’s Share) for the term of the District to pay Project Costs related thereto. All tax revenues from the District not payable to Developer under the Credit Enhancement Agreement will be paid to the General Fund of the City. Any tax revenues presently generated on existing property in the District will continue to be paid to the General Fund of the City. The Development Program costs will be paid only from the Tax Increment on assessed value produced by new development in the District occurring after the tax year ending on the March 31st prior to adoption of this Development Program.

Section 2.03: Project Costs Descriptions.

A. Project General Description. The Capital Project at 70 East Oxford Street involves the construction of a building on approximately .56 acres, into an affordable housing neighborhood. The objective of the project is that 90% of the units in the District will be affordable housing, meaning a decent, safe and sanitary dwelling, apartment or other living accommodation for a household whose income does not exceed 60% of the median income for the area as defined by the United States Department of Housing and Urban Development. This project consists of the construction of one six-

story building which would contain a total of 55 (fifty-five) units of rental housing with 17 (seventeen) of those units affordable to households at or below 60% of the area median income, 33 (thirty-three) of those units affordable to households at or below 50% of the area median income, and the remaining 5 (five) units at market rate. The zoning for the project assures that this number of units and this affordability objective will be met.

The 70 East Oxford Street project is projected to have a total local increased assessed valuation at build out of approximately \$6,905,000 based upon current real estate values and City assessment practices. Based upon the estimated tax rate upon completion, the project will generate approximately a twenty year annual average of \$92,474 in tax increment revenues to the Developer at full build out. A portion of this new revenue would be offset by increased county taxes and reduced state revenue sharing and education funding resulting from the increased state valuation, were it not included in a Development District.

“Project Costs” as defined in Title 30-A, Chapter 206, Section 5249 of the Maine Revised Statutes will include operating costs, including but not limited to property management and administration, utilities, routine repairs and maintenance, insurance, real estate taxes and funding of a projects capital reserve account.

B. Need for the Affordable Housing TIF. Over the 20-year TIF, the estimated average annual payment is \$92,474 (as set forth in Exhibit A). Developer’s Share of the Tax Increment Revenue is designated to pay Qualified Reimbursable Costs, as defined in the Credit Enhancement Agreement, for the project at 70 East Oxford Street. The Tax Increment Revenue described in section 3.04 will help pay for operating costs over a period of twenty (20) years. Without the TIF and these other funding sources the project could not go forward.

The Municipal Affordable Housing Development District law enacted by the Maine Legislature in 2003 creates an opportunity to fill this gap in the project financing through the mechanism of the TIF program. The program operates essentially the same way that the traditional commercial TIF program has with a few exceptions. The Affordable Housing TIF program is administered by the Maine State Housing Authority.

Section 2.04: Relocation Plan. The 40 existing Public Housing Units at the COMB Block located within the four buildings, 25 Boyd Street, 9 Boyd Street, 20 Mayo Street, and 24 Mayo Street in Portland, are currently being taken offline due to poor unit conditions that may impact the health and safety of residents. Property Management began relocating residents in March 2024 under the 2023 Portland Housing Authority Admissions and Continued Occupancy Policy, Chapter 12 Transfer Policy; Part I: Emergency Transfers. All households residing in COMB Block public housing units will be relocated well ahead of the commencement of this redevelopment project and prior to submission of a Section 18 Demolition and Disposition application to the HUD Special Applications Center.

Section 2.05: Environmental Controls. All environmental controls required by law shall apply to development in the District, including any applicable requirements of the City of Portland Zoning Ordinance and all applicable State and Federal environmental laws and regulations.

Section 2.06: District Operation. The day-to-day operations of the District will require no substantial efforts by the City. Portland Housing Authority, its successor or assigns, will as property manager operate the improvements constructed and owned by Developer and pay all maintenance and operational expenses of its facilities. The City, however, will be responsible for maintenance and operation of any part of the District that may become a public road or other public facility.

Section 2.07: Assurance of Compliance. The City hereby determines that the District and this Development Program complies with the provisions of 30-A M.R.S.A. § 4349-A (growth management). The proposed development in the District is consistent with the Comprehensive Plan for the City of Portland which includes the City's Comprehensive Plan, which calls for additional affordable housing in the City.

Section 2.08: Program Duration. The duration of the District will be twenty (20) years after the tax year in which this Development Program is approved by the Director of the Maine State Housing Authority. The period from April 1 of each year through March 31 of the next year is referred to herein as a "Tax Year." The first Tax Year of the Development Program begins April 1, 2024, and the last Tax Year of the Development Program begins April 1, 2044.

Section 2.09: Approval Considerations and Characteristics of the District.

A. Statutory Considerations for Approval. Before designating the District and before establishing this Development Program, the City has considered any evidence presented at such public hearing and has considered whether the District and Development Program will contribute to the expansion of affordable housing opportunities within the City and to the betterment of the health, welfare or safety of the inhabitants of the City. The City hereby determines and finds that the District created hereunder and this Development Program will make a contribution to the expansion of affordable housing opportunities within the City and the betterment of the health, welfare or safety of its inhabitants, constituting good and valid public purposes and that any adverse economic effect on or detriment to any existing property interests is outweighed by the contribution made by the District and the Development Program to the availability of affordable housing within the City and to the betterment of the health, welfare and safety of its inhabitants.

B. Statutory Conditions for Approval; Physical Characteristics. The City hereby finds and determines that the District satisfies the conditions imposed under Chapter 206, subchapter 3 of Title 30-A of the Maine Revised Statutes, as amended, as a prerequisite to designation of the District, including those relating to the physical description of the District and to certain financial and statistical information as follows:

(i) All of the land in the District is suitable for residential uses, is zoned for residential uses, and is in need of rehabilitation or redevelopment and therefore at least 25%, by area, of the real property within the District meets at least one of the following statutory criteria: (1) be suitable for residential use; (2) be a blighted area; or (3) be in need of rehabilitation or redevelopment;

(ii) The total municipal acreage is 13,785.6 acres; the total area of the proposed AHTIF Districts would be approximately 1.63 acres and thus such area represents less than 2% (or 0.01182393%) of the total acreage of the City. The total area of the proposed AHTIF Districts (1.63) and the total area of all development districts in the City (889.6387) totals 891.2687 acres which is approximately 6.465215% ($891.2687/13,785.6$) of total municipal acreage of the City. The 889.6387 acres includes two exempt districts—a Transit Oriented TIF District (30.00 acres) and a Downtown/Transit Oriented TIF District (416.7288 acres)—which, when subtracted from the 891.2687 acres is 448.3587 acres, which is 3.252% ($448.3587/13,785.6$) of the total acreage of the City and thus does not exceed 5% of the total acreage of the City. The total area of all existing affordable housing tax increment financing districts and the proposed AHTIF Districts is 37.67 acres or 0.2732% of the total acreage of the City ($37.67/13,785.6$) and does not exceed 5% of the total acreage of the City;

(iii) The Original Assessed Value of the proposed Affordable Housing TIF Districts (\$0.00) combined with the Original Assessed Value of all existing Affordable Housing TIF Districts within the City totals \$4,279,961. The taxable property value as of the April 1st before MaineHousing approval (4/1/2023) equals \$14,872,866,446. As the aggregate OAV as a percent of taxable value is 0.0287%, the amount of Original Assessed Value does not exceed 5% of the total value of taxable property within the City as of the April 1st preceding the date of the designation of the District.

C. Community Housing Need. The City finds that this Capital Program will meet a community housing need identified in the City's Comprehensive Plan. The Credit Enhancement Agreement provides a mechanism to ensure the ongoing affordability for a period of at least 20 (twenty) years, which mechanism is the Declaration attached hereto as Exhibit I. The District is primarily a residential development in which 90% of the dwelling units will be affordable housing and that may be designed to be compact and walkable and to include internal open space, other common open space and one or more small-scale nonresidential uses of service to the residents of the development. The Developer and the City shall comply with any rules adopted by the Maine State Housing Authority and with any conditions of approval imposed by the Maine State Housing Authority following designation of the District. The City shall report annually to the Director of the Maine State Housing Authority regarding the status of the District, including the following matters as required by law: (a) certify that the public purpose of the District is being met; (b) account for any sales of property within the District; and (c) certify that rental units within the District remain affordable.

Section 2.10: Designation of the District. The City, by adoption of this Development Program, hereby designates the 70 East Oxford Street Affordable Housing Development Tax Increment Financing District as an Affordable Housing Development District and as an Affordable Housing Tax Increment Financing District. A plan depicting the District is attached hereto as Exhibit C and the District is further described therein.

Article III. Financial Plan.

Section 3.01: Cost Estimates for the Development Program. The estimated expenses of the Project Costs are set forth in Exhibit B.

Section 3.02: Amount of Indebtedness to be Incurred. The City will not incur any indebtedness in connection with the Development Program. The Development Program will be financed through a combination of funds of the Developer, its successors and assigns, various loans and the Tax Increment of the District.

Section 3.03: Sources of Anticipated Revenues. The source of the revenue to be used to pay the Project Costs of this Development Program is a portion of the Tax Increment on the Increased Assessed Value of the District. Tax Increment means all Property Taxes assessed by the City, in excess of any state, county or special district tax, upon the Increased Assessed Value of all property in the District. Increased Assessed Value means the valuation amount by which the Current Assessed Value of the District exceeds the Original Assessed Value of the District. Current Assessed Value means the assessed value of the District certified by the municipal assessor as of April 1st of each year that the District remains in effect. Property Taxes means any and all ad valorem property taxes levied, charged or assessed against property by the City or on its behalf.

Original Assessed Value means the assessed value of the District as of March 31, 2024. Attached hereto as Exhibit D is the anticipated form of certification of Original Assessed Value by the Assessor of

the City of Portland in accordance with the requirements of Title 30-A § 5250-A of the Maine Revised Statutes. All Property Tax on the Original Assessed Value shall continue to be deposited in the general fund of the City.

The City will deposit the Tax Increment Revenues (Developer's Share) as described in Section 2.02 and Section 3.04 hereof and in Exhibit A into the Project Cost Account of the Affordable Housing Development Program Fund and pay such Tax Increment (Developer's Share) to Developer in accordance with the terms of the Credit Enhancement Agreement to be entered between the City and the Developer.

Section 3.04: Estimated Increased Assessed Value; Portion Applied to Development Program. The percentage of the Increased Assessed Value of the District to be retained as Captured Assessed Value in each year is 75% (seventy-five percent). Such Captured Tax Increment Revenues will be returned to the Developer each year in the manner described below.

In the event of a revaluation of taxable property within the City, the Captured Assessed Value of this District may be adjusted in proportion to the change in taxable assessed property valued within the District in the year of the revaluation resulting from such revaluation.

The Tax Increment Revenues (Developer's Share) to be paid to the Developer each year during the term of this Development Program will be an amount which shall be captured and retained to reimburse the Developer for Project Costs pursuant to the Credit Enhancement Agreement, which will be the entire amount of the 75% (seventy-five percent) of captured revenue. The percentage determination of the Tax Increment Revenues (Developer's Share) as determined as described above shall apply regardless whether the actual Tax Increment Revenues are more or less than the estimated or projected Tax Increment Revenues set forth in Exhibit A.

"Tax Shift Formulas" mean the formulas utilized by the State of Maine in calculating: (a) the county tax payable in accordance with 30-A M.R.S.A. § 706 and 36 M.R.S.A. §§ 305(1), 381, as amended, and any successor provisions; (b) the municipal revenue sharing distribution of the Local Government Fund in accordance with 30-A M.R.S.A. §5681, as amended, and any successor provision, provided, however, that distribution of the Disproportionate Tax Burden Fund (the Revenue II fund), if any, shall not be taken into consideration in such calculation since taxes assessed on captured value within a tax increment financing district are included in the amounts of the property assessed in determining allocations of such Disproportionate Tax Burden Fund; and (c) State aid to education, including aid for total operating costs, total program cost allocation (taking into account the maximum local share or circuit breaker) and total debt service cost allocation (taking into account the maximum local share or circuit breaker), but not taking into account any hold harmless or hardship cushion that results in additional State aid to education to the prior year's level even through the calculation would have resulted in a reduction, all as computed in accordance with Maine Department of Education Form ED 261 or any successor form.

The amount of Tax Increment from the total Increased Assessed Value that is to be paid each year to the Developer under Credit Enhancement Agreement to pay or reimburse Project Costs is hereinafter called the "Tax Increment Revenues (Developer's Share)."

The table attached hereto as Exhibit A also sets forth: (i) the annual estimates of the Increased Assessed Value of the District resulting from implementation of the Development Program; (ii) the estimated annual Tax Increment Revenues per year on the Increased Assessed Value following implementation of the Development Program, stated respectively as (a) a total, and (b) the estimated amount of the Tax Increment Revenues (Developer's Share)

Based on the manner in which Tax Increment Revenues (Developer's Shares) are defined, a share of the incremental property tax revenues derived from the increased valuation will be returned to the Developer to cover the Project Costs as described in Section 2.03 hereof.

To comply with the provisions of the State of Maine, the Credit Enhancement Agreement includes a provision for the recapture of certain amounts relating to any affordable rental housing units that are not maintained as affordable for a period of at least thirty years.

Under this program and the Credit Enhancement Agreement, Captured Assessed Value will be 75% (seventy-five percent) of the Increased Assessed Value. Accordingly, 75% (seventy-five percent) of the Tax Increment Revenues for each year during the term of the District shall be paid to the Developer each year pursuant to the Credit Enhancement Agreement.

An Affordable Housing Development Program Fund shall be established by the City consisting of a Project Cost Account. The Project Cost Account will be pledged to and charged with payment of amounts due to Developer under the Credit Enhancement Agreement. Upon receipt of each payment of property tax with respect to property in the District, the City shall deposit into the Project Cost Account according to the terms of the Credit Enhancement Agreement 75% (seventy-five percent) of that portion of the payment constituting Tax Increment Revenues. The amounts in the Project Cost Account shall be used and applied solely to fund the payments to Developer under the Credit Enhancement Agreement.

Section 3.05: Description of Terms and Conditions of Agreements. A description of the terms and conditions of the agreements, contracts and obligations to be entered into by the City is set forth in the Credit Enhancement Agreement to be entered into by the City and the Developer which will be substantially in the form attached hereto as Exhibit E. The Credit Enhancement Agreement sets forth the obligations of the City to pay to Developer each year during the term of that Agreement Tax Increment Revenues (Developer's Share) from all Property Tax with respect to all property in the District.

Section 3.06: Calculation of Tax Shifts. In accordance with Maine statutes governing the establishment of affordable housing development districts, Exhibit F identifies the estimated tax shifts which will result during the term of the District from the establishment of the District, using formulas approved by the Director of the Maine State Housing Authority. Exhibit F also contains a summary of the methodology and calculations utilized in calculating such estimated tax shifts.

The 70 East Oxford Street project will pay property taxes to the City based upon the local assessed valuation of the project and the City's annual tax rate. Exhibit A shows the estimated property taxes that will be paid by the project over the next 20 years based upon the estimated local assessed valuation and the estimated tax rate of \$14.70/\$1,000 for the first year of the District. The amount of property taxes paid by owners of property in the District to City will be the same whether the project is included in a TIF district or not.

If the project is not part of a TIF, some of these new tax revenues will be offset by what are commonly called tax shifts. Since the City's total state valuation will be higher as a result of the project, its share of Cumberland County taxes will increase. The increased valuation and population will change the amount the City receives in State Revenue Sharing. The increased valuation and increased school enrollment will change the amount the City receives in state education aid.

Exhibit F thus shows the estimated amount of these tax shifts compared to what they would be if the new valuation is “sheltered” in a TIF and, therefore, does not get counted in the City’s state valuation that is used in calculating county tax, revenue sharing and state education aid.

The actual extent and amount of the tax shifts can vary from this estimate since they are controlled by factors outside the City’s control such as the rate of increase in the County budget, the amount of state sales and income tax collected, the amount of funding provided by the state for education aid, and the formula used to distribute that aid. So the extent and value of the shifts could be more or less than estimated.

Article IV. Municipal Approvals.

Section 4.01: Public Hearing. Before designating the District, the City legislative body of the City held a public hearing. Notice of the hearing was published on June 28, 2024, a date that was at least 10 days before the hearing, in The Portland Press Herald, a newspaper of general circulation within the City. Attached hereto as Exhibit G is a copy of the Notice of Public Hearing. The Public hearing was held in accordance with the requirements of 30-A M.R.S.A. § 5250 on July 15, 2024. At the public hearing, interested parties were given a reasonable opportunity to present testimony concerning the District and the Development Program.

Section 4.02: Authorizing Votes. Attached as Exhibit H is a copy of the Orders proposed for adoption by the City Council of the City of Portland at a meeting thereof duly called and held on July 15, 2024 designating the District and adopting the Development Plan.

The undersigned, being the City Manager of the City of Portland, certifies that all of the information contained herein is true and correct to the best of my knowledge.

Dated: _____

Danielle P. West, City Manager,
City of Portland, ME

Development Budget with Permanent Sources

Date 6/19/2024
 Project Name COMB Phase I
 Project Address 70 Oxford St
 Developer/Sponsor PHDC

Total Units 55
 Total Square Feet 60,504

6/19/24 Revision

Total Per Unit Per Sq Ft

Sources of Funds			
Permanent Financing - 1st Lien	\$9,400,000	\$170,909	\$155
Permanent Financing - City of Portland	\$650,000	\$11,818	\$11
Equity (LIHTC/tenant contributions)	\$10,198,980	\$185,436	\$169
MH Subsidy	\$1,986,467	\$36,118	\$33
AHP Direct Subsidy	\$850,000	\$15,455	\$14
Earmark BECOMES AHP Subsidized Advance	\$1,200,000	\$21,818	\$20
Brownfields BECOMES Deferred Developer Fee	\$500,000	\$9,091	\$8
Total Sources of Funds	\$24,785,447	\$450,644	\$410

Uses of Funds

Hard Costs			
Site Improvements		\$0	\$0
Rehabilitation		\$0	\$0
New Construction		\$15,562,259	\$282,950
Contractor's Profit, Overhead, & Gen. Requirements	9.8%	\$1,691,640	\$30,757
Hazardous Materials abatement (if contracted separately)		\$0	\$0
Demolition Cost (if contracted separately)		\$0	\$0
Bond Premium		\$294,967	\$5,363
Other:		\$0	\$0
Hard Cost Contingency (% of hard costs)	7.8%	\$1,435,347	\$26,097
Total Hard Costs		\$18,984,213	\$345,168

8.179%

Soft Costs

Building Permit & Fees		\$245,000	\$4,455	\$4
Survey & Engineering		\$178,000	\$3,236	\$3
Design & Permitting (% of const exp)	5.7%	\$825,000	\$15,000	\$14
Borrower Legal (all closings, excluding syndication legal)		\$100,000	\$1,818	\$2
Title & Recording		\$35,000	\$636	\$1
Accounting		\$10,000	\$182	\$0
Construction Period Taxes		\$7,000	\$127	\$0
Construction Period Insurance		\$175,000	\$3,182	\$3
Other: FF&E, Security		\$170,000	\$3,091	\$3
Other			\$0	\$0
Total Soft Costs		\$1,745,000	\$31,727	\$29

Financing Costs

Construction Loan Origination Fees		\$20,000	\$364	\$0
Construction Period Interest		\$1,200,000	\$21,818	\$20
Lender Inspection Fees		\$16,000	\$291	\$0
Letter of Credit Fee			\$0	\$0
Permanent Loan Fee		\$176,500	\$3,209	\$3
Construction Lender Legal			\$0	\$0
Other			\$0	\$0
Total Financing Costs		\$1,412,500	\$25,682	\$23

Miscellaneous

Market Survey		\$5,000	\$91	\$0
Appraisal		\$8,000	\$145	\$0
Environmental Study		\$35,000	\$636	\$1
LIHTC Fees -- prepaid monitoring		\$144,500	\$2,627	\$2
Other: Commissioning			\$0	\$0
Relocation Costs		\$30,000	\$545	\$0
Other		\$10,000	\$182	\$0
Soft Cost Contingency (% of soft costs excl Dev Fee)	0.93%	\$50,000	\$909	\$1
Total Miscellaneous:		\$282,500	\$5,136	\$28

Acquisition

Acquisition: Buildings			\$0	\$0
Acquisition: Land			\$0	\$0
Acquisition: Legal			\$0	\$0
Other		\$150,000	\$2,727	\$2
Total Acquisition		\$150,000	\$2,727	\$2

Reserves and Developer Fee			
Operating Deficit Escrow	\$580,678	\$10,558	\$10
Prefunded Replacement Reserve	\$179,805	\$3,269	\$3
Taxes & Insurance Escrow	\$126,751	\$2,305	\$2
Developer Overhead	\$1,250,000	\$22,727	\$21
Developer Profit		\$0	\$0
Rent Up Reserve & Marketing	\$50,000	\$909	\$1
Other		\$0	\$0
Total Reserves and Developer Fee	\$2,187,234	\$39,768	\$36

Total Uses of Funds	\$24,761,447	\$450,208	\$433
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Developer Fee Analysis: Total Fees: \$1,250,000
(excluding reserves & developer fee) Percent of TDC: 5.54%

Project Operating Pro Forma

Date	June 21, 2024
Project Name	COMB Block Phase I
Project Address	70 Oxford
Developer/Sponsor	PHDC

Rental Income

Maximum LIHTC Rents

Unit Type	Number of Units	Per Unit Sq Ft	Total Sq Ft	Restriction on % Median Inc.	Per Unit Monthly Gross Rent	Utility Deductions	Rent Subsidy	Per Unit Monthly Net Rent	Per Unit Net Rent Per Sq Ft	Total Monthly Net Income	Total Annual Net Rent
0 BR	5		0	50%	\$1,115	\$0		\$1,115	#DIV/0!	\$5,575	\$66,900
1 BR	3		0	50%	\$1,195	\$0		\$1,195	#DIV/0!	\$3,585	\$43,020
1 BR	10		0	60%	\$1,434	\$0		\$1,434	#DIV/0!	\$14,340	\$172,080
1 BR	2		0	market	\$1,663	\$0		\$1,663	#DIV/0!	\$3,326	\$39,912
2 BR	0		0	50%	\$1,434	\$0		\$1,434	#DIV/0!	\$0	\$0
2 BR	10	PBV	0	50%	\$2,140	\$0		\$2,140	#VALUE!	\$21,400	\$256,800
2 BR	3		0	60%	\$1,721	\$0		\$1,721	#DIV/0!	\$5,163	\$61,956
2 BR	3		0	market	\$2,140	\$0		\$2,140	#DIV/0!	\$6,420	\$77,040
3 BR	15	PBV	0	50%	\$2,659	\$0		\$2,659	#VALUE!	\$39,885	\$478,620
3 BR	4		0	60%	\$1,989	\$0		\$1,989	#DIV/0!	\$7,956	\$95,472
Total:	55		0							\$107,650	\$1,291,800

\$0

Operating Expenses

Rent Increase Rate	2.0%
Expenses Increase Rate	3.0%

TIF As Recommended: year 1 75% year 11 75% year 21 0%
Note: Year 1 is the first full year of stabilized operations

	Year 1	Year 1/Unit	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Income											
Sch. Gross Income - Residential	\$1,291,800	\$23,487	\$1,317,636	\$1,343,989	\$1,370,868	\$1,398,286	\$1,426,252	\$1,454,777	\$1,483,872	\$1,513,550	\$1,543,821
Vacancy Loss 5.0%	(\$64,590)	(\$1,174)	(\$65,882)	(\$67,199)	(\$68,543)	(\$69,914)	(\$71,313)	(\$72,739)	(\$74,194)	(\$75,677)	(\$77,191)
Other income (laundry)	\$3,040	\$55	\$3,101	\$3,163	\$3,226	\$3,291	\$3,356	\$3,424	\$3,492	\$3,562	\$3,633
TIF (inflated at 2%) 75%	\$74,626	\$1,357	\$76,118	\$77,641	\$79,193	\$80,777	\$82,393	\$84,041	\$85,722	\$87,436	\$89,185
Effective Gross Income	\$1,304,876	\$23,725	\$1,330,973	\$1,357,593	\$1,384,745	\$1,412,439	\$1,440,688	\$1,469,502	\$1,498,892	\$1,528,870	\$1,559,447

Administrative											
Management Fee 4.5%	\$58,500	\$1,064	\$60,255	\$62,063	\$63,925	\$65,842	\$67,818	\$69,852	\$71,948	\$74,106	\$76,329
Management Charges 4.5%	\$58,500	\$1,064	\$60,255	\$62,063	\$63,925	\$65,842	\$67,818	\$69,852	\$71,948	\$74,106	\$76,329
Marketing Expense	\$500	\$9	\$515	\$530	\$546	\$563	\$580	\$597	\$615	\$633	\$652
Legal	\$1,000	\$18	\$1,030	\$1,061	\$1,093	\$1,126	\$1,159	\$1,194	\$1,230	\$1,267	\$1,305
Audit & Accounting	\$7,500	\$136	\$7,725	\$7,957	\$8,195	\$8,441	\$8,695	\$8,955	\$9,224	\$9,501	\$9,786

Admin Other	\$1,565	\$28	\$1,612	\$1,660	\$1,710	\$1,761	\$1,814	\$1,869	\$1,925	\$1,982	\$2,042
Total Administrative	\$127,565	\$2,319	\$131,392	\$135,334	\$139,394	\$143,576	\$147,883	\$152,319	\$156,889	\$161,596	\$166,443
Supportive Services	\$21,818	\$397	\$22,473	\$23,147	\$23,841	\$24,556	\$25,293	\$26,052	\$26,833	\$27,638	\$28,468
Utilities											
Fuel Oil	\$11,000	\$200	\$11,330	\$11,670	\$12,020	\$12,381	\$12,752	\$13,135	\$13,529	\$13,934	\$14,353
Natural Gas	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Electric	\$66,000	\$1,200	\$67,980	\$70,019	\$72,120	\$74,284	\$76,512	\$78,807	\$81,172	\$83,607	\$86,115
Water / Sewer	\$41,420	\$753	\$42,663	\$43,942	\$45,261	\$46,619	\$48,017	\$49,458	\$50,941	\$52,470	\$54,044
Other	\$5,500	\$100	\$5,665	\$5,835	\$6,010	\$6,190	\$6,376	\$6,567	\$6,764	\$6,967	\$7,176
Total Utilities	\$123,920	\$2,253	\$127,638	\$131,467	\$135,411	\$139,473	\$143,657	\$147,967	\$152,406	\$156,978	\$161,687
Total incl Utilitiy Allowance											
Maintenance	Year 1	Year 1/Unit	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Grounds	\$8,000	\$145	\$8,240	\$8,487	\$8,742	\$9,004	\$9,274	\$9,552	\$9,839	\$10,134	\$10,438
Janitorial	\$12,000	\$218	\$12,360	\$12,731	\$13,113	\$13,506	\$13,911	\$14,329	\$14,758	\$15,201	\$15,657
Trash Removal	\$13,500	\$245	\$13,905	\$14,322	\$14,752	\$15,194	\$15,650	\$16,120	\$16,603	\$17,101	\$17,614
Security		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Equipment & Supplies	\$5,000	\$91	\$5,150	\$5,305	\$5,464	\$5,628	\$5,796	\$5,970	\$6,149	\$6,334	\$6,524
Maintenance	\$40,000	\$727	\$41,200	\$42,436	\$43,709	\$45,020	\$46,371	\$47,762	\$49,195	\$50,671	\$52,191
Maintenance Contracts	\$23,250	\$423	\$23,948	\$24,666	\$25,406	\$26,168	\$26,953	\$27,762	\$28,595	\$29,452	\$30,336
Other		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Maintenance	\$101,750	\$1,850	\$104,803	\$107,947	\$111,185	\$114,521	\$117,956	\$121,495	\$125,140	\$128,894	\$132,761
Taxes & Insurance											
Real Estate Taxes 2%	\$99,501	\$1,809	\$101,491	\$103,521	\$105,591	\$107,703	\$109,857	\$112,054	\$114,295	\$116,581	\$118,913
Payroll Taxes / Fidelity Bond / Workers Comp / Health Ins.		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Insurance (property, liability)	\$66,000	\$1,200	\$67,980	\$70,019	\$72,120	\$74,284	\$76,512	\$78,807	\$81,172	\$83,607	\$86,115
Other		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Taxes & Insurance	\$165,501	\$3,009	\$169,471	\$173,540	\$177,711	\$181,987	\$186,369	\$190,862	\$195,467	\$200,188	\$205,028
Replacement Reserves	\$27,500	\$500	\$28,325	\$29,175	\$30,050	\$30,951	\$31,880	\$32,836	\$33,822	\$34,836	\$35,881
Operating Reserves		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Expenses	\$568,054	\$10,328	\$584,101	\$600,609	\$617,592	\$635,064	\$653,038	\$671,531	\$690,556	\$710,130	\$730,268
		\$8,519									
Net Operating Income	\$736,822	\$13,397	\$746,873	\$756,984	\$767,153	\$777,376	\$787,650	\$797,971	\$808,336	\$818,740	\$829,179
Debt Service											
Maine Housing Interest Bearing	\$564,000	\$10,255	\$564,000	\$564,000	\$564,000	\$564,000	\$564,000	\$564,000	\$564,000	\$564,000	\$564,000
Second Lien	\$77,302	\$1,405	\$77,302	\$77,302	\$77,302	\$77,302	\$77,302	\$77,302	\$77,302	\$77,302	\$77,302
Other		\$0									
Total Debt Service (Must Pay)	\$641,302	\$11,660	\$641,302	\$641,302	\$641,302	\$641,302	\$641,302	\$641,302	\$641,302	\$641,302	\$641,302
Cash Flow (after Must Pay Debt)	\$95,520	\$1,737	\$105,571	\$115,682	\$125,851	\$136,074	\$146,348	\$156,669	\$167,034	\$177,438	\$187,877
Debt Service Coverage Ratio	1.15		1.16	1.18	1.20	1.21	1.23	1.24	1.26	1.28	1.29

Cash Flow Debt Payments		\$650,000										
City of Portland	10.0%	\$9,552	\$174	\$10,557	\$11,568	\$12,585	\$13,607	\$14,635	\$15,667	\$16,703	\$17,744	\$18,788
Developer Fee Loan	40.0%	\$38,208	\$695	\$42,228	\$46,273	\$50,340	\$54,430	\$58,539	\$62,668	\$66,813	\$70,975	\$75,151
Cash Flow Retained by Project		\$47,760	\$868	\$52,785	\$57,841	\$62,925	\$68,037	\$73,174	\$78,334	\$83,517	\$88,719	\$93,939

Retained Cash Flow % 8%

Remaining Balance

City of Portland:	\$ 650,000	\$ 640,448	\$ 629,891	\$ 618,323	\$ 605,738	\$ 592,130	\$ 577,496	\$ 561,829	\$ 545,125	\$ 527,381	\$ 508,594
Developer Fee Loan:	\$ 500,000	\$ 461,792	\$ 419,564	\$ 373,291	\$ 322,951	\$ 268,521	\$ 209,982	\$ 147,314	\$ 80,501	\$ 9,526	(\$65,625)

		<u>Year 11</u>	<u>Year 12</u>	<u>Year 13</u>	<u>Year 14</u>	<u>Year 15</u>	<u>Year 16</u>	<u>Year 17</u>	<u>Year 18</u>	<u>Year 19</u>	<u>Year 20</u>
Income											
Sch. Gross Income - Residential		\$1,574,697	\$1,606,191	\$1,638,315	\$1,671,081	\$1,704,503	\$1,738,593	\$1,773,365	\$1,808,832	\$1,845,009	\$1,881,909
Vacancy Loss	5.0%	(\$78,735)	(\$80,310)	(\$81,916)	(\$83,554)	(\$85,225)	(\$86,930)	(\$88,668)	(\$90,442)	(\$92,250)	(\$94,095)
Other income (laundry)		\$3,706	\$3,780	\$3,855	\$3,933	\$4,011	\$4,091	\$4,173	\$4,257	\$4,342	\$4,429
TIF	75%	\$90,968	\$92,788	\$94,643	\$96,536	\$98,467	\$100,436	\$102,445	\$104,494	\$106,584	\$108,716
Effective Gross Income		\$1,590,636	\$1,622,449	\$1,654,898	\$1,687,996	\$1,721,756	\$1,756,191	\$1,791,315	\$1,827,141	\$1,863,684	\$1,900,958
Administrative											
Management Fee		\$78,619	\$80,978	\$83,407	\$85,909	\$88,486	\$91,141	\$93,875	\$96,692	\$99,592	\$102,580
Management Charges		\$78,619	\$80,978	\$83,407	\$85,909	\$88,486	\$91,141	\$93,875	\$96,692	\$99,592	\$102,580
Marketing Expense		\$672	\$692	\$713	\$734	\$756	\$779	\$802	\$826	\$851	\$877
Legal		\$1,344	\$1,384	\$1,426	\$1,469	\$1,513	\$1,558	\$1,605	\$1,653	\$1,702	\$1,754
Audit & Accounting		\$10,079	\$10,382	\$10,693	\$11,014	\$11,344	\$11,685	\$12,035	\$12,396	\$12,768	\$13,151
Admin Other		\$2,103	\$2,166	\$2,231	\$2,298	\$2,367	\$2,438	\$2,511	\$2,587	\$2,664	\$2,744
Total Administrative		\$171,437	\$176,580	\$181,877	\$187,334	\$192,954	\$198,742	\$204,704	\$210,846	\$217,171	\$223,686
Supportive Services		\$29,322	\$30,201	\$31,107	\$32,040	\$33,002	\$33,992	\$35,011	\$36,062	\$37,144	\$38,258
Utilities											
Fuel Oil		\$14,783	\$15,227	\$15,683	\$16,154	\$16,638	\$17,138	\$17,652	\$18,181	\$18,727	\$19,289
Electric		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Gas		\$88,698	\$91,359	\$94,100	\$96,923	\$99,831	\$102,826	\$105,911	\$109,088	\$112,361	\$115,731
Water / Sewer		\$55,665	\$57,335	\$59,055	\$60,827	\$62,651	\$64,531	\$66,467	\$68,461	\$70,515	\$72,630
Other		\$7,392	\$7,613	\$7,842	\$8,077	\$8,319	\$8,569	\$8,826	\$9,091	\$9,363	\$9,644
Total Utilities		\$166,538	\$171,534	\$176,680	\$181,981	\$187,440	\$193,063	\$198,855	\$204,821	\$210,966	\$217,294
Maintenance											
Janitorial		\$10,751	\$11,074	\$11,406	\$11,748	\$12,101	\$12,464	\$12,838	\$13,223	\$13,619	\$14,028
Exterminating		\$16,127	\$16,611	\$17,109	\$17,622	\$18,151	\$18,696	\$19,256	\$19,834	\$20,429	\$21,042
Trash Removal		\$18,143	\$18,687	\$19,248	\$19,825	\$20,420	\$21,033	\$21,664	\$22,313	\$22,983	\$23,672
Security		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Grounds		\$6,720	\$6,921	\$7,129	\$7,343	\$7,563	\$7,790	\$8,024	\$8,264	\$8,512	\$8,768
Maintenance		\$53,757	\$55,369	\$57,030	\$58,741	\$60,504	\$62,319	\$64,188	\$66,114	\$68,097	\$70,140
Elevator, HVAC, pool contracts		\$31,246	\$32,183	\$33,149	\$34,143	\$35,168	\$36,223	\$37,309	\$38,429	\$39,582	\$40,769
Other		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Maintenance		\$136,743	\$140,846	\$145,071	\$149,423	\$153,906	\$158,523	\$163,279	\$168,177	\$173,223	\$178,419
Taxes & Insurance											
Real Estate Taxes or PILOT		\$121,291	\$123,717	\$126,191	\$128,715	\$131,289	\$133,915	\$136,594	\$139,325	\$142,112	\$144,954
Payroll Taxes / Fidelity Bond / Workers Comp / Health Ins.		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Insurance (property, liability)		\$88,698	\$91,359	\$94,100	\$96,923	\$99,831	\$102,826	\$105,911	\$109,088	\$112,361	\$115,731
Other		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Taxes & Insurance		\$209,990	\$215,076	\$220,292	\$225,638	\$231,120	\$236,741	\$242,504	\$248,413	\$254,473	\$260,686

Replacement Reserves	\$36,958	\$38,066	\$39,208	\$40,385	\$41,596	\$42,844	\$44,129	\$45,453	\$46,817	\$48,221
Operating Reserves	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Total Expenses	\$750,987	\$772,304	\$794,236	\$816,801	\$840,018	\$863,906	\$888,484	\$913,772	\$939,792	\$966,565
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Net Operating Income	\$839,649	\$850,145	\$860,662	\$871,195	\$881,738	\$892,285	\$902,831	\$913,369	\$923,892	\$934,393
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Debt Service										
Maine Housing Interest Bearing	\$564,000	\$564,000	\$564,000	\$564,000	\$564,000	\$564,000	\$564,000	\$564,000	\$564,000	\$564,000
Second Lien	\$77,302	\$77,302	\$77,302	\$77,302	\$77,302	\$77,302	\$77,302	\$77,302	\$77,302	\$77,302
Other										
Total Debt Service (Must Pay)	\$641,302	\$641,302	\$641,302	\$641,302	\$641,302	\$641,302	\$641,302	\$641,302	\$641,302	\$641,302

Cash Flow (after Must Pay Debt)	\$198,347	\$208,843	\$219,360	\$229,893	\$240,436	\$250,983	\$261,529	\$272,067	\$282,590	\$293,091
Debt Service Coverage Ratio	1.31	1.33	1.34	1.36	1.37	1.39	1.41	1.42	1.44	1.46

Cash Flow Debt Payments										
City of Portland	25.0%	\$49,587	\$52,211	\$54,840	\$57,473	\$60,109	\$62,746	\$65,382	\$68,017	\$70,647
Developer Fee Loan	0.0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cash Flow Retained by Project		\$148,760	\$156,632	\$164,520	\$172,420	\$180,327	\$188,238	\$196,147	\$204,050	\$211,942
Retained Cash Flow %	8%									

\$459,007 \$406,796 \$351,956 \$294,483 \$234,374 \$171,628 \$106,246 \$38,229 (\$32,418)

	<u>Year 21</u>	<u>Year 22</u>	<u>Year 23</u>	<u>Year 24</u>	<u>Year 25</u>	<u>Year 26</u>	<u>Year 27</u>	<u>Year 28</u>	<u>Year 29</u>	<u>Year 30</u>
Income										
Sch. Gross Income - Residential	\$1,919,547	\$1,957,938	\$1,997,097	\$2,037,038	\$2,077,779	\$2,119,335	\$2,161,722	\$2,204,956	\$2,249,055	\$2,294,036
Vacancy Loss	(\$95,977)	(\$97,897)	(\$99,855)	(\$101,852)	(\$103,889)	(\$105,967)	(\$108,086)	(\$110,248)	(\$112,453)	(\$114,702)
Other income (laundry)	\$4,517	\$4,608	\$4,700	\$4,794	\$4,890	\$4,987	\$5,087	\$5,189	\$5,293	\$5,399
TIF 0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Effective Gross Income	\$1,828,087	\$1,864,649	\$1,901,941	\$1,939,980	\$1,978,780	\$2,018,356	\$2,058,723	\$2,099,897	\$2,141,895	\$2,184,733

Administrative										
Management Fee	\$105,658	\$108,827	\$112,092	\$115,455	\$118,918	\$122,486	\$126,161	\$129,945	\$133,844	\$137,859
Management Charges	\$105,658	\$108,827	\$112,092	\$115,455	\$118,918	\$122,486	\$126,161	\$129,945	\$133,844	\$137,859
Marketing Expense	\$903	\$930	\$958	\$987	\$1,016	\$1,047	\$1,078	\$1,111	\$1,144	\$1,178
Legal	\$1,806	\$1,860	\$1,916	\$1,974	\$2,033	\$2,094	\$2,157	\$2,221	\$2,288	\$2,357
Audit & Accounting	\$13,546	\$13,952	\$14,371	\$14,802	\$15,246	\$15,703	\$16,174	\$16,660	\$17,159	\$17,674
Admin Other	\$2,827	\$2,911	\$2,999	\$3,089	\$3,181	\$3,277	\$3,375	\$3,476	\$3,581	\$3,688
Total Administrative	\$230,397	\$237,308	\$244,428	\$251,761	\$259,313	\$267,093	\$275,106	\$283,359	\$291,859	\$300,615

Supportive Services	\$39,406	\$40,588	\$41,806	\$43,060	\$44,352	\$45,682	\$47,053	\$48,464	\$49,918	\$51,416
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Utilities										
Fuel Oil	\$19,867	\$20,463	\$21,077	\$21,709	\$22,361	\$23,032	\$23,723	\$24,434	\$25,167	\$25,922
Electric	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Gas	\$119,203	\$122,779	\$126,463	\$130,257	\$134,164	\$138,189	\$142,335	\$146,605	\$151,003	\$155,533
Water / Sewer	\$74,809	\$77,053	\$79,365	\$81,746	\$84,198	\$86,724	\$89,326	\$92,006	\$94,766	\$97,609
Other	\$9,934	\$10,232	\$10,539	\$10,855	\$11,180	\$11,516	\$11,861	\$12,217	\$12,584	\$12,961
Total Utilities	\$223,813	\$230,528	\$237,444	\$244,567	\$251,904	\$259,461	\$267,245	\$275,262	\$283,520	\$292,026

Maintenance	<u>Year 21</u>	<u>Year 22</u>	<u>Year 23</u>	<u>Year 24</u>	<u>Year 25</u>	<u>Year 26</u>	<u>Year 27</u>	<u>Year 28</u>	<u>Year 29</u>	<u>Year 30</u>
Janitorial	\$14,449	\$14,882	\$15,329	\$15,789	\$16,262	\$16,750	\$17,253	\$17,770	\$18,303	\$18,853
Exterminating	\$21,673	\$22,324	\$22,993	\$23,683	\$24,394	\$25,125	\$25,879	\$26,655	\$27,455	\$28,279
Trash Removal	\$24,383	\$25,114	\$25,867	\$26,643	\$27,443	\$28,266	\$29,114	\$29,987	\$30,887	\$31,814
Security	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Grounds	\$9,031	\$9,301	\$9,581	\$9,868	\$10,164	\$10,469	\$10,783	\$11,106	\$11,440	\$11,783
Maintenance	\$72,244	\$74,412	\$76,644	\$78,943	\$81,312	\$83,751	\$86,264	\$88,852	\$91,517	\$94,263
Elevator, HVAC, pool contracts	\$41,992	\$43,252	\$44,549	\$45,886	\$47,262	\$48,680	\$50,141	\$51,645	\$53,194	\$54,790
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Maintenance	\$183,772	\$189,285	\$194,964	\$200,812	\$206,837	\$213,042	\$219,433	\$226,016	\$232,797	\$239,781

Taxes & Insurance										
Real Estate Taxes or PILOT	\$147,853	\$150,810	\$153,827	\$156,903	\$160,041	\$163,242	\$166,507	\$169,837	\$173,234	\$176,698
Payroll Taxes / Fidelity Bond / Workers Comp / Health Ins.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Insurance (property, liability)	\$119,203	\$122,779	\$126,463	\$130,257	\$134,164	\$138,189	\$142,335	\$146,605	\$151,003	\$155,533
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Taxes & Insurance	\$267,057	\$273,590	\$280,289	\$287,160	\$294,206	\$301,431	\$308,842	\$316,442	\$324,237	\$332,232

Replacement Reserves	\$49,668	\$51,158	\$52,693	\$54,274	\$55,902	\$57,579	\$59,306	\$61,085	\$62,918	\$64,806
Operating Reserves	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Expenses	\$994,112	\$1,022,457	\$1,051,623	\$1,081,633	\$1,112,513	\$1,144,288	\$1,176,984	\$1,210,629	\$1,245,249	\$1,280,874
Net Operating Income	\$833,975	\$842,192	\$850,319	\$858,347	\$866,267	\$874,068	\$881,739	\$889,269	\$896,646	\$903,859
Debt Service										
Maine Housing Interest Bearing	\$564,000	\$564,000	\$564,000	\$564,000	\$564,000	\$564,000	\$564,000	\$564,000	\$564,000	\$564,000
Second Lien	\$77,302	\$77,302	\$77,302	\$77,302	\$77,302	\$77,302	\$77,302	\$77,302	\$77,302	\$77,302
Other										
Total Debt Service (Must Pay)	\$641,302	\$641,302	\$641,302	\$641,302	\$641,302	\$641,302	\$641,302	\$641,302	\$641,302	\$641,302
Cash Flow (after Must Pay Debt)	\$192,673	\$200,890	\$209,017	\$217,045	\$224,965	\$232,766	\$240,437	\$247,967	\$255,344	\$262,557
Debt Service Coverage Ratio	1.30	1.31	1.33	1.34	1.35	1.36	1.37	1.39	1.40	1.41
Cash Flow Debt Payments										
City of Portland	\$19,267	\$20,089	\$20,902	\$21,705	\$22,497	\$23,277	\$24,044	\$24,797	\$25,534	\$26,256
Developer Fee Loan	\$77,069	\$80,356	\$83,607	\$86,818	\$89,986	\$93,106	\$96,175	\$99,187	\$102,138	\$105,023
Cash Flow Retained by Project	\$96,336	\$100,445	\$104,508	\$108,523	\$112,483	\$116,383	\$120,218	\$123,983	\$127,672	\$131,278

PROJECT & SITE INFORMATION

Project Name
Project Address
City, State, Zip
Project Type
Population
Area Median Income (100%)

Info	
COMB Block Phase 1 (55u, 90%LIHTC, 25 PBV)	
70 E Oxford Street	
Portland, Maine 04101	
	New Construction
	Family
	127,500

CONSTRUCTION SCHEDULE

Construction Duration
Duration per Quarter

# Mo.	# Days
16 mo.	486 days
	122 days

TIMING ASSUMPTIONS

Acq/CLC/Construction Start
25% Construction Completion
50% Construction Completion
75% Construction Completion
100% Construction Completion
Qualified Occupancy
PLC
Stabilization
8609
PIS - First Building
PIS - Last Building

# Mo.	Date
	10/1/25
	2/1/26
	6/1/26
	10/1/26
	2/1/27
3 mo. after 100%	5/1/27
5 mo. after 100%	7/1/27
5 mo. after 100%	7/1/27
8 mo. after 100%	10/1/27
	2/1/27
	2/1/27

DEVELOPMENT ASSUMPTIONS

Rent Inflation
Operating Expense Inflation
Other Income Inflation
Reserve Deposit Inflation
Debt Service Coverage Ratio
Vacancy Rate

LIHTC Units:
Market Units:

Yr 1-5	Yr 6-15	Yr 16-30
2.0%	2.0%	2.0%
3.0%	3.0%	3.0%
2.0%	2.0%	2.0%
3.0%		
1.15		
5.0%	PBV Units:	5.0%
5.0%	Other Inc.:	5.0%

OWNERSHIP ASSUMPTIONS

Share of Ownership
Cash Flow Split

LP	SLP	GP
99.99%	0.001%	0.009%
10.00%	0.00%	90.00%

ENTITIES

Owner
Developer
Seller
Limited Partner
Other Partner

Name
Owner
PHDC
PHA
LP
Other

MAINEHOUSING INDEX CAP

New Construction
Rehabilitation
N/C & Rehab Blend

\$/Unit
370,000
340,000
0

Unit Type	UNIT INFORMATION					RENTAL INCOME					OPERATING SUBSIDY INCOME			
	# of BR	# of Units	LIHTC Unit	PBV Unit	Income Limit (% AMI)	Max Gross LIHTC Rent	Less Utility Allowance	Max Contract LIHTC Rent	Proposed Contract Rent	Annual Rental Income	PBV Rent	Monthly PBV Diff. PUPM	Annual PBV Diff. Total	Total Annual Rent. + PBV Income
				PBV										
0BR @ 50% AMI	0	5	Y	N	50%	1,115	0	1,115	1,115	66,900	-	-	-	66,900
1BR @ 60% AMI	1	10	Y	N	60%	1,434	0	1,434	1,434	172,080	-	-	-	172,080
1BR @ Market	1	2	N	N		-	0	-	1,663	39,912	-	-	-	39,912
1BR @ 50% AMI	1	3	Y	N	50%	1,195	0	1,195	1,195	43,020	-	-	-	43,020
2BR @ 60% AMI	2	3	Y	N	60%	1,721	0	1,721	1,721	61,956	-	-	-	61,956
2BR @ 50% AMI - PBV	2	10	Y	Y	50%	1,434	0	1,434	1,434	172,080	2,140	706	84,720	256,800
2BR @ Market	2	3	N	N		-	0	-	2,140	77,040	-	-	-	77,040
3BR @ 50% AMI - PBV	3	15	Y	Y	50%	1,657	0	1,657	1,657	298,260	2,659	1,002	180,360	478,620
3BR @ 60% AMI	3	4	Y	N	60%	1,989	0	1,989	1,989	95,472	-	-	-	95,472
TOTAL	109	55	50	25						1,026,720			265,080	1,291,800

OTHER INCOME	
Description	Yr 1
Laundry	3,200
TOTAL OTHER INCOME	3,200

TAX INCREMENT FINANCING	
75% TIF	74,626

COMMERCIAL INCOME	
Description	Yr 1
TOTAL COMMERCIAL INCOME	0

UNIT INFO			
BR Size	U.A.	Mrkt. Study	PBV Rent
0 BR	0	1,450	1,450
1 BR	0	1,663	1,663
2 BR	0	2,140	2,140
3 BR	0	2,659	2,659
4 BR	0	0	3,016
5 BR	0	0	3,468
6 BR	0	0	3,920

UTILITIES		
Utility	Payee	Type
Electricity	Owner	
Heat	Owner	
Hot Water	Owner	
Cooking	Owner	
Water/Sewer	Owner	
Trash	Owner	

EFFECTIVE GROSS INCOME	
Description	Yr 1
Rental Income: LIHTC Units	439,428
Vac. Loss - LIHTC (5.0%)	(21,971)
Rental Income: PBV Units	735,420
Vac. Loss - PBV (5.0%)	(36,771)
Rental Income: Market Units	116,952
Vac. Loss - Market-Rate (5.0%)	(5,848)
Other Income	3,200
Vac. Loss - Other Inc. (5.0%)	(160)
Tax Increment Financing	74,626
Commercial Income	0
EFFECTIVE GROSS INCOME	1,304,876

SQUARE FOOTAGE AND APPLICABLE FRACTION		
Description	Units	Sq. Ft.
LIHTC Units	50	49,130
Non-LIHTC Units	5	5,460
TOTAL UNITS	55	54,590
Applicable Fraction	By Units	By Sq.Ft.
by Calculation Method:	91%	90%
APPLICABLE FRACTION		90%
Residential Units Sq. Ft.		54,590
Residential Common Areas Sq. Ft.		5,914
Commercial Rental Sq. Ft.		
Other Sq. Ft.		
TOTAL PROJECT SQUARE FOOTAGE		60,504

Line Item	Total	Per Unit
ADMINISTRATIVE EXPENSES		
Management Fees	58,500	1,064
Management Charges	58,500	1,064
Marketing	500	9
Legal	1,000	18
Background Checks	500	9
Property Postage/Copier	250	5
Interpreting	815	15
Bank Charges	0	0
Rent Comp Study	0	0
Software and Maintenance of Computers	0	0
Auditing	7,500	136
Other Admin.		0
Subtotal Administrative Expenses	127,565	2,319

UTILITY EXPENSES		
Heating Fuel	11,000	200
Electricity	66,000	1,200
Water/Sewer	41,420	753
Property Internet for Tenants (Telemed Wifi)	5,500	100
Other Utility	Stormwater	0
Subtotal Utility Expenses	123,920	2,253

MAINTENANCE EXPENSES		
Janitorial Payroll	8,000	145
Janitorial Supplies and Equipment	4,000	73
Janitorial Contractual Services	0	0
Garbage and Trash Removal	13,500	245
Vehicle and Equipment	0	0
Grounds Maintenance Payroll	0	0
Grounds Tools and Supplies	0	0
Grounds Contractual Services	8,000	145
Miscellaneous Ground Maintenance	0	0
Building Maintenance Payroll	40,000	727
Building Tools and Supplies	5,000	91
Building Contractual Services	12,000	218
Building Systems Maintenance	11,250	205
Miscellaneous Building Maintenance	0	0
Other Maint.	0	0
Subtotal Maintenance Expenses	101,750	1,850

Line Item	Total	Per Unit
GENERAL EXPENSES		
Property Taxes	99,501	1,809
Property and Liability Insurance	66,000	1,200
Other Financial Expenses	0	0
Resident Services	21,818	397
Other General	0	0
Subtotal General Expenses	187,319	3,406

HOUSING OPEX	540,554	9,828
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COMMERCIAL EXPENSES		
Admin Expenses		0
Operating Expenses		0
Maintenance Expenses		0
General Expenses		0
Other Comm.		0
Subtotal Commercial Expenses	0	0

TOTAL OPEX	540,554	9,828
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RESERVE CONTRIBUTIONS		
Replacement Reserve	27,500	500
Other Reserve	0	

TOTAL OPEX + RESERVES	568,054	10,328
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			LIHTC Basis			T-E Bonds	HTC Basis		
Line Item	Total	Per Unit	NC/R Basis	Acq Basis	Non-Deprec.	50% Test	QRE	Non-QRE	Allocable
CONSTRUCTION COSTS									
Off-Site Improvements	0	0	0	0	0	0	0	0	0
Site Improvements	0	0	0	0	0	0	0	0	0
Construction: Residential	15,562,259	282,950	15,562,259	0	0	15,562,259	14,006,033	1,556,226	0
Construction: Commercial	0	0	0	0	0	0	0	0	0
Demolition	0	0	0	0	0	0	0	0	0
General Requirements (5.84%)	1,135,850	20,652	1,135,850	0	0	1,135,850	1,135,850	0	0
P&P Bond Premium	294,967	5,363	294,967	0	0	294,967	294,967	0	0
Builder Overhead	0	0	0	0	0	0	0	0	0
Builder Profit (3%)	555,790	10,105	555,790	0	0	555,790	555,790	0	0
Solar PV Array	0	0	0	0	0	0	0	0	0
Other: Estimating Contingency (5%)	1,022,085	18,583	1,022,085	0	0	1,022,085	1,022,085	0	0
Other: Weather Conditions	50,000	909	50,000	0	0	50,000	50,000	0	0
Other:	0	0	0	0	0	0	0	0	0
Other:	0	0	0	0	0	0	0	0	0
Construction Contingency (2%)	363,262	6,605	363,262	0	0	363,262	363,262	0	0
Subtotal Construction Costs	18,984,213	345,168	18,984,213	0	0	18,984,213	17,427,987	1,556,226	0

SOFT COSTS

Building Permits & Fees	245,000	4,455	245,000	0	0	245,000	245,000	0	0
Survey & Engineering	178,000	3,236	178,000	0	0	178,000	178,000	0	0
Architectural & Design	825,000	15,000	825,000	0	0	825,000	825,000	0	0
Legal	100,000	1,818	100,000	0	0	100,000	100,000	0	0
Title & Recording	35,000	636	35,000	0	0	35,000	35,000	0	0
Accounting	10,000	182	10,000	0	0	10,000	10,000	0	0
Construction Period Tax	7,000	127	5,000	2,000	0	7,000	0	7,000	0
Insurance	175,000	3,182	175,000	0	0	175,000	175,000	0	0
Soft Cost Contingency	50,000	909	50,000	0	0	50,000	50,000	0	0
Subtotal Soft Costs	1,625,000	29,545	1,623,000	2,000	0	1,625,000	1,618,000	7,000	0

FINANCING COSTS

CL Origination Fees	20,000	364	20,000	0	0	20,000	20,000	0	0
CL Inspections	16,000	291	16,000	0	0	16,000	16,000	0	0
CL Interest	1,200,000	21,818	900,000	0	300,000	1,200,000	900,000	300,000	0
Perf. Guarantee LOC Fee	0	0	0	0	0	0	0	0	0
MSHA Bond Issuance Fee	0	0	0	0	0	0	0	0	0
Other Bond Fees	0	0	0	0	0	0	0	0	0
Other Construction Loan Costs	0	0	0	0	0	0	0	0	0
MSHA Perm Loan Fees	4,500	82	0	0	4,500	4,500	0	4,500	0
Perm Lender Application Fees	0	0	0	0	0	0	0	0	0

Line Item	Total	Per Unit	LIHTC Basis			T-E Bonds	HTC Basis		
			NC/R Basis	Acq Basis	Non-Deprec.	50% Test	QRE	Non-QRE	Allocable
Perm Lender Origination Fees	172,000	3,127	0	0	172,000	172,000	0	172,000	0
Other Perm Loan Costs	0	0	0	0	0	0	0	0	0
Subtotal Financing Costs	1,412,500	25,682	936,000	0	476,500	1,412,500	936,000	476,500	0

MISCELLANEOUS COSTS

Market Study	5,000	91	5,000	0	0	0	5,000	0	0
Appraisal	8,000	145	8,000	0	0	0	8,000	0	0
Environmental	35,000	636	35,000	0	0	35,000	0	35,000	0
LIHTC Process & Monitoring Fees	144,500	2,627	0	0	144,500	0	0	144,500	0
Relocation	30,000	545	30,000	0	0	30,000	0	30,000	0
FF&E	170,000	3,091	170,000	0	0	170,000	0	170,000	0
Other Misc Costs	10,000	182	0	0	10,000	10,000	0	10,000	0
Subtotal Miscellaneous Costs	402,500	7,318	248,000	0	154,500	245,000	13,000	389,500	0

ACQUISITION COSTS

Building	0	0	0	0	0	0	0	0	0
Land	0	0	0	0	0	0	0	0	0
Repay Existing Mortgage Balance	150,000	2,727	0	0	150,000	0	0	150,000	0
Other Acquisition Costs	0	0	0	0	0	0	0	0	0
Subtotal Acquisition Costs	150,000	2,727	0	0	150,000	0	0	150,000	0

RESERVES

Operating Deficit Escrow (ODE)	604,678	10,994	0	0	604,678	0	0	604,678	0
Replacement Reserve (RR)	179,805	3,269	0	0	179,805	0	0	179,805	0
Tax & Insurance Reserve (T&I)	126,751	2,305	0	0	126,751	0	0	126,751	0
Rent Up & Marketing / Working Capital	50,000	909	0	0	50,000	0	0	50,000	0
Other	0	0	0	0	0	0	0	0	0
Subtotal Reserves	961,234	17,477	0	0	961,234	0	0	961,234	0

DEVELOPMENT FEES

Subtotal Development Overhead & Fees	1,250,000	22,727	1,250,000	0	0	1,250,000	1,250,000	0	0
TOTAL DEVELOPMENT COSTS	24,785,447	450,644	23,041,213	2,000	1,742,234	0	0	0	0
MAINEHOUSING TDC INDEX		354,654							

Equity Source	Program Used?	Credit Rate	Annual Allocation	Total Credits	Equity Price	Total Equity
LIHTC New Construction/Rehab Credits	Y	9.00%	1,200,000	12,000,000	0.85	10,198,980
LIHTC Acquisition Credits	N	4.00%		0	0.85	0
Subtotal LIHTC Equity			1,200,000	12,000,000		10,198,980
Federal Historic Tax Credits	N	20.00%		0	0.00	0
State Historic Tax Credits	N	25.00%		0	0.00	0
State Low Income Tax Credits	N			0	1.00	0
Solar Investment Tax Credits	N	50.00%		0	1.00	0
TOTAL LIMITED PARTNER EQUITY				12,000,000	0.85	10,198,980

MAX LIHTC NEW CONSTRUCTION/REHAB CREDITS

Eligible Basis	23,041,213
Basis Boost	130%
Applicable Fraction	90%
Qualified Basis	26,957,671
Applicable Rate	9.00%
1) NC/REHAB CREDIT CALC - or -	2,426,190
2) MAX ALLOWABLE 9% ALLOCATION - or -	1,200,000
3) ACTUAL ALLOCATION	1,200,000
ANNUAL NC/REHAB ALLOCATION	1,200,000
x 10 Years	10
TOTAL POSSIBLE NC/REHAB CREDITS	12,000,000
Approx. Excess Basis	12,261,903

MAX LIHTC ACQUISITION CREDITS

Eligible Basis	0
Applicable Fraction	90%
Qualified Basis	0
Applicable Rate	4.00%
ANNUAL ACQ ALLOCATION	0
x 10 Years	10
TOTAL POSSIBLE ACQ CREDITS	0

FEDERAL HISTORIC TAX CREDITS

Qualified Rehab Expenditures	0
HTC Rate	20.0%
TOTAL FEDERAL HTC	0

STATE HISTORIC TAX CREDITS

Qualified Rehab Expenditures	0
HTC Rate	25.0%
1) STATE HTC CALC - or -	0
2) MAX ALLOWABLE STATE HTC	5,000,000
TOTAL STATE HTC	0

SOLAR INVESTMENT TAX CREDIT

Solar Investment	0
Credit Rate	50%
TOTAL STATE HTC	0

FINANCING

Source	Amount	Rate	Term	Amort.	Lien	Loan Type	Repayment Type	Annual Payment
MH Subsidy	1,986,467	0.00%	30	0		No Interest	CF Contingent	0
MH Interest-Only Loan	9,400,000	6.00%	30	40		Interest-Only	Must-Pay	564,000
City HTF	650,000	0.00%	30	0		No Interest	CF Contingent	0
AHP Subsidized Advance	1,200,000	5.00%	20	30		Amortizing	Must-Pay	77,302
AHP Direct Subsidy	850,000	0.00%	30	0		No Interest	CF Contingent	0
Deferred Developer Fee	500,000	0.00%	10	10		Amortizing	CF Contingent	0
								0
								0
								0
Total Financing	14,586,467							641,302

EQUITY

Source	Amount	Yield
LIHTC Equity	10,198,980	0.85
Fed HTC Equity	0	0.00
State HTC Equity	0	0.00
State LIHTC Equity	0	0.00
Solar Investment Tax Credits	0	0.00
Capital Funds		
Existing Operating Reserves		
Interim Income		
Total Equity	10,198,980	

SOURCES & USES

	Total	Per Unit
Total Sources	24,785,447	450,644
Total Uses	24,785,447	450,644
CAPITALIZATION (GAP) / SURPLUS	0	0

Cash Flow - COMB Block Phase 1 (55u, 90%LIHTC, 25 PBV)

		6 Mo.															
		0	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
% Infl.		2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042
INCOME																	
Rental Income: LIHTC Units	2.0%	219,714	448,217	457,181	466,325	475,651	485,164	494,867	504,765	514,860	525,157	535,660	546,373	557,301	568,447	579,816	591,412
Vacancy Loss - LIHTC Units	5.0%	(10,986)	(22,411)	(22,859)	(23,316)	(23,783)	(24,258)	(24,743)	(25,238)	(25,743)	(26,258)	(26,783)	(27,319)	(27,865)	(28,422)	(28,991)	(29,571)
Rental Income: PBV Units	2.0%	367,710	750,128	765,131	780,434	796,042	811,963	828,202	844,766	861,662	878,895	896,473	914,402	932,690	951,344	970,371	989,778
Vacancy Loss - PBV Units	5.0%	(18,386)	(37,506)	(38,257)	(39,022)	(39,802)	(40,598)	(41,410)	(42,238)	(43,083)	(43,945)	(44,824)	(45,720)	(46,635)	(47,567)	(48,519)	(49,489)
Rental Income: Market Units	2.0%	58,476	119,291	121,677	124,110	126,593	129,124	131,707	134,341	137,028	139,768	142,564	145,415	148,323	151,290	154,316	157,402
Vacancy Loss - Market Units	5.0%	(2,924)	(5,965)	(6,084)	(6,206)	(6,330)	(6,456)	(6,585)	(6,717)	(6,851)	(6,988)	(7,128)	(7,271)	(7,416)	(7,564)	(7,716)	(7,870)
Other Income	2.0%	1,600	3,264	3,329	3,396	3,464	3,533	3,604	3,676	3,749	3,824	3,901	3,979	4,058	4,140	4,222	4,307
Vacancy Loss - Other Income	5.0%	(80)	(163)	(166)	(170)	(173)	(177)	(180)	(184)	(187)	(191)	(195)	(199)	(203)	(207)	(211)	(215)
Tax Increment Financing	2.0%	37,313	76,118	77,641	79,193	80,777	82,393	84,041	85,722	87,436	89,185	90,968	92,788	94,643	96,536	98,467	100,436
Commercial Income	2.0%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
EFFECTIVE GROSS INCOME		652,438	1,330,973	1,357,593	1,384,745	1,412,439	1,440,688	1,469,502	1,498,892	1,528,870	1,559,447	1,590,636	1,622,449	1,654,898	1,687,996	1,721,756	1,756,191
OPERATING EXPENSES																	
Administrative Expenses	3.0%	63,783	131,392	135,334	139,394	143,576	147,883	152,319	156,889	161,596	166,443	171,437	176,580	181,877	187,334	192,954	198,742
Utility Expenses	3.0%	61,960	127,638	131,467	135,411	139,473	143,657	147,967	152,406	156,978	161,687	166,538	171,534	176,680	181,981	187,440	193,063
Maintenance Expenses	3.0%	50,875	104,803	107,947	111,185	114,521	117,956	121,495	125,140	128,894	132,761	136,743	140,846	145,071	149,423	153,906	158,523
General Expenses	3.0%	93,660	192,939	198,727	204,689	210,829	217,154	223,669	230,379	237,290	244,409	251,741	259,293	267,072	275,084	283,337	291,837
Commercial Expenses	3.0%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL OPEX	3.0%	270,277	556,771	573,474	590,678	608,398	626,650	645,450	664,813	684,758	705,300	726,459	748,253	770,701	793,822	817,636	842,166
NET OPERATING INCOME		382,161	774,203	784,119	794,067	804,041	814,038	824,052	834,079	844,112	854,147	864,177	874,196	884,197	894,174	904,119	914,025
RESERVE DEPOSITS																	
Deposit to Replacement Reserve	3.0%	13,750	28,325	29,175	30,050	30,951	31,880	32,836	33,822	34,836	35,881	36,958	38,066	39,208	40,385	41,596	42,844
Deposit to Other Reserve	3.0%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL OPEX + RESERVES		284,027	585,096	602,648	620,728	639,350	658,530	678,286	698,635	719,594	741,182	763,417	786,320	809,909	834,206	859,233	885,010
NOI AFTER RESERVES		368,411	745,878	754,944	764,017	773,090	782,158	791,216	800,257	809,276	818,266	827,219	836,129	844,989	853,789	862,523	871,181
DEBT SERVICE																	
MH Subsidy	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
MH Interest-Only Loan	282,000	564,000	564,000	564,000	564,000	564,000	564,000	564,000	564,000	564,000	564,000	564,000	564,000	564,000	564,000	564,000	564,000
MH Amortizing Loan	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
City HOME	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
City HTF	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
AHP Subsidized Advance	38,651	77,302	77,302	77,302	77,302	77,302	77,302	77,302	77,302	77,302	77,302	77,302	77,302	77,302	77,302	77,302	77,302
AHP Direct Subsidy	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Seller Note	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Deferred Developer Fee	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
-	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL DEBT SERVICE		320,651	641,302	641,302	641,302	641,302	641,302	641,302	641,302	641,302	641,302	641,302	641,302	641,302	641,302	641,302	641,302
DSCR		1.15	1.16	1.18	1.19	1.21	1.22	1.23	1.25	1.26	1.28	1.29	1.30	1.32	1.33	1.34	1.36
NET CASH FLOW		47,760	104,575	113,642	122,714	131,787	140,856	149,914	158,955	167,974	176,963	185,917	194,827	203,686	212,487	221,221	229,879
CASH FLOW PER UNIT		868	1,901	2,066	2,231	2,396	2,561	2,726	2,890	3,054	3,218	3,380	3,542	3,703	3,863	4,022	4,180

Rent & Income Inflation
Yr 1-5: 2.0%
Yr 6-15: 2.0%
Yr 16-30: 2.0%

		16	17	18	19	20	21	22	23	24	25	26	27	28	29	30
% Infl.		2043	2044	2045	2046	2047	2048	2049	2050	2051	2052	2053	2054	2055	2056	2057
INCOME																
Rental Income: LIHTC Units	2.0%	603,240	615,305	627,611	640,164	652,967	666,026	679,347	692,934	706,792	720,928	735,347	750,054	765,055	780,356	795,963
Vacancy Loss - LIHTC Units	5.0%	(30,162)	(30,765)	(31,381)	(32,008)	(32,648)	(33,301)	(33,967)	(34,647)	(35,340)	(36,046)	(36,767)	(37,503)	(38,253)	(39,018)	(39,798)
Rental Income: PBV Units	2.0%	1,009,574	1,029,766	1,050,361	1,071,368	1,092,795	1,114,651	1,136,944	1,159,683	1,182,877	1,206,534	1,230,665	1,255,278	1,280,384	1,305,992	1,332,112
Vacancy Loss - PBV Units	5.0%	(50,479)	(51,488)	(52,518)	(53,568)	(54,640)	(55,733)	(56,847)	(57,984)	(59,144)	(60,327)	(61,533)	(62,764)	(64,019)	(65,300)	(66,606)
Rental Income: Market Units	2.0%	160,550	163,761	167,036	170,377	173,785	177,260	180,805	184,422	188,110	191,872	195,710	199,624	203,616	207,689	211,842
Vacancy Loss - Market Units	5.0%	(8,028)	(8,188)	(8,352)	(8,519)	(8,689)	(8,863)	(9,040)	(9,221)	(9,405)	(9,594)	(9,785)	(9,981)	(10,181)	(10,384)	(10,592)
Other Income	2.0%	4,393	4,481	4,570	4,662	4,755	4,850	4,947	5,046	5,147	5,250	5,355	5,462	5,571	5,683	5,796
Vacancy Loss - Other Income	5.0%	(220)	(224)	(229)	(233)	(238)	(243)	(247)	(252)	(257)	(262)	(268)	(273)	(279)	(284)	(290)
Tax Increment Financing	2.0%	102,445	104,494	106,584	108,716	110,890	113,108	115,370	117,677	120,031	122,431	124,880	127,378	129,925	132,524	135,174
Commercial Income	2.0%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
EFFECTIVE GROSS INCOME		1,791,315	1,827,141	1,863,684	1,900,958	1,938,977	1,977,756	2,017,311	2,057,658	2,098,811	2,140,787	2,183,603	2,227,275	2,271,820	2,317,257	2,363,602
OPERATING EXPENSES																
Administrative Expenses	3.0%	204,704	210,846	217,171	223,686	230,397	237,308	244,428	251,761	259,313	267,093	275,106	283,359	291,859	300,615	309,634
Utility Expenses	3.0%	198,855	204,821	210,966	217,294	223,813	230,528	237,444	244,567	251,904	259,461	267,245	275,262	283,520	292,026	300,786
Maintenance Expenses	3.0%	163,279	168,177	173,223	178,419	183,772	189,285	194,964	200,812	206,837	213,042	219,433	226,016	232,797	239,781	246,974
General Expenses	3.0%	300,592	309,610	318,898	328,465	338,319	348,469	358,923	369,690	380,781	392,204	403,971	416,090	428,572	441,429	454,672
Commercial Expenses	3.0%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL OPEX	3.0%	867,430	893,453	920,257	947,865	976,301	1,005,590	1,035,757	1,066,830	1,098,835	1,131,800	1,165,754	1,200,727	1,236,748	1,273,851	1,312,066
NET OPERATING INCOME		923,884	933,688	943,427	953,093	962,676	972,167	981,554	990,828	999,976	1,008,987	1,017,849	1,026,548	1,035,072	1,043,406	1,051,535
RESERVE DEPOSITS																
Deposit to Replacement Reserve	3.0%	44,129	45,453	46,817	48,221	49,668	51,158	52,693	54,274	55,902	57,579	59,306	61,085	62,918	64,806	66,750
Deposit to Other Reserve	3.0%	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL OPEX + RESERVES		911,560	938,907	967,074	996,086	1,025,969	1,056,748	1,088,450	1,121,104	1,154,737	1,189,379	1,225,060	1,261,812	1,299,666	1,338,656	1,378,816
NOI AFTER RESERVES		879,755	888,234	896,610	904,871	913,008	921,008	928,861	936,554	944,074	951,408	958,542	965,463	972,154	978,600	984,786
DEBT SERVICE																
MH Subsidy		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
MH Interest-Only Loan		564,000	564,000	564,000	564,000	564,000	564,000	564,000	564,000	564,000	564,000	564,000	564,000	564,000	564,000	564,000
MH Amortizing Loan		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
City HOME		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
City HTF		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
AHP Subsidized Advance		77,302	77,302	77,302	77,302	77,302	77,302	77,302	77,302	77,302	77,302	77,302	77,302	77,302	77,302	77,302
AHP Direct Subsidy		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Seller Note		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Deferred Developer Fee		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
-		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
-		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
-		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL DEBT SERVICE		641,302	641,302	641,302	641,302	641,302	641,302	641,302	641,302	641,302	641,302	641,302	641,302	641,302	641,302	641,302
DSCR		1.37	1.39	1.40	1.41	1.42	1.44	1.45	1.46	1.47	1.48	1.49	1.51	1.52	1.53	1.54
NET CASH FLOW		238,453	246,932	255,308	263,569	271,706	279,706	287,559	295,252	302,772	310,106	317,240	324,160	330,851	337,298	343,483
CASH FLOW PER UNIT		4,336	4,490	4,642	4,792	4,940	5,086	5,228	5,368	5,505	5,638	5,768	5,894	6,015	6,133	6,245

Rent & Income Inflation
Yr 1-5: 2.0%
Yr 6-15: 2.0%
Yr 16-30: 2.0%

City of Portland - TIF Model
70 . Oxford St., Lot 1
[CBL: Part of 022 H001001, .56 Acres](#)
OAV: \$0 as of March 31, 2024
6/21/2024

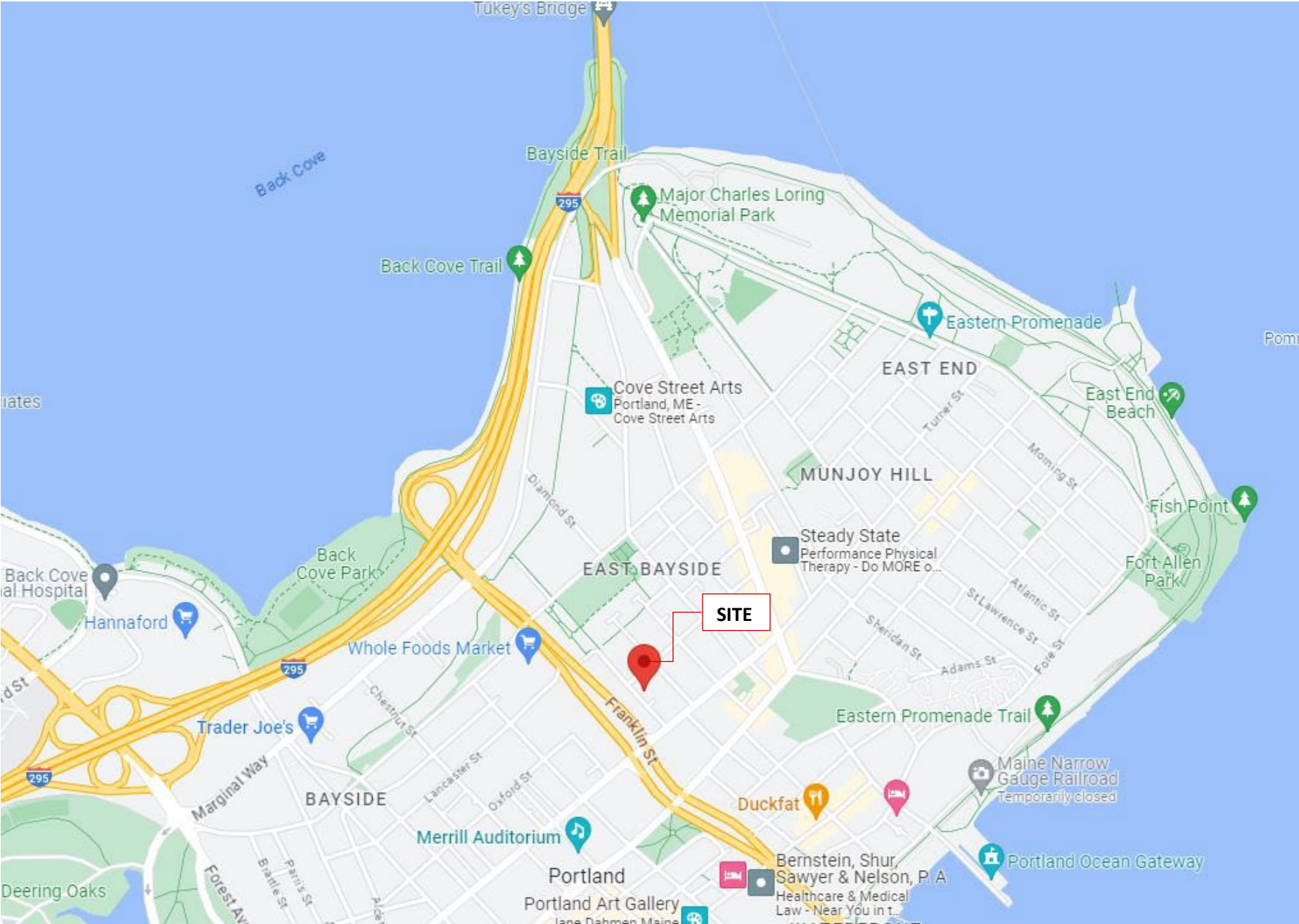
City of Portland- TIF Projection Table - 70 . Oxford St., Lot 1, .56 Acres									
TIF Year	Tax Year- April 1	Increased Assessed Value Real Prop.	% of Value Captured	Captured Valuation	Projected Mill Rate	Total Projected New Taxes Captured	Captured Revenue to Business Project Account	Captured Revenue to Municipal Project Account	City Non- Captured General Fund Revenues
1	2024	\$6,905,000	75.00%	\$5,178,750	14.70	\$76,118	\$76,118	\$0	\$25,373
2	2025	\$6,905,000	75.00%	\$5,178,750	14.99	\$77,641	\$77,641	\$0	\$25,880
3	2026	\$6,905,000	75.00%	\$5,178,750	15.29	\$79,193	\$79,193	\$0	\$26,398
4	2027	\$6,905,000	75.00%	\$5,178,750	15.60	\$80,777	\$80,777	\$0	\$26,926
5	2028	\$6,905,000	75.00%	\$5,178,750	15.91	\$82,393	\$82,393	\$0	\$27,464
6	2029	\$6,905,000	75.00%	\$5,178,750	16.23	\$84,041	\$84,041	\$0	\$28,014
7	2030	\$6,905,000	75.00%	\$5,178,750	16.55	\$85,722	\$85,722	\$0	\$28,574
8	2031	\$6,905,000	75.00%	\$5,178,750	16.88	\$87,436	\$87,436	\$0	\$29,145
9	2032	\$6,905,000	75.00%	\$5,178,750	17.22	\$89,185	\$89,185	\$0	\$29,728
10	2033	\$6,905,000	75.00%	\$5,178,750	17.57	\$90,968	\$90,968	\$0	\$30,323
11	2034	\$6,905,000	75.00%	\$5,178,750	17.92	\$92,788	\$92,788	\$0	\$30,929
12	2035	\$6,905,000	75.00%	\$5,178,750	18.28	\$94,644	\$94,644	\$0	\$31,548
13	2036	\$6,905,000	75.00%	\$5,178,750	18.64	\$96,536	\$96,536	\$0	\$32,179
14	2037	\$6,905,000	75.00%	\$5,178,750	19.01	\$98,467	\$98,467	\$0	\$32,822
15	2038	\$6,905,000	75.00%	\$5,178,750	19.39	\$100,436	\$100,436	\$0	\$33,479
16	2039	\$6,905,000	75.00%	\$5,178,750	19.78	\$102,445	\$102,445	\$0	\$34,148
17	2040	\$6,905,000	75.00%	\$5,178,750	20.18	\$104,494	\$104,494	\$0	\$34,831
18	2041	\$6,905,000	75.00%	\$5,178,750	20.58	\$106,584	\$106,584	\$0	\$35,528
19	2042	\$6,905,000	75.00%	\$5,178,750	20.99	\$108,716	\$108,716	\$0	\$36,239
20	2043	\$6,905,000	75.00%	\$5,178,750	21.41	\$110,890	\$110,890	\$0	\$36,963
20 Year TIF Total		\$138,100,000		\$103,575,000		\$1,849,475	\$1,849,475	\$0	\$616,492
20 Year TIF Average		\$4,603,333		\$5,178,750		\$92,474	\$92,474		\$30,825

70 . Oxford St., Lot 1, .56 Acres
Part of 022 H001001
OAV as of 3/31/2024: \$0

Tax Shifts-Avoided For Formula Impacts from Selecting of Valuation City of Portland- TIF Model							
75% Selected - 20 years - 75% to Developer Project Account - 25% to City General Fund							
TIF Year	Tax Year- April 1	Total Added Valuation	Selected Valuation	Avoided For Formula Impacts from Selecting of Valuation			
				Avoided Loss of State Aid to for ducation	Avoided Loss of State Municipal Revenue Selecting	Avoided Increase in County Tax	Total Avoided Impacts
1	2024	\$6,905,000	\$5,178,750	\$0	\$7,238	\$2,286	\$9,525
2	2025	\$6,905,000	\$5,178,750	\$0	\$7,238	\$2,287	\$9,525
3	2026	\$6,905,000	\$5,178,750	\$0	\$7,238	\$2,287	\$9,525
4	2027	\$6,905,000	\$5,178,750	\$12,032	\$7,238	\$2,287	\$21,557
5	2028	\$6,905,000	\$5,178,750	\$24,064	\$7,238	\$2,287	\$33,589
6	2029	\$6,905,000	\$5,178,750	\$36,096	\$7,238	\$2,287	\$45,621
7	2030	\$6,905,000	\$5,178,750	\$36,096	\$7,238	\$2,287	\$45,621
8	2031	\$6,905,000	\$5,178,750	\$36,096	\$7,238	\$2,287	\$45,621
9	2032	\$6,905,000	\$5,178,750	\$36,096	\$7,238	\$2,287	\$45,621
10	2033	\$6,905,000	\$5,178,750	\$36,096	\$7,238	\$2,287	\$45,621
11	2034	\$6,905,000	\$5,178,750	\$36,096	\$7,238	\$2,287	\$45,621
12	2035	\$6,905,000	\$5,178,750	\$36,096	\$7,238	\$2,287	\$45,621
13	2036	\$6,905,000	\$5,178,750	\$36,096	\$7,238	\$2,287	\$45,621
14	2037	\$6,905,000	\$5,178,750	\$36,096	\$7,238	\$2,287	\$45,621
15	2038	\$6,905,000	\$5,178,750	\$36,096	\$7,238	\$2,287	\$45,621
16	2039	\$6,905,000	\$5,178,750	\$36,096	\$7,238	\$2,287	\$45,621
17	2040	\$6,905,000	\$5,178,750	\$36,096	\$7,238	\$2,287	\$45,621
18	2041	\$6,905,000	\$5,178,750	\$36,096	\$7,238	\$2,287	\$45,621
19	2042	\$6,905,000	\$5,178,750	\$36,096	\$7,238	\$2,287	\$45,621
20	2043	\$6,905,000	\$5,178,750	\$36,096	\$7,238	\$2,287	\$45,621
20 Year TIF Total		\$138,100,000	\$103,575,000	\$577,534	\$144,766	\$45,735	\$768,035
20 Year TIF Average		\$6,905,000	\$5,178,750	\$28,877	\$7,238	\$2,287	\$38,402

COMB BLOCK

Cumberland Ave, Oxford St, Mayo St, Boyd St



COMB BLOCK

Cumberland Ave, Oxford St, Mayo St, Boyd St



COMB BLOCK

Cumberland Ave, Oxford St, Mayo St, Boyd St





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ARCHITECTURE

APARTMENTS
COMB BLOCK
PORTLAND, MAINE



RYAN SENATORE
ARCHITECTURE
500 CONGRESS STREET, SUITE 2
PORTLAND, MAINE 04101
O: 207-747-5159
C: 207-650-6414
senatorearchitecture.com

CONSULTANTS:

PROGRESS PRINT ONLY
Not for Construction
MARCH 8TH, 2024

REVISIONS

DATE:

PROJECT No. 2336

DRAWN BY: RRT

CHECKED BY: RJS

SCALE: AS NOTED

SHEET TITLE:
PERSPECTIVE
IMAGE 5

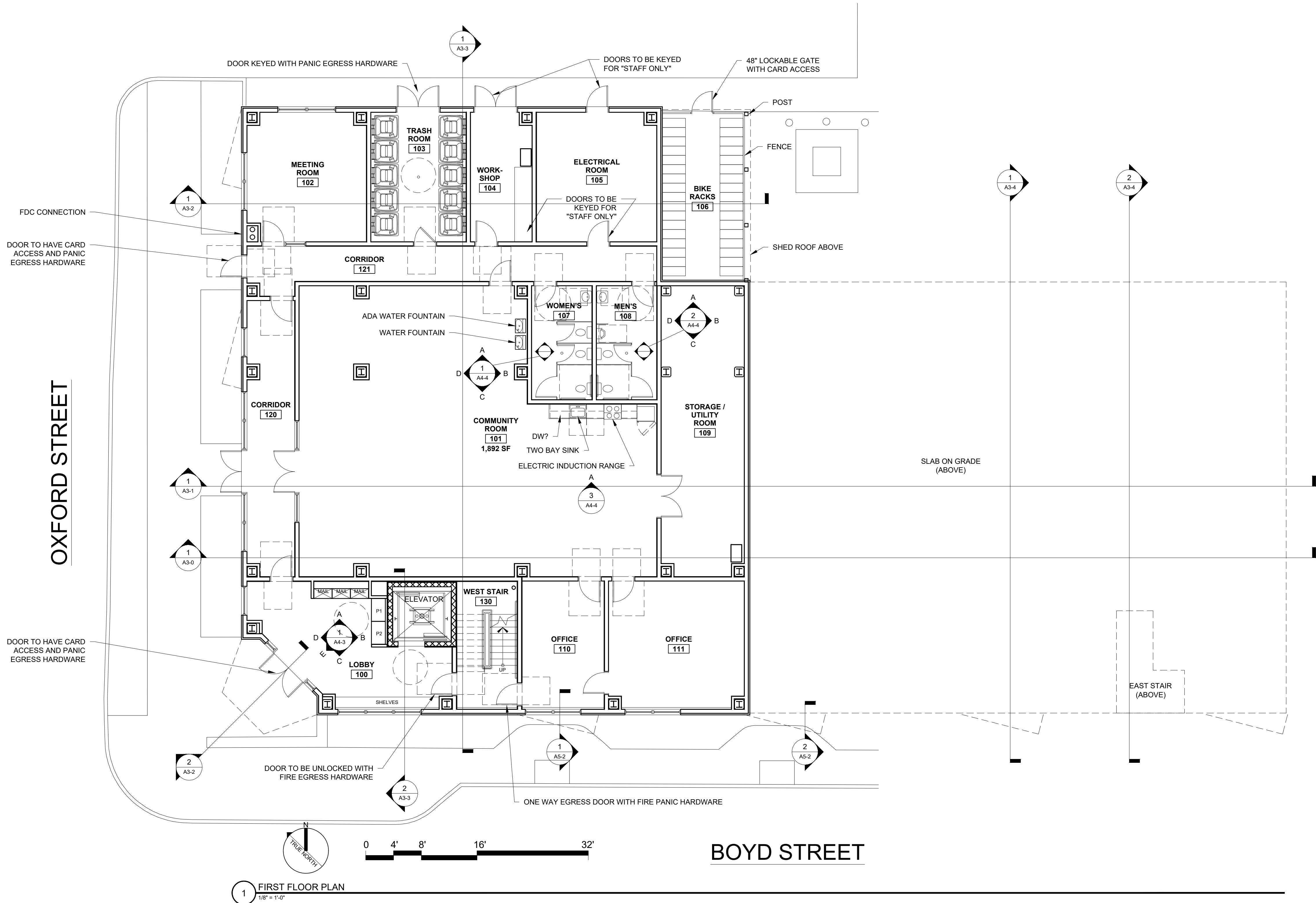
P5

NOTE: AT ALL EXTERIOR WALL PANELS, ALL PANEL JOINTS, BOTH VERTICAL AND HORIZONTAL, TO HAVE TWO CONTINUOUS BEADS OF ELASTOMERIC SEALANT INSTALLED.

UNIT ACCESSIBILITY SUMMARY		
REGULATION: HUD 504 AND ADA, STANDARD: ADAAG 2010	PROVIDED IN PROJECT	EXCESS UNITS
SCOPING REQUIREMENT: 5% units accessible and additional 2% of units to be hearing and vision impaired		
55 units within building X 5% = 3 units to meet ADAAG	3 ADAAG units	0 Excess
55 units within building X 2% = 2 units to be hearing and vision impaired	2 Hearing and Vision Impaired Units	0 Excess
REGULATION: MAINE HUMAN RIGHTS ACT (MHRA), STANDARD: ANSI A117.1-2009		
SCOPING REQUIREMENT: 10% of Ground Floor units to be Type A		
11 Ground Floor (2nd Floor) Units X 10% = 2 units	2 Type-A units (includes 1 ADAAG)	0 Excess
SCOPING REQUIREMENT: 10% of Upper Floor units to be Type A		
44 Upper Floor (3rd,4th,5th,6th Floors) Units X 10% = 5 units	11 Type-A units (includes 2 ADAAG)	6 Excess
	13 Type-A units total (INCLUDES ADAAG)	6 Excess Type-A units total
All the rest to be Type B	42 Type-B units (includes 1 H/V)	
MHRA requires ALL units to either be Type A or B units		
All units to meet Federal Fair Housing Act		

UNIT TYPES - 55 TOTAL UNITS				
SECOND FLOOR	1 STUDIO UNIT	3 ONE BEDROOM UNITS	4 TWO BEDROOM UNITS	3 THREE BEDROOM UNITS
THIRD FLOOR	1 STUDIO UNIT	3 ONE BEDROOM UNITS	3 TWO BEDROOM UNITS	4 THREE BEDROOM UNITS
FOURTH FLOOR	1 STUDIO UNIT	3 ONE BEDROOM UNITS	3 TWO BEDROOM UNITS	4 THREE BEDROOM UNITS
FIFTH FLOOR	1 STUDIO UNIT	3 ONE BEDROOM UNITS	3 TWO BEDROOM UNITS	4 THREE BEDROOM UNITS
SIXTH FLOOR	1 STUDIO UNIT	3 ONE BEDROOM UNITS	3 TWO BEDROOM UNITS	4 THREE BEDROOM UNITS
TOTALS	5 STUDIO UNITS	15 ONE BEDROOM UNITS	16 TWO BEDROOM UNITS	19 THREE BEDROOM UNITS

ACCESSIBLE UNIT TYPES								
FLOOR	H/V IMPAIRED ONE BED	TYPE - A ONE BED	TYPE - ADDAG ONE BED	H/V IMPAIRED TWO BED	TYPE - A TWO BED	TYPE - ADDAG TWO BED	TYPE - A THREE BED	TYPE - ADDAG THREE BED
SECOND FLOOR	0	0	1	1	1	0	0	0
THIRD FLOOR	0	1	0	0	1	0	1	0
FOURTH FLOOR	0	1	0	0	0	1	1	0
FIFTH FLOOR	0	1	0	0	1	0	1	0
SIXTH FLOOR	1	0	0	0	1	0	0	1
TOTALS	1	3	1	1	4	1	3	1



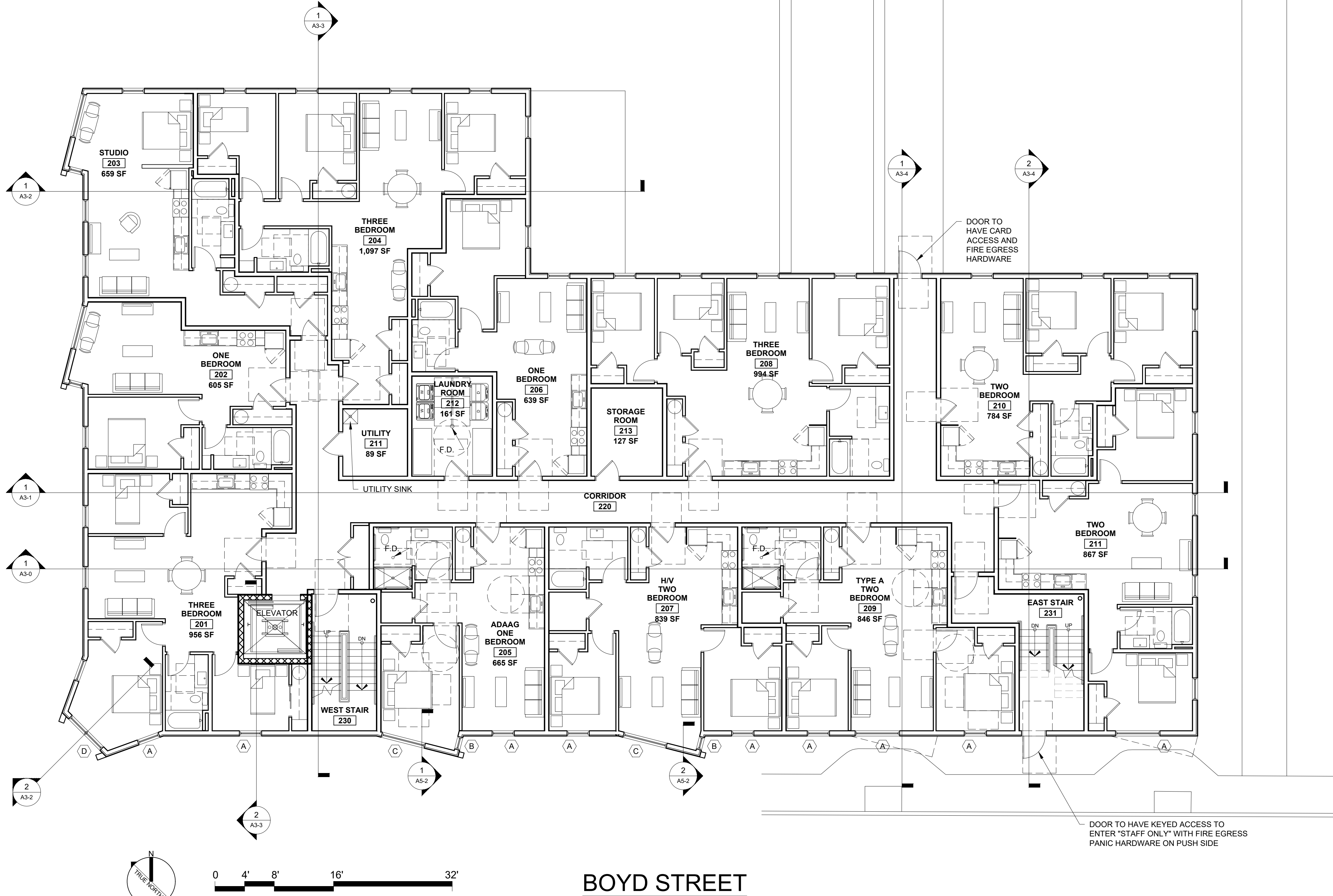
NOTE: AT ALL EXTERIOR WALL PANELS, ALL PANEL JOINTS, BOTH VERTICAL AND HORIZONTAL, TO HAVE TWO CONTINUOUS BEADS OF ELASTOMERIC SEALANT INSTALLED.

UNIT ACCESSIBILITY SUMMARY		
REGULATION: HUD 504 AND ADA, STANDARD: ADAAG 2010	PROVIDED IN PROJECT	EXCESS UNITS
SCOPING REQUIREMENT: 5% units accessible and additional 2% of units to be hearing and vision impaired		
55 units within building X 5% = 3 units to meet ADAAG	3 ADAAG units	0 Excess
55 units within building X 2% = 2 units to be hearing and vision impaired	2 Hearing and Vision Impaired Units	0 Excess
REGULATION: MAINE HUMAN RIGHTS ACT (MHRA), STANDARD: ANSI A117.1-2009		
SCOPING REQUIREMENT: 10% of Ground Floor units to be Type A		
11 Ground Floor (2nd Floor) Units X 10% = 2 units	2 Type-A units (includes 1 ADAAG)	0 Excess
SCOPING REQUIREMENT: 10% of Upper Floor units to be Type A		
44 Upper Floor (3rd,4th,5th,6th Floors) Units X 10% = 5 units	11 Type-A units (includes 2 ADAAG)	6 Excess
	13 Type-A units total (INCLUDES ADAAG)	6 Excess Type-A units total
All the rest to be Type B	42 Type-B units (includes 1 H/V)	
MHRA requires ALL units to either be Type A or B units		
All units to meet Federal Fair Housing Act		

UNIT TYPES - 55 TOTAL UNITS				
SECOND FLOOR	1 STUDIO UNIT	3 ONE BEDROOM UNITS	4 TWO BEDROOM UNITS	3 THREE BEDROOM UNITS
THIRD FLOOR	1 STUDIO UNIT	3 ONE BEDROOM UNITS	3 TWO BEDROOM UNITS	4 THREE BEDROOM UNITS
FOURTH FLOOR	1 STUDIO UNIT	3 ONE BEDROOM UNITS	3 TWO BEDROOM UNITS	4 THREE BEDROOM UNITS
FIFTH FLOOR	1 STUDIO UNIT	3 ONE BEDROOM UNITS	3 TWO BEDROOM UNITS	4 THREE BEDROOM UNITS
SIXTH FLOOR	1 STUDIO UNIT	3 ONE BEDROOM UNITS	3 TWO BEDROOM UNITS	4 THREE BEDROOM UNITS
TOTALS	5 STUDIO UNITS	15 ONE BEDROOM UNITS	16 TWO BEDROOM UNITS	19 THREE BEDROOM UNITS

ACCESSIBLE UNIT TYPES								
FLOOR	H/V IMPAIRED ONE BED	TYPE - A ONE BED	TYPE - ADDAG ONE BED	H/V IMPAIRED TWO BED	TYPE - A TWO BED	TYPE - ADDAG TWO BED	TYPE - A THREE BED	TYPE - ADDAG THREE BED
SECOND FLOOR	0	0	1	1	1	0	0	0
THIRD FLOOR	0	1	0	0	1	0	1	0
FOURTH FLOOR	0	1	0	0	0	1	1	0
FIFTH FLOOR	0	1	0	0	1	0	1	0
SIXTH FLOOR	1	0	0	0	1	0	0	1
TOTALS	1	3	1	1	4	1	3	1

OXFORD STREET



1 SECOND FLOOR PLAN
1/8" = 1'-0"

BOYD STREET

APARTMENTS
9 BOYD STREET
PORTLAND, MAINE

RSA
RYAN SENATORE
ARCHITECTURE
500 CONGRESS STREET, SUITE 2
PORTLAND, MAINE 04101
O: 207-747-5159
C: 207-650-6414
senatorearchitecture.com

CONSULTANTS:
REVISIONS:
PROGRESS PRINT ONLY
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JUNE 14TH, 2024

DATE:
PROJECT No. 2336
DRAWN BY: RRT
CHECKED BY: RJS
SCALE: AS NOTED
SHEET TITLE:
SECOND FLOOR PLAN

A1-3

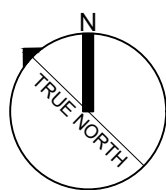
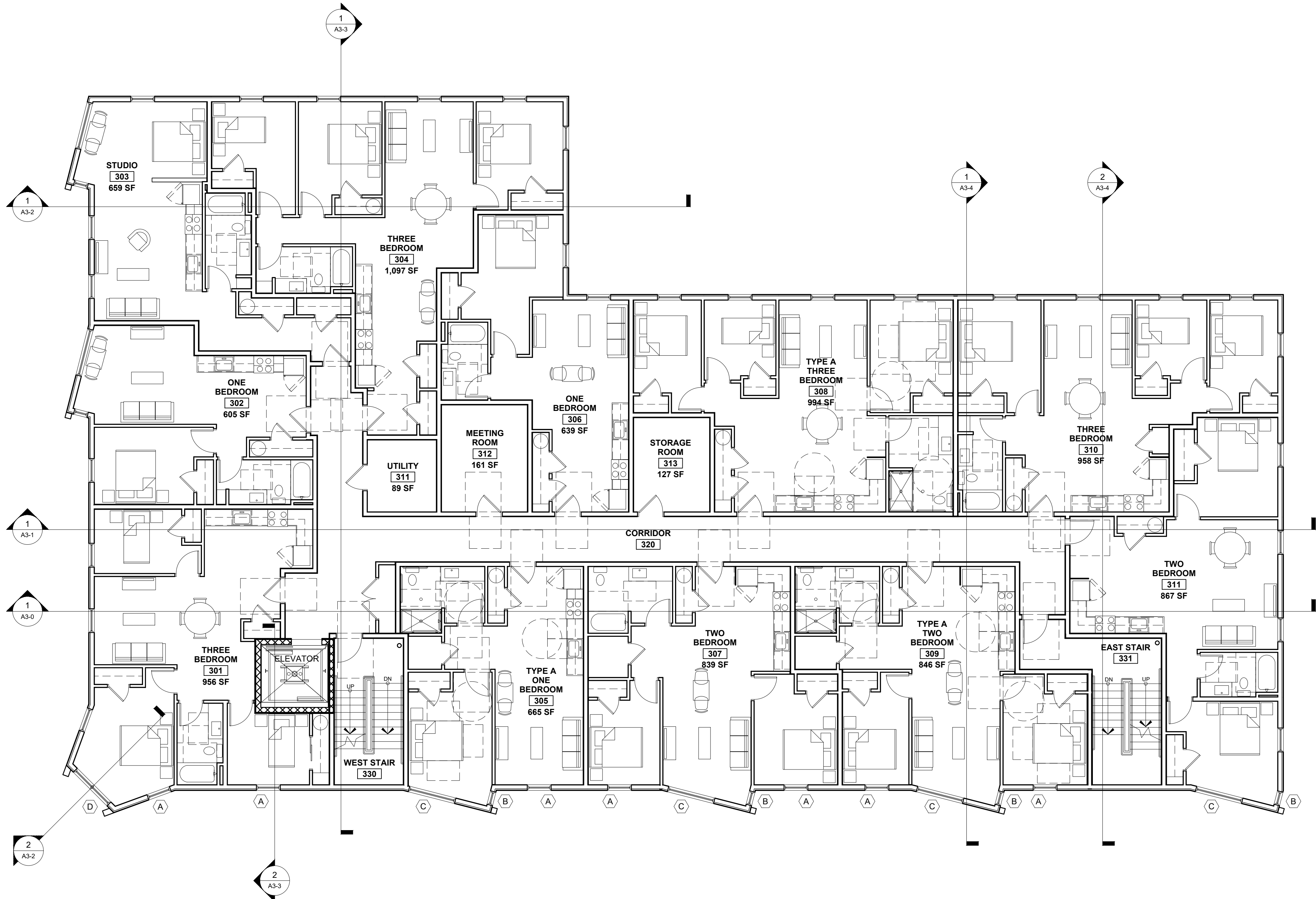
NOTE: AT ALL EXTERIOR WALL PANELS, ALL PANEL JOINTS, BOTH VERTICAL AND HORIZONTAL, TO HAVE TWO CONTINUOUS BEADS OF ELASTOMERIC SEALANT INSTALLED.

UNIT ACCESSIBILITY SUMMARY		
REGULATION: HUD 504 AND ADA, STANDARD: ADAAG 2010	PROVIDED IN PROJECT	EXCESS UNITS
SCOPING REQUIREMENT: 5% units accessible and additional 2% of units to be hearing and vision impaired		
55 units within building X 5% = 3 units to meet ADAAG	3 ADAAG units	0 Excess
55 units within building X 2% = 2 units to be hearing and vision impaired	2 Hearing and Vision Impaired Units	0 Excess
REGULATION: MAINE HUMAN RIGHTS ACT (MHRA), STANDARD: ANSI A117.1-2009		
SCOPING REQUIREMENT: 10% of Ground Floor units to be Type A		
11 Ground Floor (2nd Floor) Units X 10% = 2 units	2 Type-A units (includes 1 ADAAG)	0 Excess
SCOPING REQUIREMENT: 10% of Upper Floor units to be Type A		
44 Upper Floor (3rd,4th,5th,6th Floors) Units X 10% = 5 units	11 Type-A units (includes 2 ADAAG)	6 Excess
	13 Type-A units total (INCLUDES ADAAG)	6 Excess Type-A units total
All the rest to be Type B	42 Type-B units (includes 1 H/V)	
MHRA requires ALL units to either be Type A or B units		
All units to meet Federal Fair Housing Act		

UNIT TYPES - 55 TOTAL UNITS				
SECOND FLOOR	1 STUDIO UNIT	3 ONE BEDROOM UNITS	4 TWO BEDROOM UNITS	3 THREE BEDROOM UNITS
THIRD FLOOR	1 STUDIO UNIT	3 ONE BEDROOM UNITS	3 TWO BEDROOM UNITS	4 THREE BEDROOM UNITS
FOURTH FLOOR	1 STUDIO UNIT	3 ONE BEDROOM UNITS	3 TWO BEDROOM UNITS	4 THREE BEDROOM UNITS
FIFTH FLOOR	1 STUDIO UNIT	3 ONE BEDROOM UNITS	3 TWO BEDROOM UNITS	4 THREE BEDROOM UNITS
SIXTH FLOOR	1 STUDIO UNIT	3 ONE BEDROOM UNITS	3 TWO BEDROOM UNITS	4 THREE BEDROOM UNITS
TOTALS	5 STUDIO UNITS	15 ONE BEDROOM UNITS	16 TWO BEDROOM UNITS	19 THREE BEDROOM UNITS

ACCESSIBLE UNIT TYPES								
FLOOR	H/V IMPAIRED ONE BED	TYPE - A ONE BED	TYPE - ADDAG ONE BED	H/V IMPAIRED TWO BED	TYPE - A TWO BED	TYPE - ADDAG TWO BED	TYPE - A THREE BED	TYPE - ADDAG THREE BED
SECOND FLOOR	0	0	1	1	1	0	0	0
THIRD FLOOR	0	1	0	0	1	0	1	0
FOURTH FLOOR	0	1	0	0	0	1	1	0
FIFTH FLOOR	0	1	0	0	1	0	1	0
SIXTH FLOOR	1	0	0	0	1	0	0	1
TOTALS	1	3	1	1	4	1	3	1

OXFORD STREET



0 4' 8' 16' 32'

BOYD STREET

1 THIRD FLOOR PLAN
1/8" = 1'-0"

APARTMENTS
9 BOYD STREET
PORTLAND, MAINE

RSA
RYAN SENATORE
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DATE:
PROJECT No. 2336
DRAWN BY: RRT
CHECKED BY: RJS
SCALE: AS NOTED
SHEET TITLE:
THIRD FLOOR
PLAN

A1-4

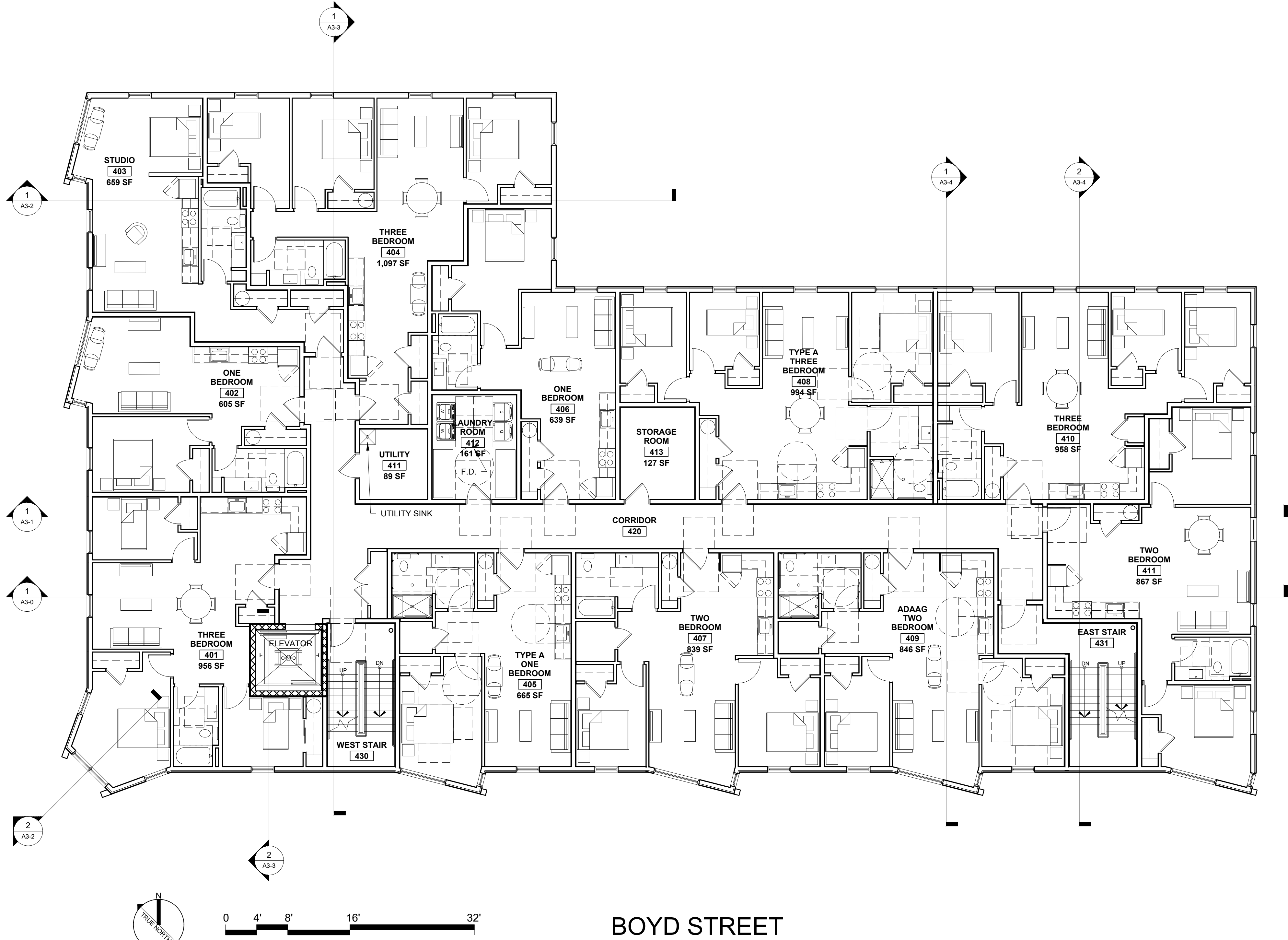
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UNIT ACCESSIBILITY SUMMARY		
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REGULATION: MAINE HUMAN RIGHTS ACT (MHRA), STANDARD: ANSI A117.1-2009		
SCOPING REQUIREMENT: 10% of Ground Floor units to be Type A		
11 Ground Floor (2nd Floor) Units X 10% = 2 units	2 Type-A units (includes 1 ADAAG)	0 Excess
SCOPING REQUIREMENT: 10% of Upper Floor units to be Type A		
44 Upper Floor (3rd,4th,5th,6th Floors) Units X 10% = 5 units	11 Type-A units (includes 2 ADAAG)	6 Excess
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UNIT TYPES - 55 TOTAL UNITS				
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ACCESSIBLE UNIT TYPES								
FLOOR	H/V IMPAIRED ONE BED	TYPE - A ONE BED	TYPE - ADDAG ONE BED	H/V IMPAIRED TWO BED	TYPE - A TWO BED	TYPE - ADDAG TWO BED	TYPE - A THREE BED	TYPE - ADDAG THREE BED
SECOND FLOOR	0	0	1	1	1	0	0	0
THIRD FLOOR	0	1	0	0	1	0	1	0
FOURTH FLOOR	0	1	0	0	0	1	1	0
FIFTH FLOOR	0	1	0	0	1	0	1	0
SIXTH FLOOR	1	0	0	0	1	0	0	1
TOTALS	1	3	1	1	4	1	3	1

OXFORD STREET



1 FOURTH FLOOR PLAN
1/8" = 1'-0"

BOYD STREET

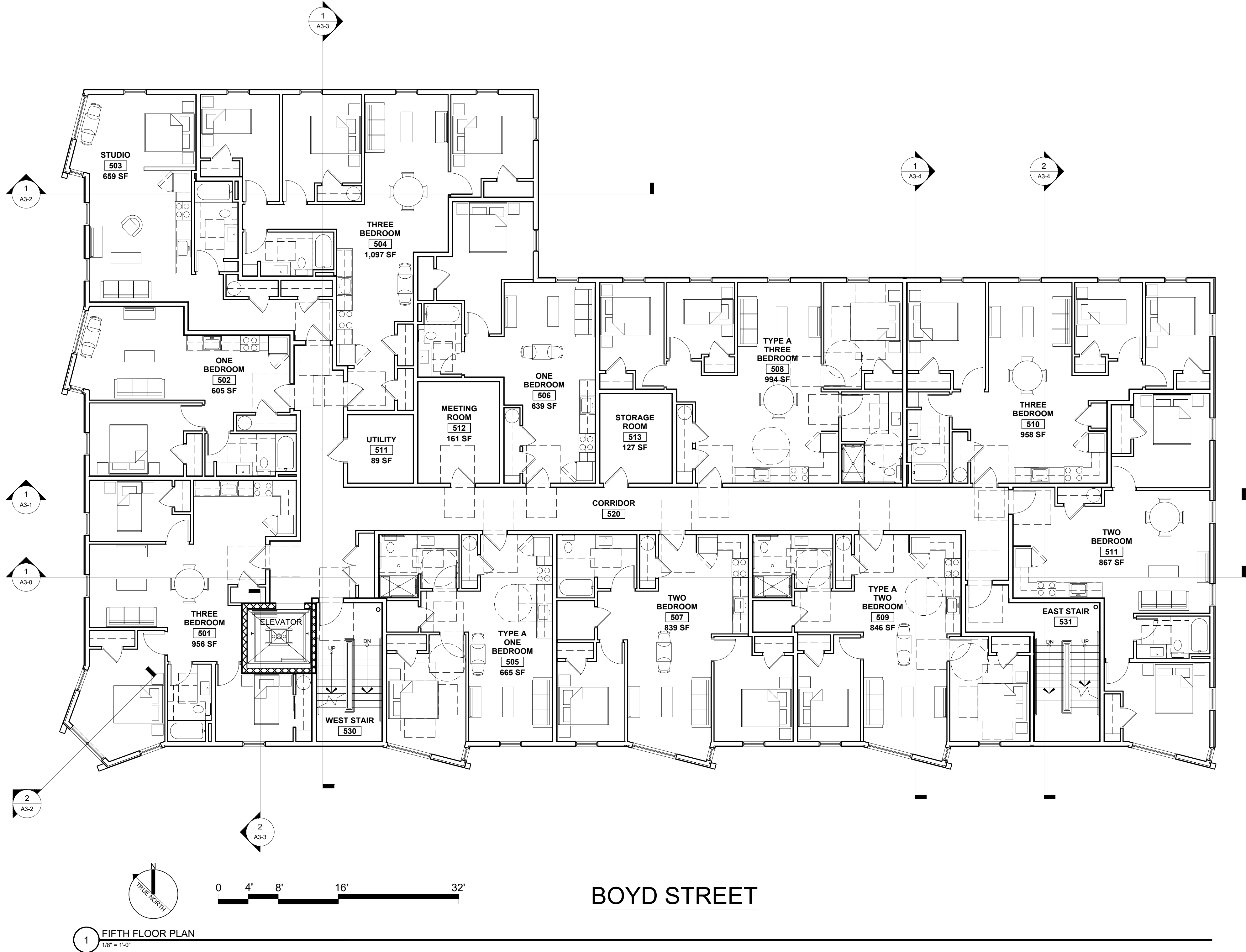
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UNIT ACCESSIBILITY SUMMARY		
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UNIT TYPES - 55 TOTAL UNITS				
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SECOND FLOOR	0	0	1	1	1	0	0	0
THIRD FLOOR	0	1	0	0	1	0	1	0
FOURTH FLOOR	0	1	0	0	0	1	1	0
FIFTH FLOOR	0	1	0	0	1	0	1	0
SIXTH FLOOR	1	0	0	0	1	0	0	1
TOTALS	1	3	1	1	4	1	3	1

OXFORD STREET



1 FIFTH FLOOR PLAN
1/8" = 1'-0"

BOYD STREET

APARTMENTS
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PORTLAND, MAINE

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SCALE: AS NOTED
SHEET TITLE:
FIFTH FLOOR
PLAN

A1-6

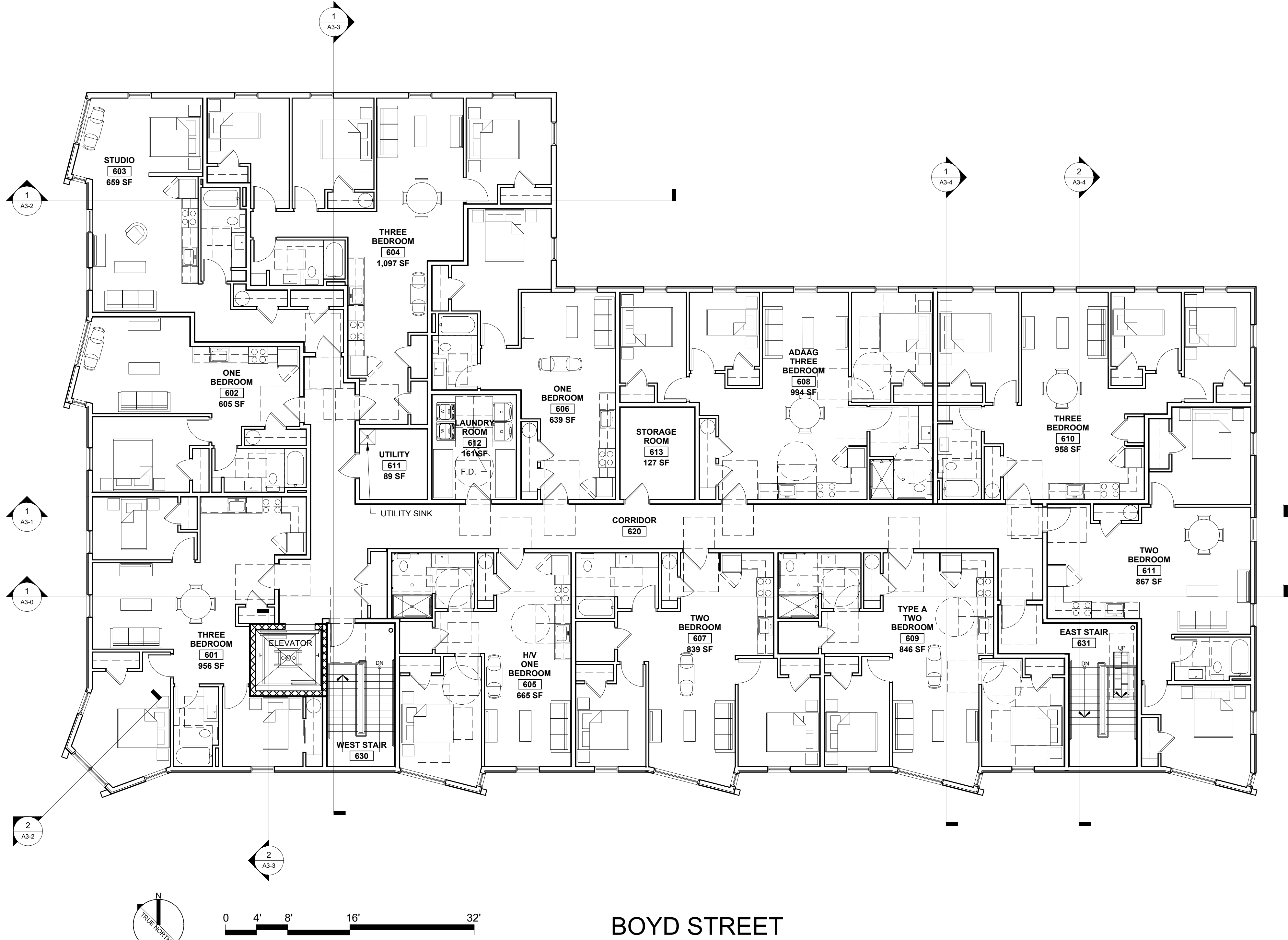
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UNIT TYPES - 55 TOTAL UNITS				
SECOND FLOOR	1 STUDIO UNIT	3 ONE BEDROOM UNITS	4 TWO BEDROOM UNITS	3 THREE BEDROOM UNITS
THIRD FLOOR	1 STUDIO UNIT	3 ONE BEDROOM UNITS	3 TWO BEDROOM UNITS	4 THREE BEDROOM UNITS
FOURTH FLOOR	1 STUDIO UNIT	3 ONE BEDROOM UNITS	3 TWO BEDROOM UNITS	4 THREE BEDROOM UNITS
FIFTH FLOOR	1 STUDIO UNIT	3 ONE BEDROOM UNITS	3 TWO BEDROOM UNITS	4 THREE BEDROOM UNITS
SIXTH FLOOR	1 STUDIO UNIT	3 ONE BEDROOM UNITS	3 TWO BEDROOM UNITS	4 THREE BEDROOM UNITS
TOTALS	5 STUDIO UNITS	15 ONE BEDROOM UNITS	16 TWO BEDROOM UNITS	19 THREE BEDROOM UNITS

ACCESSIBLE UNIT TYPES								
FLOOR	H/V IMPAIRED ONE BED	TYPE - A ONE BED	TYPE - ADDAG ONE BED	H/V IMPAIRED TWO BED	TYPE - A TWO BED	TYPE - ADDAG TWO BED	TYPE - A THREE BED	TYPE - ADDAG THREE BED
SECOND FLOOR	0	0	1	1	1	0	0	0
THIRD FLOOR	0	1	0	0	1	0	1	0
FOURTH FLOOR	0	1	0	0	0	1	1	0
FIFTH FLOOR	0	1	0	0	1	0	1	0
SIXTH FLOOR	1	0	0	0	1	0	0	1
TOTALS	1	3	1	1	4	1	3	1

OXFORD STREET



1 SIXTH FLOOR PLAN
1/8" = 1'-0"

BOYD STREET

**AMENDMENT TO ORDER 20-24/25
PREPARED BY CORPORATION COUNSEL
FOR COUNCILOR ANNA BULLETT
RE: EXTEND THE TERM OF THE DISTRICT FROM 20 TO 30 YEARS FOR
70 EAST OXFORD STREET**

* * *

WHEREAS, COMB Block Phase I, LP intends to construct certain improvements within the 70 East Oxford Street Affordable Housing Development and Tax Increment Financing (“TIF”) District (the “District”), including 55 units of affordable housing; and

WHEREAS, the District will remain in place for a period of ~~20~~30 years from the tax year in which the Certificate of Approval is signed by Maine State Housing Authority, and

* * *

MEMORANDUM
City Council Agenda Item

FROM: Victoria Volent, Housing Program Manager

DATE: June 24, 2024

SUBJECT: Order 21-24/25 Approving the COMB Block Affordable Housing Credit Enhancement Agreement with COMB Block Phase One, LP for the 70 East Oxford Street Affordable Housing Development and Tax Increment Financing District - Sponsored by the Housing and Economic Development Committee, Councilor Pious Ali, Chair

SPONSOR: The Housing and Economic Development Committee, Councilor Pious Ali, Chair.
(If sponsored by a Council committee, include the date the committee met and the results of the vote.)

COUNCIL MEETING DATE ACTION IS REQUESTED:

1st Reading 7/15/2024

**Final
Action 8/19/2024**

Can action be taken at a later date: No The applicant is applying for 9% Low Income Housing Tax Credit (LIHTC) funding through MaineHousing. At least 30 days prior (August 20, 2024) to the application deadline (September 21, 2024), the applicant must submit a complete application for the Affordable Housing TIF with MaineHousing. To meet the August 20, 2024 filing deadline, the second read must be on August 19, 2024.

Does this item involve a new contract with the City: Corporation Counsel has reviewed the Credit Enhancement Agreement.

PRESENTATION: Greg Watson, Housing and Economic Development Director will be available for questions.

I. SUMMARY

This is a companion order to Order 20 23/24 above.

II. AGENDA DESCRIPTION

During a meeting held on June 25, 2024, the Housing and Economic Development Committee voted (3-1) to forward this item to the City Council with a recommendation for passage.

This is a companion order to the order above.

This item must be read on two separate occasions. Five affirmative votes are required for passage after public comment. To make this item effective immediately, staff is requesting that this item be passed as an emergency. Seven affirmative votes are required for passage as an emergency after public comment.

III. BACKGROUND

Text Area

IV. INTENDED RESULT AND/OR COUNCIL GOAL ADDRESSED

V. FINANCIAL IMPACT

Text Area

VI. STAFF ANALYSIS AND BACKGROUND

VII. RECOMMENDATION

The Housing and Economic Development Committee voted (3-1) to forward this item to the City Council with a recommendation for passage.

VIII. LIST ATTACHMENTS

1. Order 21 - Approving Credit Enhancement w 70 E Oxford aka COMB Block
2. CEA DRAFT 7-2-24 70 E Oxford
3. Bullett Amendment 2 to Order 21

Prepared by:

Victoria Volent, Housing Program Manager

Date: 06/24/2024

MARK DION (MAYOR)
PIOUS ALI (A/L)
APRIL D. FOURNIER(A/L)
ROBERTO RODRÍGUEZ (A/L)

CITY OF PORTLAND
IN THE CITY COUNCIL

ANNA TREVORROW (1)
VICTORIA L. PELLETIER (2)
REGINA L. PHILLIPS (3)
ANNA BULLETT (4)
KATE SYKES (5)

**ORDER APPROVING THE COMB BLOCK AFFORDABLE HOUSING CREDIT
ENHANCEMENT AGREEMENT WITH COMB BLOCK PHASE I, LP FOR THE 70
EAST OXFORD STREET AFFORDABLE HOUSING DEVELOPMENT AND TAX
INCREMENT FINANCING DISTRICT**

ORDERED, that the credit enhancement agreement with a 20-year term and 75% captured revenue rate between the City of Portland and COMB Block Phase I, LP related to the 70 East Oxford Street Affordable Housing Tax Increment Financing District is hereby approved; and

BE IT FURTHER ORDERED, that the City Manager is authorized to sign the agreement in substantially the form attached hereto with such changes thereto as deemed appropriate by the City Manager and any other related documents that are necessary or convenient to carry out the intent of said agreement.

CREDIT ENHANCEMENT AGREEMENT

between

THE CITY OF PORTLAND, MAINE

and

COMB BLOCK PHASE ONE, LP

DATED: _____, 2024

TABLE OF CONTENTS

ARTICLE I DEFINITIONS

- Section 1.1. Definitions.
- Section 1.2. Interpretation and Construction.

ARTICLE II AFFORDABLE HOUSING DEVELOPMENT PROGRAM FUND AND FUNDING REQUIREMENTS

- Section 2.1. Creation of Development Program Fund.
- Section 2.2. Liens.
- Section 2.3. Captured Assessed Value; Deposits into Development Program Fund.
- Section 2.4. Use of Monies in Development Program Fund.
- Section 2.5. Monies Held for Benefit of Developer.

ARTICLE III PAYMENT OBLIGATIONS.

- Section 3.1. Developer Payments.
- Section 3.2. Failure to Make Payment.
- Section 3.3. Manner of Payments.
- Section 3.4. Obligations Unconditional.
- Section 3.5. Limited Obligation.

ARTICLE IV PLEDGE AND SECURITY INTEREST

- Section 4.1. Pledge of and Grant of Security Interest in Project Cost Account.
- Section 4.2. Perfection of Interest.
- Section 4.3. Further Instruments.
- Section 4.4. No Disposition of Project Cost Account.
- Section 4.5. Access to Books and Records.

ARTICLE V DEFAULTS AND REMEDIES

- Section 5.1. Events of Default.
- Section 5.2. Remedies on Default.
- Section 5.3. Remedies Cumulative.

ARTICLE VI EFFECTIVE DATE, TERM AND TERMINATION

- Section 6.1. Effective Date and Term.
- Section 6.2. Cancellation and Expiration of Term.

ARTICLE VII

ASSIGNMENT AND PLEDGE OF DEVELOPER'S INTEREST

Section 7.1. Consent to Pledge, Collateral Assignment Or Grant of a Security Interest.

Section 7.2. Transfer.

ARTICLE VIII

MISCELLANEOUS

Section 8.1. Successors.

Section 8.2. Parties-in-Interest.

Section 8.3. Severability.

Section 8.4. No Personal Liability of Officials of the City.

Section 8.5. Counterparts.

Section 8.6. Governing Law.

Section 8.7. Notices.

Section 8.8. Amendments.

Section 8.9. Records.

Section 8.10. Reserved.

Section 8.11. Integration.

Section 8.12. Reserved.

Section 8.13. Dispute Resolution.

Section 8.14. Tax Laws and Valuation Agreement.

EXHIBITS

Exhibit 1 Copy of District Map

THIS CREDIT ENHANCEMENT AGREEMENT dated as of _____, 2024, between the City of Portland, Maine, a municipal body corporate and politic and a political subdivision of the State of Maine (the “City”), and COMB Block Phase One, LP, a Maine Limited Partnership (the “Developer”).

WITNESSETH THAT

WHEREAS, the City designated the *70 East Oxford Street Affordable Housing Development and Tax Increment Financing District* (the “District”) pursuant to Chapter 206 of Title 30-A of the Maine Revised Statutes, as amended, by action of the City Council at a meeting of the City Council held on July 15, 2024, Order **X-**23/24 (the “Vote”) and pursuant to the same Vote adopted an affordable housing development program, including a financial plan, for the District (the “Development Program”); and

WHEREAS, the City received the approval of the District and the Development Program by Maine State Housing Authority (“MSHA”) on _____ [Date of District Approval by MaineHousing] and anticipates the approval of the amended District and the Development Program by MSHA; and

WHEREAS, the Development Program contemplates the execution and delivery of a credit enhancement agreement between the City and the Developer, and the City approved the execution and delivery of a credit enhancement agreement as described in the Development Program pursuant to the Vote, and the City and the Developer desire and intend that this Credit Enhancement Agreement be and constitute the Credit Enhancement Agreement contemplated and described in the Development Program in the name of and on behalf of the City; and

NOW, THEREFORE, in consideration of the foregoing and in consideration of the mutual promises and covenants set forth herein, the parties hereby agree as follows:

ARTICLE I DEFINITIONS

Section 1.1. Definitions.

The terms defined in this Article I shall, for all purposes of this Agreement, have the meanings herein specified, unless the context clearly requires otherwise:

“Act” means chapter 206 of Title 30-A of the Maine Revised Statutes and regulations adopted thereunder, as amended from time to time.

“Agreement” shall mean this Credit Enhancement Agreement between the City and the Developer dated as of the date set forth above, as such may be amended from time to time.

“Authority” means the Maine State Housing Authority.

“Captured Assessed Value” means the amount, stated as a percentage, of the Increased Assessed Value of the District that is retained in each Tax Year during the term of the District, as specified in Section 2.3 hereof, to fund Project costs authorized in the Development Program. See Exhibit 2 for further detail.

“City” shall have the meaning given such term in the first paragraph hereto.

“Current Assessed Value” means the then-current assessed real property value of the District as determined by the City Tax Assessor as of April 1 of each Tax Year that the District remains in effect.

“Development Program” shall have the meaning given such term in the recitals hereto.

“Development Program Fund” means the Affordable Housing Development Program Fund described in the Development Program and established and maintained pursuant to Article II hereof and 30-A M.R.S.A. § 5250-A(3)(A) consisting of the account further described herein.

“Director” means the Director of the Maine State Housing Authority.

“District” shall mean the lot or parcel of land on which the Project is located. A copy of the District map is attached hereto as Exhibit 1 as well as an informational map showing the Project in the District.

“Effective Date of the Development Program” means the start date identified in Section 2.08 of the Development Program.

“Fiscal Year” means July 1 to June 30 each year or such other fiscal year as the City may from time to time establish.

“Increased Assessed Value” means, for each Fiscal Year during the term of this Agreement, the amount by which the Current Assessed Value for such year exceeds the Original Assessed Value. If the Current Assessed Value is less than or equal to the Original Assessed Value in any given Tax Year, there is no Increased Assessed Value in that year.

“Original Assessed Value” means Zero Dollars (\$0.00), which is the taxable assessed real property value of the District as of March 31, 2024 (April 1, 2023).

“Non-Captured Increased Assessed Value” means, for each Fiscal Year during the term of this Agreement, the difference between the Increased Assessed Value and the Captured Assessed Value. See Exhibit 2 for further detail.

“Project” means the planned construction of a fifty-five (55) unit mixed-income housing project to be named COMB Block Phase One located in the District.

“Project Cost Account” means the project cost account associated with the Project as described in the Development Program and established and maintained pursuant to Title 30-A M.R.S.A. § 5250-A(3)(A)(1) and Article II hereof.

“Property Taxes” means any and all *ad valorem* property taxes levied, charged or assessed against the Project located in the District by the City, or on its behalf.

“State” means the State of Maine

“Tax Increment Revenues” means that portion of all real property taxes assessed and paid to the City in any Tax Year, in excess of any state, or special district tax, upon the Increased Assessed Value.

“Tax Payment Date” means the later of the date(s) on which property taxes levied by the City are due and payable, in full, from owners of property located within the City, or are actually

paid to the City with respect to taxable property located within the District.

“Tax Year” shall have the meaning given such term in 30-A M.R.S.A. § 5246(16), as amended, to wit: April 1 to March 31.

Section 1.2. Interpretation and Construction.

In this Agreement, unless the context otherwise requires:

(a) The terms “hereby,” “hereof,” “hereto,” “herein,” “hereunder” and any similar terms, as used in this Agreement, refer to this Agreement, and the term “hereafter” means after, and the term “heretofore” means before, the date of delivery of this Agreement.

(b) Words importing a particular gender mean and include correlative words of every other gender and words importing the singular number mean and include the plural number and vice versa.

(c) Words importing persons mean and include firms, associations, partnerships (including limited partnerships), trusts, corporations and other legal entities, including public or governmental bodies, as well as any natural persons.

(d) Any headings preceding the texts of the several Articles and Sections of this Agreement, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this Agreement, nor shall they affect its meaning, construction or effect.

(e) All approvals, consents and acceptances required to be given or made by any signatory hereto shall not be withheld unreasonably.

(f) All notices to be given hereunder shall be given in writing and, unless a certain number of days is specified, within a reasonable time.

(g) If any clause, provision or Section of this Agreement shall be ruled invalid by any court of competent jurisdiction, the invalidity of such clause, provision or Section shall not affect any of the remaining provisions hereof.

ARTICLE II AFFORDABLE HOUSING DEVELOPMENT PROGRAM FUND AND FUNDING REQUIREMENTS

Section 2.1. Creation of Development Program Fund.

Within sixty (60) days after the Effective Date of the Development Program, the City shall create and establish a segregated fund in the name of the City designated as the “70 East Oxford Street Affordable Housing Development and Tax Increment Financing District Program Fund” (hereinafter the “Development Program Fund”) pursuant to, and in accordance with the terms and conditions of, the Development Program and 30-A M.R.S.A. § 5250-A(3). The Development Program Fund shall consist of the Project Cost Account which is pledged to and charged with the payment of Project costs described in the Development Program, as provided in

30-A M.R.S.A. § 5250-A(3)(A)(1). The Project Cost Account is pledged to and charged with the payment of costs in the manner and priority provided in Section 3.1(b) below.

Section 2.2. Liens.

The City shall not create any liens, encumbrances or other interests of any nature whatsoever, nor shall it hypothecate the Project Cost Account described in Section 2.1 hereof or any funds therein, other than the interest in favor of Developer hereunder; provided, however, that nothing herein shall prohibit the creation of property tax, sewer or other liens on property in the District in accordance with and entitled to priority pursuant to Maine law.

Section 2.3. Captured Assessed Value; Deposits into Development Program Fund.

(a) Each Tax Year during the term of this Agreement, commencing with the Tax Year beginning April 1, 2024, and continuing thereafter through the Tax Year beginning April 1, 2044 (collectively the “CEA Years”), the City shall retain in the District Seventy-five percent (75%) of the Increased Assessed Value as Captured Assessed Value. The remaining Twenty-five percent (25%) of the Increased Assessed Value shall constitute Non-Captured Increased Assessed Value.

In the event of a revaluation of taxable property within the City, the Captured Assessed Value of this District may be adjusted in proportion to the change in taxable assessed property valued within the District in the year of the revaluation resulting from such revaluation.

(b) For each of the CEA Years, the City shall deposit into the Development Program Fund contemporaneously with each payment of Property Taxes during the term of this Agreement an amount equal to seventy-five percent (75%) of that portion of the payment of Property Taxes constituting Tax Increment Revenues. The City shall deposit such seventy-five percent (75%) portion into the Project Cost Account. The remaining twenty-five percent (25%) portion of the property tax payment constituting Tax Increment Revenues, which arise from Non-Captured Increased Assessed Value, shall be deposited into the City’s general fund.

(c) Notwithstanding anything herein to the contrary, if the District property becomes exempt from the obligation to pay property taxes, after application by the owner of the District property to the City for such exemption, then upon the granting of such exemption, this Agreement shall terminate and no further deposit or payment obligations on the part of the City shall exist.

(d) Any and all revenues resulting from investment earnings on deposits in the Development Program Fund shall be retained in the Development Program Fund and applied for Development Program purposes relating to the Development Program Fund as prescribed by 30-A M.R.S.A Section 5250-A(3), subject to the payment obligations set forth in Article III below.

Section 2.4. Use of Monies in Development Program Fund.

All monies in the Development Program Fund that are allocable to and/or deposited in the Project Cost Account shall in all cases be used and applied to fund fully the City's payment obligations to Developer as described in Articles II and III hereof. Developer shall be obligated to use such payments for operating costs of the Project and credit enhancement pursuant to the Development Program and Title 30-A M.R.S.A. § 5249.

Section 2.5. Monies Held for Benefit of Developer.

All monies required to be deposited with or paid into the Project Cost Account under the provisions hereof and the provisions of the Development Program, exclusive of any investment earnings thereon, shall be held by the City for the benefit of Developer, subject to the payment obligations set forth in Article III below.

ARTICLE III PAYMENT OBLIGATIONS

Section 3.1. Developer Payments.

(a) On an annual basis, the City agrees to pay Developer, within thirty (30) days of the end of each Fiscal Year, all amounts then on deposit in the Project Cost Account.

(b) Notwithstanding anything to the contrary contained herein, if, with respect to any Tax Payment Date, any portion of the property taxes assessed against real or personal property located in the District remain unpaid, because of a bona fide valuation dispute being pursued by Developer, the property taxes actually paid with respect to such Tax Payment Date shall, first, be applied to taxes due on account of Original Assessed Value and deposited into the City's general fund; and second, shall constitute payment of Property Taxes with respect to Non-Captured Increased Assessed Value and deposited into the City's general fund; and third, shall constitute payment of Property Taxes with respect to Captured Assessed Value, to be applied to payment of Developer's share of the Tax Increment Revenues for the year concerned and deposited into Project Cost Account.

(c) Notwithstanding anything to the contrary contained herein, if, with respect to any Tax Payment Date, any portion of the property taxes assessed against real or personal property located in the District remain due to the City from and unpaid by Developer, for any reason other than a bona fide valuation dispute, or if any portion of any other fee or charge due to the City by Developer including but not limited to sewer and stormwater fees, ambulance fees, or assessments, remain unpaid, no payment of Developer's share of the Tax Increment Revenues for the year concerned will be deposited into the Project Cost Account until such property taxes assessed against real or personal property located in the District, and other fees, charges, and assessments are paid in full.

(d) Annually, Developer will provide financial statements as back-up documentation of Project Costs for its TIF payments, which documentation will be kept confidential by the City.

(e) Prior to receiving the first payment under this Agreement, Developer shall provide evidence reasonably satisfactory to the City of the Developer's ability to complete the Project in accordance with State law. Reasonably satisfactory evidence shall include documentation that the Developer has closed on complete financing for the Project.

(f) On a bi-weekly basis during the course of construction of the Project, Developer must provide documentation in a form reasonably satisfactory to the City demonstrating that all firms employed in the construction phase of the Project have compensated their employees, at all relevant times, the current wage rates and fringe benefits as required under applicable state prevailing wage law, 26 M.R.S. §1306, or the City's minimum wage requirements set forth in

Chapter 33, Sections 1-12 of the Portland City Code, whichever is greater.

(g) Developer must provide evidence reasonably satisfactory to the City demonstrating that the Project was designed, constructed and rehabilitated in accordance with the City's Green Building Code set forth in Chapter 6, Article VII, of the Portland City Code.

Section 3.2. Failure to Make Payment.

In the event the City should fail to, or be unable to, make any of the payments at the time and in the amount required under the foregoing provisions of this Article III including in the event that the amount deposited into the Project Cost Account is insufficient to reimburse Developer for the full amount due to Developer under this Agreement, the amount or installment so unpaid shall continue as a limited obligation of the City, under the terms and conditions hereinafter set forth, until the amount unpaid shall have been fully paid. Developer shall have the right to initiate and maintain an action to specifically enforce the City's obligations hereunder, including without limitation, the City's obligation to deposit Tax Increment Revenues to the Project Cost Account and its obligation to make payment out of the Project Cost Account to Developer.

Section 3.3. Manner of Payments.

The payments provided for in this Article III shall be paid directly to Developer at the address specified in Section 8.7 hereof in the manner provided hereinabove by check drawn on the City.

Section 3.4. Obligations Unconditional.

Subject to Developer's compliance with the terms and conditions of this Agreement, the obligations of the City to make the payments described in this Agreement in accordance with the terms hereof shall be absolute and unconditional, and the City shall not suspend or discontinue any payment hereunder or terminate this Agreement for any cause, other than pursuant to this Agreement or by court order or by reason of a final judgment by a court of competent jurisdiction that the District is invalid or otherwise illegal.

Section 3.5. Limited Obligation.

The City's obligations of payment hereunder shall be limited obligations of the City payable solely from Tax Increment Revenues pledged therefor under this Agreement. The City's obligations hereunder shall not constitute a general debt or a general obligation or charge against or pledge of the faith and credit or taxing power of the City, the State of Maine, or of any municipality or political subdivision thereof, but shall be payable solely from that portion of Tax Increment Revenues payable to Developer hereunder, whether or not actually deposited into the Project Cost Account in the Development Program Fund. This Agreement shall not directly, indirectly or contingently obligate the City, the State of Maine, or any other City or political subdivision to levy or to pledge any form of taxation whatever therefor or to make any appropriation for their payment, excepting the pledge of the Tax Increment Revenues established under this Agreement.

ARTICLE IV PLEDGE AND SECURITY INTEREST

Section 4.1. Pledge of and Grant of Security Interest in Project Cost Account.

In consideration of this Agreement and other valuable consideration and for the purpose of securing payment of the amounts provided for hereunder to Developer by the City, according to the terms and conditions contained herein, and in order to secure the performance and observance of all of the City's covenants and agreements contained herein, the City does hereby grant a security interest in and pledge Project Cost Account described in Section 2.1 hereof and all sums of money and other securities and investments therein to Developer.

Section 4.2. Perfection of Interest.

(a) Upon written request by Developer, the City will establish the Project Cost Account described in Section 2.1 hereof as a segregated fund under the control of an escrow agent, trustee or other fiduciary selected by Developer so as to perfect Developer's interest therein. The cost of establishing and monitoring such a fund (including the cost of counsel to the City with respect thereto) shall be borne exclusively by Developer. In the event such a fund is established under the control of a trustee or fiduciary, the City shall cooperate with Developer in causing appropriate financing statements and continuation statements naming Developer, or its designee, as pledgee of all such amounts from time to time on deposit in the fund to be duly filed and recorded in the appropriate state offices as required by and permitted under the provisions of the Maine Uniform Commercial Code or other similar law as adopted in the State of Maine and any other applicable jurisdiction, as from time to time amended, in order to perfect and maintain the security interests created hereunder.

(b) In the event Developer requires the establishment of a segregated fund in accordance with this Section 4.2, the City's responsibility shall be expressly limited to delivering the amounts required by this Agreement to the escrow agent, trustee or other fiduciary designated by Developer. The City shall have no liability for payment over of the funds concerned to Developer by any such escrow agent, trustee or other fiduciary, or for any misappropriation, investment losses or other losses in the hands of such escrow agent, trustee or other fiduciary. Notwithstanding any change in the identity of Developer's designated escrow agent, trustee or other fiduciary, the City shall have no liability for misdelivery of funds if delivered in accordance with Developer's most recent written designation or instructions actually received by the City.

Section 4.3. Further Instruments.

The City shall, upon the reasonable request of Developer, from time to time execute and deliver such further instruments and take such further action as may be reasonable and as may be required to carry out the provisions of this Agreement; provided, however, that no such instruments or actions shall pledge the credit of the City; and provided further that the cost of executing and delivering such further instruments (including the reasonable and related costs of counsel to the City with respect thereto) shall be borne exclusively by Developer.

Section 4.4. No Disposition of Project Cost Account.

Except as permitted hereunder, the City shall not sell, lease, pledge, assign or otherwise dispose, encumber or hypothecate any interest in the Project Cost Account and will promptly pay

or cause to be discharged or make adequate provision to discharge any lien, charge or encumbrance on any part thereof not permitted hereby.

Section 4.5. Access to Books and Records.

All books, records and documents in the possession of either of the parties to this Agreement relating to the District, the Development Program, this Agreement and the monies, revenues and receipts on deposit or required to be deposited into the Project Cost Account shall at all reasonable times and upon reasonable notice be open to inspection by both parties to this Agreement, and the agents and employees of the parties to this Agreement.

ARTICLE V DEFAULTS AND REMEDIES

Section 5.1. Events of Default.

Each of the following events shall constitute and be referred to in this Agreement as an “Event of Default”:

- (a) Any failure by the City to pay any amounts due to Developer when the same shall become due and payable;
- (b) Any failure by the City to make deposits into the Project Cost Account as and when due;
- (c) Any failure by the City or Developer to observe and perform in all material respects any covenant, condition, agreement or provision contained herein on the part of the City or Developer to be observed or performed, which failure is not cured within thirty (30) days following written notice thereof; and
- (d) If a decree or order of a court or agency or supervisory authority having jurisdiction in the premises of the appointment of a conservator or receiver or liquidator of, any insolvency, readjustment of debt, marshaling of assets and liabilities or similar proceedings, or for the winding up or liquidation of Developer's affairs shall have been entered against the Developer or the Developer shall have consented to the appointment of a conservator or receiver or liquidator in any such proceedings of or relating to the Developer or of or relating to all or substantially all of its property, including without limitation the filing of a voluntary petition in bankruptcy by the Developer or the failure by the Developer to have an involuntary petition in bankruptcy dismissed within a period of ninety (90) consecutive days following its filing or in the event an order for release has been entered under the Bankruptcy Code with respect to the Developer.
- (e) If any secured lender of Developer accelerates the indebtedness owed to it;
- (f) If any written representation or warranty given to the City by Developer is knowingly incorrect or incomplete in any material respect, other than statements made about or in agreements with the City that were later changed by mutual consent;
- (g) If Developer fails to maintain adequate surety bonding during construction at the levels and terms as may be required from time to time by the Developer's secured lenders and/or Developer allows mechanics' liens to encumber the Project for a period of more than ninety (90)

days.

(h) Any discontinuance of the District property as “affordable housing,” pursuant to the definition contained in Title 30-A M.R.S.A. Section 5246.

Section 5.2. Remedies on Default.

Subject to the provisions contained in Section 8.13, whenever any Event of Default described in Section 5.1 hereof shall have occurred and be continuing, the nondefaulting party, following the expiration of any applicable cure period, shall have all rights and remedies available to it at law or in equity, including the rights and remedies available to a secured party under the laws of the State of Maine, and may take whatever action as may be necessary or desirable to collect the amount then due and thereafter to become due, to specifically enforce the performance or observance of any obligations, agreements or covenants of the nondefaulting party under this Agreement and any documents, instruments and agreements contemplated hereby or to enforce any rights or remedies available hereunder. Further, the non-defaulting party may elect to terminate this Agreement upon 30 days’ written notice to the defaulting party.

Section 5.3. Remedies Cumulative.

Subject to the provisions of Section 8.13 below concerning dispute resolution, no remedy herein conferred upon or reserved to any party is intended to be exclusive of any other available remedy or remedies but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law, in equity or by statute. Delay or omission to exercise any right or power accruing upon any Events of Default to insist upon the strict performance of any of the covenants and agreements herein set forth or to exercise any rights or remedies upon the occurrence of an Event of Default shall not impair any such right or power or be considered or taken as a waiver or relinquishment for the future of the right to insist upon and to enforce, from time to time and as often as may be deemed expedient, by injunction or other appropriate legal or equitable remedy, strict compliance by the parties hereto with all of the covenants and conditions hereof, or of the rights to exercise any such rights or remedies, if such Events of Default be continued or repeated.

ARTICLE VI EFFECTIVE DATE, TERM AND TERMINATION

Section 6.1. Effective Date and Term.

Notwithstanding any other provision of this Agreement, this Agreement is conditioned upon receipt of the Director’s unconditional approval of the City’s designation of the District and adoption of the Development Program. Following execution and delivery of this Agreement, the Agreement shall not be or become binding and enforceable until receipt of such unconditional approval. Upon receipt of such approval, this Agreement shall remain in full force from the Effective Date of the Development Program, which is April 1, 2024, and shall expire March 31, 2045 or sooner upon the payment of all amounts due to Developer hereunder and the performance of all obligations on the part of the City hereunder, unless even sooner terminated pursuant to Section 3.4 or any other applicable provision of this Agreement.

The City may terminate this Agreement by delivering written notice of such termination to

Developer in the event that Developer does not receive a certificate of occupancy for the Project by _____.

Section 6.2. Termination by City.

Notwithstanding anything to the contrary in this Agreement, in the event that the Declaration, as that term is defined below, is terminated by foreclosure of a lien on the Project that has priority over the Declaration, the City shall have the right to terminate this Agreement by providing Developer with 30 days written notice prior to the effective date of termination, except that in the event that the foreclosing lienholder agrees (for itself, its successors, assigns, and transferees) to be bound by the terms of this Agreement and that the Declaration (as described in Section 8.15 hereof) shall remain in full force and effect, then this Agreement shall remain in full force and effect and City shall have no right to terminate this Agreement.

Section 6.3. Cancellation and Expiration of Term.

At the acceleration, termination or other expiration of this Agreement in accordance with the provisions of this Agreement, the City and Developer shall each execute and deliver such documents and take or cause to be taken such actions as may be necessary to evidence the termination of this Agreement.

ARTICLE VII ASSIGNMENT AND PLEDGE OF DEVELOPER'S INTEREST

Section 7.1. Consent to Pledge, Collateral Assignment Or Grant of a Security Interest.

The City hereby acknowledges that Developer may pledge, assign and grant a security interest in its right, title and interest in, to and under this Agreement as collateral for financing by a bank, financial institution, Maine State Housing Authority, or other public and private lending institutions and organizations to Developer for the Project, although no obligation is hereby imposed on Developer to make such assignment or pledge. Recognizing this possibility, the City does hereby consent and agree to the pledge and assignment of and the grant of a security interest in all Developer's right, title and interest in, to and under this Agreement and in, and to the payments to be made to Developer hereunder, to third parties as collateral or security for indebtedness or otherwise, on one or more occasions during the term hereof. The City agrees upon request to execute and deliver any assignments, pledge agreements, consents or other confirmations required by the prospective pledgee or assignee or secured party, including without limitation recognition of the pledgee or assignee or secured party as the holder of all right, title and interest herein and as the payee of amounts due and payable hereunder and any and all such other documentation as shall confirm to such pledgee or assignee or secured party the position of such assignee or pledgee or secured party and the irrevocable and binding nature of this Agreement, and provide to the pledgee or assignee such rights and/or remedies as the parties may reasonably deem necessary for establishing, perfection and protection of its interest herein. Developer shall be responsible for the City's necessary and reasonable costs of counsel with respect to any such pledge or assignment.

Section 7.2. Transfer.

Except as specified in Section 7.1 hereof, Developer shall not transfer or assign any portion of its rights in, to and under this Agreement without the prior written consent of the City, which consent shall not be unreasonably withheld, conditioned or delayed.

ARTICLE VIII MISCELLANEOUS

Section 8.1. Successors.

In the event of the dissolution, merger or consolidation of the City or Developer, the covenants, stipulations, promises and agreements set forth herein, by or on behalf of or for the benefit of such party shall bind or inure to the benefit of the successors and assigns thereof from time to time and any entity, officer, board, commission, agency or instrumentality to whom or to which any power or duty of such party shall be transferred.

Section 8.2. Parties-in-Interest.

Except as herein otherwise specifically provided, nothing in this Agreement expressed or implied is intended or shall be construed to confer upon any person, firm or corporation other than the City and Developer any right, remedy or claim under or by reason of this Agreement, it being intended that this Agreement shall be for the sole and exclusive benefit of the City and Developer.

Section 8.3. Severability.

In case any one or more of the provisions of this Agreement shall, for any reason, be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Agreement and this Agreement shall be construed and enforced as if such illegal or invalid provision had not been contained herein.

Section 8.4. No Personal Liability of Officials of the City.

(a) No covenant, stipulation, obligation or agreement of the City contained herein shall be deemed to be a covenant, stipulation or obligation of any present or future elected or appointed official, officer, agent, servant or employee of the City in his or her individual capacity, and neither the City Council nor any official, officer, employee or agent of the City shall be liable personally with respect to this Agreement or be subject to any personal liability or accountability by reason hereof.

(b) No covenant, stipulation, obligation or agreement of Developer contained herein shall be deemed to be a covenant, stipulation or obligation of any present or future officer, agent, servant or employee of Developer in his or her individual capacity, and no official, officer, employee or agent of Developer shall be liable personally with respect to this Agreement or be subject to any personal liability or accountability by reason hereof.

Section 8.5. Counterparts.

This Agreement may be executed in any number of counterparts, each of which, when so executed and delivered, shall be an original, but such counterparts shall together constitute but one and the same Agreement.

Section 8.6. Governing Law.

The laws of the State of Maine shall govern the construction and enforcement of this Agreement.

Section 8.7. Notices.

All notices, certificates, requests, requisitions or other communications by the City or Developer pursuant to this Agreement shall be in writing and shall be sufficiently given and shall be deemed given when mailed by first class mail, postage prepaid, addressed as follows:

If to the City:

City of Portland
Attn. Housing and Community Development Division
389 Congress Street
Portland, ME 04101

With a copy to:

Corporation Counsel's Office
389 Congress Street
Portland, Maine 04101

If to Developer:

COMB Block Phase One, LP
c/o Portland Housing Development Corporation
970 Baxter Blvd.
Portland, Maine 04103

Either of the parties may, by notice given to the other, designate any further or different addresses to which subsequent notices, certificates, requests or other communications shall be sent hereunder.

Section 8.8. Amendments.

This Agreement may be amended only with the concurring written consent of both of the parties hereto.

Section 8.9. Records.

The City shall maintain records which are adequate in all respects to make the calculation of Increased Assessed Value and Tax Increment Revenues required to calculate the deposits into the Development Program Fund hereunder, and shall provide to Developer, upon request by Developer, a summary of such calculations.

Section 8.10. Reserved.

Section 8.11. Integration.

This Agreement completely and fully supersedes all other prior or contemporaneous understandings or agreements, both written and oral, between the City and Developer relating to the specific subject matter of this Agreement and the transactions contemplated hereby.

Section 8.12. Reserved.

Section 8.13. Dispute Resolution.

In the event of a dispute regarding this Agreement or the transactions contemplated by it, the parties hereto will use all reasonable efforts to resolve the dispute on an amicable basis. If the dispute is not resolved on that basis within sixty (60) days after one party first brings the dispute to the attention of the other party, either party may file suit to resolve the dispute in the Superior Court located in Cumberland County, State of Maine, which the parties agree shall have exclusive jurisdiction for all actions, proceedings and litigation arising from or relating directly or indirectly to this Agreement or any of the obligations hereunder. This clause shall not bar the City's assessment or collection of property taxes in accord with law, including by judicial proceedings, including tax lien thereof.

Section 8.14. Tax Laws and Valuation Agreement.

The parties acknowledge that all laws of the State now in effect or hereafter enacted with respect to taxation of property shall be applicable and that the City, by entering into this Agreement, is not excusing any non-payment of taxes by Developer. Without limiting the foregoing, the City and Developer shall always be entitled to exercise all rights and remedies regarding assessment, collection and payment of taxes assessed on Developer's property. In addition, the Development Program makes certain assumptions and estimates regarding valuation, depreciation of assets, tax rates and estimated costs. The City and Developer hereby covenant and agree that the assumptions, estimates, analysis and results set forth in the Development Program shall in no way (a) prejudice the rights of any party or be used, in any way, by any party in either presenting evidence or making argument in any dispute which may arise in connection with valuation of or abatement proceedings relating to Developer's property for purposes of ad valorem property taxation or (b) vary the terms of this Agreement even if the actual results differ substantially from the estimates, assumptions or analysis.

Section 8.15. Affordability Covenants.

The Developer and the City shall, in order to assure the continued affordability of the units in the Project as required by the Development Program, Maine State Housing Authority and applicable laws, regulations and ordinances, execute a declaration (the "Declaration") which is substantially in the same form as the Declaration of Covenants, Conditions and Restrictions which is attached to the Development Program as Exhibit I.

IN WITNESS WHEREOF, the City and Developer have caused this Agreement to be executed in their respective corporate names and their respective corporate seals to be hereunto

affixed and attested by the duly authorized officers, all as of the date first above written.

WITNESS:

CITY OF PORTLAND, ME

By: _____
Name: Danielle P. West
Its City Manager, Duly Authorized by the City
Council at its meeting on July 15, 2024

WITNESS:

COMB BLOCK PHASE ONE, LP
BY: COMB Block Development, LLC
Its: General Partner

By: _____
Name: Brian Frost
Its: President

EXHIBIT 1

Copy of District Map

**AMENDMENT TO ORDER 21-24/25
PREPARED BY CORPORATION COUNSEL
FOR COUNCILOR ANNA BULLETT
RE: EXTEND TERM OF 70 EAST OXFORD STREET CREDIT
ENHANCEMENT AGREEMENT FROM 20 TO 30 YEARS**

* * *

ORDERED, that the credit enhancement agreement with a ~~3020~~-year term and 75% captured revenue rate between the City of Portland and COMB Block Phase I, LP related to the 70 East Oxford Street Affordable Housing Tax Increment Financing District is hereby approved; and

* * *

MEMORANDUM
City Council Agenda Item

FROM: Victoria Volent, Housing Program Manager

DATE: June 17, 2024

SUBJECT: Order 22-24/25 Appropriating \$650,000 from the Jill C. Duson Housing Trust Fund to Portland Housing Development Corporation, COMB Block Phase One, LP RE: 70 East Oxford Street - Sponsored by the Housing and Economic Development Committee, Councilor Pious Ali, Chair

SPONSOR: Sponsored by the Housing and Economic Development Committee, Councilor Pious Ali, Chair.

The Housing and Economic Development Committee met on June 25, 2024 and voted (3-1) to forward this item to the City Council with a recommendation for passage.

(If sponsored by a Council committee, include the date the committee met and the results of the vote.)

COUNCIL MEETING DATE ACTION IS REQUESTED:

1st Reading 7/15/2024

**Final
Action 8/19/2024**

Can action be taken at a later date: No The applicant is applying for 9% Low Income Housing Tax Credit (LIHTC) funding through MaineHousing. At least 30 days prior (August 20, 2024) to the application deadline (September 21, 2024), the applicant must submit a complete application for the Affordable Housing TIF with MaineHousing. To meet the August 20, 2024 filing deadline, the second read must be on August 19, 2024.

Does this item involve a new contract with the City: Corporation Counsel will review the Development Program and Declaration of Covenants Agreement prior to closing.

PRESENTATION: Greg Watson, Housing and Economic Development Director will be available for questions.

I. SUMMARY

Portland Housing Development Corporation is requesting \$650,000 in Jill C. Duson Housing Trust funding with a 30-year term at 0% interest.

II. AGENDA DESCRIPTION

During a meeting held on June 25, 2024, the Housing and Economic Development Committee voted (3-1) to forward this item to the City Council with a recommendation for passage.

The description of the project along with backup documentation, can be found in the previous Order Designating and Adopting the Municipal Development Program for the Portland Housing Development Corporation (PHDC) project at 70 East Oxford Street, also known as the COMB Block. PHDC is requesting financial assistance from the City in the form of a loan in the amount of \$650,000 from the Jill C. Duson Housing Trust Fund with a term of 30 years at 0% interest.

This item must be read on two separate occasions. Five affirmative votes are required for passage after public comment. To make this item effective immediately, staff is requesting that this item be passed as an emergency. Seven affirmative votes are required for passage as an emergency after public comment.

III. BACKGROUND

Portland Housing Development Corporation is proposing to demolish the four existing multifamily buildings containing 40 units of public housing located on the parcel of land bound by Cumberland Avenue, Oxford Street, Mayo Street, and Boyd Street (COMB Block) to create a six-story building of 55 mixed-income units with 50 affordable rental units for low income households, and 5 market rate units at 70 East Oxford Street, also known as COMB Block Phase I.

The COMB Block Phase One project would include 33 units for households earning up to 50% of the area median income (AMI) (i.e. \$57,400 for three people), 17 units for households earning up to 60% of the AMI (i.e. \$68,850 for three people), and 5 units at market rate. The project would set aside 20% of the units for Persons Experiencing Homelessness or persons who have disabilities, are victims of domestic violence, or have other special housing needs. The building would offer five (5) studio units, fifteen (15) one-bedroom units, sixteen (16) two-bedroom units, and nineteen (19) three-bedroom units. The building would also include a community room with cooking and bathroom facilities, meeting room, storage room, laundry room, lobby, trash room, and bike storage. The primary building entrance would be located on Oxford Street. The site includes common outdoor greenspace. After completion, the project would be managed by the Portland Housing Authority. The design and construction of the building project would be in accordance with Passive House certification and would exceed Portland's Green Building Ordinance. Construction would begin October 2025 and completed by March 2027.

70 E Oxford (COMB Block Phase One) is seeking a 9% Low Income Housing Tax Credit and tax-exempt debt with Maine Housing.

70 E Oxford Street (COMB Block Phase One) was approved by the Planning Board on July 9, 2024.

Staff is recommending approval by the City Council of the Housing and Economic Development Committee's recommendation of \$650,000 in Jill C. Duson Housing Trust funding with a 30-year term at 0% interest.

IV. INTENDED RESULT AND/OR COUNCIL GOAL ADDRESSED

Increased access to rental units that are safe, affordable, and accessible for working and low-income households.

V. FINANCIAL IMPACT

The recommendation for funding is for the amount of up to \$650,000 in Jill C. Duson Housing Trust funding with a term of 30 years at 0% interest.

VI. STAFF ANALYSIS AND BACKGROUND

70 East Oxford Street (COMB Block Phase One) is a 55 unit mixed-income development in the East Bayside neighborhood that includes units reserved for Low- and Very Low-Income Households (earning at or below 60% Area Median Income), while also encouraging income diversity with five market rate units. The development is located on the peninsula and walkable to downtown Portland amenities.

VII. RECOMMENDATION

Staff is recommending approval by the City Council of the Housing and Economic Development Committee's recommendation of Jill C. Duson Housing Trust funding in the amount of \$650,000 with a term of 30 years at 0% interest.

VIII. LIST ATTACHMENTS

1. Order 22 - Appropriating 650k in Duson to Portland Housing re 70 E Oxford
2. Bullett Amendment 3 to Order 22

Prepared by:

Victoria Volent, Housing Program Manager
Date: 06/17/2024

MARK DION (MAYOR)
PIOUS ALI (A/L)
APRIL D. FOURNIER(A/L)
ROBERTO RODRÍGUEZ (A/L)

CITY OF PORTLAND
IN THE CITY COUNCIL

ANNA TREVORROW (1)
VICTORIA L. PELLETIER (2)
REGINA L. PHILLIPS (3)
ANNA BULLETT (4)
KATE SYKES (5)

**ORDER APPROPRIATING \$650,000 FROM THE JILL C. DUSON HOUSING TRUST
FUND TO PORTLAND HOUSING DEVELOPMENT
CORPORATION, COMB BLOCK PHASE I, LP
RE: 70 EAST OXFORD STREET**

ORDERED, that \$650,000 from the Jill C. Duson Housing Trust Fund is hereby appropriated for a loan at 3% interest to Portland Housing Development Corporation, COMB Block Phase I, LP for development costs for the project at 70 East Oxford Street, also known as the COMB Block; and

BE IT FURTHER ORDERED, the City Manager or designee is authorized to execute any and all documents necessary to appropriate the funds, and otherwise carry out the intent of this order.

**AMENDMENT TO ORDER 22-24/25
PREPARED BY CORPORATION COUNSEL
FOR COUNCILOR ANNA BULLETT
RE: REDUCE INTEREST RATE TO 0% FOR
DUSON HOUSING TRUST FUND LOAN
70 EAST OXFORD STREET**

* * *

ORDERED, that \$650,000 from the Jill C. Duson Housing Trust Fund is hereby appropriated for a loan at ~~30~~% interest to Portland Housing Development Corporation, COMB Block Phase I, LP for development costs for the project at 70 East Oxford Street, also known as the COMB Block; and

* * *

MEMORANDUM
City Council Agenda Item

FROM:

DATE: July 2, 2024

SUBJECT: Order 24-24/25 Amendment to Portland City Code Chapter 9 RE: Peaks Island Council; Nomination and Appointment of Members; Procedural Requirements for Meetings - Sponsored by Danielle P. West, City Manager

SPONSOR: The Mayor, City Manager, City Clerk, Corporation Counsel, the Planning Board, or up to three (3) members of the Council shall sponsor any orders or other items. If sponsored by a Council Committee, please include the date the committee met and the results of the vote.

(If sponsored by a Council committee, include the date the committee met and the results of the vote.)

COUNCIL MEETING DATE ACTION IS REQUESTED:

1st Reading

**Final
Action**

Can action be taken at a later date: No If action cannot be taken at a later date, please explain why. Do NOT write yes or no; that will be automatically generated by the checkbox.

Does this item involve a new contract with the City: No

PRESENTATION: Please list the presenter(s), type, and length of presentation

I. SUMMARY

II. AGENDA DESCRIPTION

This Order makes various amendments to the Peaks Island Council Ordinance related to nomination and appointment of members and procedural requirements for meetings, including allowing the appointment of Peaks Island Council members in the event that an election does not result in the election of a full seven member council.

This item must be read on two separate days. It received its first reading on July 15. Five affirmative votes are required for passage after public comment.

III. BACKGROUND

Background information that will not appear in the Agenda Description

IV. INTENDED RESULT AND/OR COUNCIL GOAL ADDRESSED

V. FINANCIAL IMPACT

Please indicate whether or not there is a financial impact. Please note that per Council Rule 12, this form must have "a separate fiscal impact statement memo attached if the impact of the item is \$50,000 or more in a given fiscal year. This memo shall include details and information describing the fiscal impact including, but not limited to, projected costs, revenues or savings over a three (3) year period and/or any potential impacts on the City tax levy."

VI. STAFF ANALYSIS AND BACKGROUND

Staff Analysis that will not appear in the Agenda Description.

VII. RECOMMENDATION

VIII. LIST ATTACHMENTS

1. Order 24 - Ch 9 Peaks Island Council

Prepared by:

Date: 07/02/2024

MARK DION (MAYOR)
PIOUS ALI (A/L)
APRIL D. FOURNIER(A/L)
ROBERTO RODRÍGUEZ (A/L)

**CITY OF PORTLAND
IN THE CITY COUNCIL**

ANNA TREVORROW (1)
VICTORIA L. PELLETIER (2)
REGINA L. PHILLIPS (3)
ANNA BULLETT (4)
KATE SYKES (5)

**AMENDMENT TO PORTLAND CITY CODE
CHAPTER 9 RE: PEAKS ISLAND COUNCIL; NOMINATION AND APPOINTMENT
OF MEMBERS; PROCEDURAL REQUIREMENTS FOR MEETINGS**

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF PORTLAND,
MAINE IN CITY COUNCIL ASSEMBLED AS FOLLOWS:**

- 1. That the Sections 9-51, 9-52, and 9-55 of the Portland City Code Chapter 9 are hereby amended to read as follows:*

Sec. 9-51. Formation of council.

* * *

(c) *Terms.* The terms of each member shall run from the date of the inaugural meeting for three (3) full years, except as provided above for the initial terms. Members shall be sworn into their positions ~~on the same day in the same month~~ as members of the city council and shall serve until a successor is elected and qualified.

* * *

Sec. 9-52. Nomination of members.

(a) *Petitions.* The nominations of all candidates for elective offices for membership on the Peaks Island council shall be by written petition to be provided by the city clerk, in substantially the same form as the petition for at-large candidates for the city council as provided in article IV of the city charter. Said petition shall be signed by not less than ~~fifty-fifteen~~ (1550) Peaks Island residents who are registered voters on the island nor more than ~~fifty (50) one hundred (100)~~ such voters. All candidates must be residents of Peaks Island ~~for a period of at least three (3) months~~ prior to the date on or before which nomination papers are to be filed.

* * *

(c) *Filing.* The city clerk shall make nomination petitions available to the candidates one hundred and fifty-five (155) days prior to the election except that in 2007 the petitions shall be made available one hundred and twelve (112) days prior to the election. The nomination petitions for any one (1) candidate must be assembled and united into one (1) petition and filed with the city clerk during normal business hours not later than ninety-nine (99) days before the date of election. No nomination shall be valid unless the candidate shall file with the city clerk in writing at the time of filing of said nomination petitions and consent, once filed may not be withdrawn. Any challenge to a nomination petition must be submitted to the city clerk in writing, setting forth the specific reasons for the objection, no later than five (5) days, excluding Saturdays, Sundays, and legal holidays, from its date of filing, or it is barred. No person shall be nominated, nor shall any person consent to being nominated, at the same election for any other elective office provided for by the city charter.

* * *

Sec. 9-55. Procedure of Peaks Island council.

(a) *Inaugural meetings.* In 2007 the inaugural meeting of the Peaks Island council shall be held on the first Tuesday following the election at 7:00 p.m. at the Peaks Island elementary school. In subsequent years the date, time and place of the meeting shall be established by the written rules adopted by the Peaks Island council.

(b) *Regular meetings.* The Peaks Island council shall meet at least ten times a year ~~once every month~~. The time, date and place of such regular meeting shall be established by written rules of Peaks Island council to be adopted no later than December 15 of each year. Notice of meetings shall be advertised on the city of Portland calendar and shall be posted in at least two public places on Peaks Island.

(c) *Special meetings.* Special meetings may be called by the chairperson, and in case of their ~~his or her~~ absence, disability, or refusal may be called by a majority of the members of the council. Notice of such meeting shall be sent by e-mail to ~~served in person or left at the residence of~~ each

member of the council and posted in at least two public places on Peaks Island at least seventy-two (72) hours before the time for holding said special meeting.

* * *

(g) *Vacancies.* A vacancy in the membership of the Peaks Island council shall occur upon the happening of the following: (1) the death of a member; (2) the effective date of the resignation of a member; (3) the removal of a member from the island; (4) the conviction of a member of a felony while in office; or (5) the recall of a member pursuant to any provision for recall established by the council. The Peaks Island council shall declare a vacancy in its membership to exist upon the failure of a member to attend any three (3) consecutive regular meetings of the council, or at least forty (40%) percent of the regular meetings of the council held in any one calendar year unless said member shall be excused (by a vote of at least four (4) other members) for health reasons or other good cause.

A member may in writing addressed to the Peaks Island council resign his or her office effective at a future date specified in said written resignation. Once submitted to the council, said resignation may not be withdrawn, and said member's office shall become vacant on said specified future date.

If a vacancy in the membership of the Peaks Island council occurs or is declared prior to the next regular municipal election, the vacancy shall be filled at a special election to take place on the same date as the next scheduled municipal or state election ~~which is no less than one hundred and twenty (120) days after the date the vacancy occurs or is declared~~ unless the city council, by a vote of six (6) of its members, calls a special election on an earlier date following a request from the Peaks Island council. The notice of election for such special election shall upon vote of the city council be issued by a member of the city council by vote designated for that duty. Such election shall be called and held and nominations made as in other elections.

When a vacancy occurs, the Peaks Island council may appoint an interim councilor, who shall be sworn into office and who

shall serve with full powers and duties until a successor is elected as provided above and sworn into office.

If the November election does not result in the election of a full seven-member Peaks Island council, the Peaks Island council will appoint councilors to fill the remaining seats. The city clerk may determine the length of the terms of the appointed councilors in order to ensure the staggering of terms as contemplated by section 9-51(b) of this article. These appointed councilors shall serve with the same powers and duties that elected councilors have.

MEMORANDUM
City Council Agenda Item

FROM: Dena Libner, Chief of Staff

DATE: July 3, 2024

SUBJECT: Order 28-24/25 Amendment to Portland City Code Chapter 6 RE: Short Term Rental Unit Registration Requirements - Sponsored by Housing and Economic Development Committee, Councilor Pious Ali, Chair

SPONSOR: Sponsored by the Housing and Economic Development Committee, Councilor Pious Ali, Chair, meeting held July 2, 2024, and the vote was 3-1 (Rodriguez) to forward this to the City Council for approval and then out to the voters at the November 2024 election.

(If sponsored by a Council committee, include the date the committee met and the results of the vote.)

COUNCIL MEETING DATE ACTION IS REQUESTED:

1st Reading 7/15/2024

Final

Action 8/19/2024

Can action be taken at a later date: No If action cannot be taken at a later date, please explain why. Do NOT write yes or no; that will be automatically generated by the checkbox.

Does this item involve a new contract with the City: Not applicable

PRESENTATION: Councilor Kate Sykes/Michael Goldman

I. SUMMARY

The proposed amendments were developed to preserve affordable long-term housing stock in the City of Portland.

II. AGENDA DESCRIPTION

This order would approve certain amendments to the short term rental unit registration requirements in Chapter 6 of the City Code. At the July 2, 2024, Housing and Economic Development Committee meeting, the Committee voted 3-1 (Rodriguez) to forward proposed amendments to the City Council for approval. The amendments, which take effect January 1, 2026, include a requirement that booking services include a short term rental unit's registration number in all advertisements for a unit before accepting any charges; a requirement that the City publish the registration number and address of short term rental units on the City's website; a limitation on the number of non-owner occupied mainland short term rental units of 1.5% of the number of long term rental units in the City; a limitation of 40 non-owner occupied short term rental units on Peaks Island; a prohibition on new tenant occupied short term rental units; clarification that these new limitations do not apply to validly registered short term rental units that otherwise are in compliance with the city code; and other changes as set forth in the order.

These amendments do not affect portions of the code that were approved by a citizens initiative and may therefore be approved by the City Council without the need for a referendum. This item must be read on two separate days. It received its first reading on July 15. Five affirmative votes are required for passage after public comment.

III. BACKGROUND

As taken from Councilor Kate Sykes memorandum to the HEDC:

"Portland faces a severe housing affordability crisis. We have approximately 19,000 registered long-term rental units in the City and the rental vacancy rate is around 2.5% according to the most recent US Census Bureau's American Community Survey. It's estimated that 70% of Portland residents are rent burdened. It is further estimated that we are 9,000 units of housing short of what we need to adequately house our workforce.

Our parks, schools, libraries, tax base, and local workforce all depend on the availability of affordable long-term housing. Short term rentals take hundreds of units of housing away from Portland's already low housing stock and can undermine the residential character of neighborhoods and buildings. Under our current ordinance, the islands bear disproportionate number of Short Term Rental Licenses relative to the mainland communities. Many of the homes on the islands are seasonal, leaving few housing options for year-round residents and workers. The Peaks Island school, businesses and labor markets are particularly vulnerable to disruption when long-term housing stock is lost to vacation rentals.

Policy Goals:

- Give law-abiding citizens the option use their primary residence as a short term rental
- Limit the number of non-owner occupied short-term rentals, in proportion to the amount of rental housing stock/vacancy rate
- Ensure that speculators do not buy up single family homes, including condominiums, to turn them into pseudo hotels
- Prevent rental arbitrage from eroding long term rental housing stock
- Protect the year-round community, labor force, and economy on Peaks Island by preserving their existing year-round housing stock
- Prevent the disruption of the residential character of neighborhoods and buildings
- Leverage legal precedent that has been set by other communities in requiring booking services to verify registration with the City before charging for services
- Decrease the threat or harm to public health, safety, or general welfare that results from unlawful vacation rentals
- Provide greater public transparency into Short Term rental registrations
- Create a clear public complaint process that aids enforcement"

IV. INTENDED RESULT AND/OR COUNCIL GOAL ADDRESSED

The intended result would reduce administrative complexity to help facilitate initial and ongoing implementation, as well as improve stakeholder's understanding of and adherence to new regulations.

V. FINANCIAL IMPACT

After a review of the proposed amendments, it has been determined that this would not result in a meaningful increase to the cost of the program's implementation.

VI. STAFF ANALYSIS AND BACKGROUND

Staff recommends approval and then put it out to the voters in the November 2024 election.

VII. RECOMMENDATION

The Housing and Economic Development Committee reviewed the amendments at its July 2, 2024, and the vote was 3-1 (Rodriguez) to forward this to the City Council for approval and then out to the voters at the November 2024 election.

VIII. LIST ATTACHMENTS

1. Short Term Rental Item
2. Snippets from Chapter006.Buildings 5.8.2024
3. Order 28 - Short term rentals Registration Amendment to City Code
4. Public Comment - Order 28

5. Sykes Amendment 1 to Order 28
6. 08.19.24 Order 28 Public Comment

Prepared by:

Dena Libner, Chief of Staff

Date: 07/03/2024

Office of Corporation Counsel
Michael Goldman, *Corporation Counsel*
Amy McNally, *Associate Corporation Counsel*
Nicole Albert, *Associate Corporation Counsel*
Rachel Millette, *Associate Corporation Counsel*



MEMORANDUM

To: Mayor Mark Dion; Councilor Kate Sykes **MIG**

Cc: Danielle West, City Manager; Dena Libner, Assistant City Manager; Greg Watson, Director of Housing and Economic Development; Jessica Hanscombe, Director of Permitting and Inspections

From: Michael Goldman, Corporation Counsel

Date: May 14, 2024

Subject: Initiatives Impacting Short Term Rental Ordinance

In light of the Housing and Economic Development Committee's potential plans to amend the short-term rental provisions in the City Code, I reviewed recent citizen initiatives to ensure that any ordinance amendments are consistent with the five-year rule in Section 9-46 of the City Code, which provides as follows:

An ordinance enacted by a vote of the people at an initiative or referendum election shall not be repealed or amended for a period of five (5) years from the effective date of the ordinance, except by a vote of the people, unless such ordinance shall otherwise expressly provide. After five (5) years from the effective date of the ordinance, the city council after public hearing may repeal or amend such ordinance by vote of five (5) of its members.

Accordingly, under the five-year rule, the Council is prohibited from amending an ordinance enacted by the citizen initiative process for five years after the effective date of the ordinance, unless such an amendment is approved at an election.

The provisions of the City Code that address short term rentals are included in Chapter 6, Sections 6-150 to 6-157 and 6-236. Although these sections address short and long term rental units, for purposes of this memo, I refer to those sections as the "Short Term Rental Ordinance." In the previous five years, there have been two citizen initiatives passed by

the voters that amended the Short Term Rental Ordinance: (1) An Act To Protect Tenants (2020) (the “2020 Act”) (Attachment 1); and (2) An Act To Protect Tenants In Portland (2022) (the “2022 Act”) (Attachment 2).

The 2020 Act affected the Short Term Rental Ordinance as follows:

- It created Sections 6-151(c) and (d)
- It amended Section 6-152(b)
- It created Sections 6-236(a) and (b)¹

The 2020 Act became effective on or about December 3, 2020, and, therefore, the changes listed above cannot be amended or repealed by the Council without a vote of the people until after December 3, 2025.

The 2022 Act affected the Short Term Rental Ordinance as follows:

- It amended Section 6-151(a)(1)
- It amended Sections 6-151(f)(2) and (4)
- It amended Section 6-152(e)
- It amended Section 6-236(a) and (b)

The 2022 Act became effective on or about December 8, 2022, and, therefore, the changes listed above cannot be amended or repealed by the Council without a vote of the people until after December 8, 2027.

At this time, I do not know what changes the HEDC might propose to the Short Term Rental Ordinance, so it is difficult to say what, if any, impact Section 9-45 might have on the proposed changes. The purpose of this memo is simply to ensure that the HEDC is aware of the restrictions that Section 9-45 place on the Council’s ability to amend or repeal the portions of the Short Term Rental Ordinance that were enacted by the 2020 Act or the 2022 Act. As the Committee works through the process, I will plan to further review the prior initiatives to ensure that we do not run afoul of the five year rule. Please let me know if you have any questions or concerns in the meantime.

¹ In the proposed ordinance drafted by the proponents of the initiative, subsections (a) and (b) were incorrectly referred to as (1) and (2) (see Attachment 1)

**AFFIDAVIT FILED PURSUANT TO §9-36 OF PORTLAND CITY CODE
SEEKING PETITIONS FOR INITIATION OF ORDINANCE**

The undersigned hereby depose and say as follow:

- (1) The undersigned are registered voters of the City of Portland, whose respective addresses appear below next to their names;
- (2) The undersigned file this affidavit for the purpose of initiating an ordinance ("the Ordinance"), the text and a summary of which is annexed to this Affidavit as Exhibit A;
- (3) The undersigned will constitute the Petitioners' Committee and circulate the citizen initiative petition;
- (4) All notices to the Committee are to be sent to DSA the following address:

PO Box 11345 Portland Maine 04104

Dated at Portland, this 15 day of May 20 20.

✓ Crow Norlander

(Print) Name

64 Mabel St. #2 Portland ME 04103

Address

Signature

✓ Nicholas Pellenz

(Print) Name

215 St John St

Address

Signature

✓ Jai Kang

(Print) Name

45 Rustic Ln.

Address

Signature

✓ Jeanne Heil

(Print) Name

45 Rustic Ln

Address

Signature

✓ Jessica Falero

(Print) Name

9 C st

Address

Signature

✓ Arnon Berger

(Print) Name

11 Grant st #6

Address

Signature

✓ Sydney Avitia-Jacques

(Print) Name

180 State St. #301 Portland 04101

Address

Signature

✓ Grayson Lookner

(Print) Name

1275 Westbrook St. #2

Address

Signature

✓ KRYSTIAN BIGOSINSKI

(Print) Name

73 ALBA ST

Address

Signature

✓ Ann Laguerre

(Print) Name

139 Park St.

Address

Signature

Subscribed and sworn to before me this 14 day of May, 20 20.

Jonathan D Torsch

Signature of Notary Public/Attorney-at-law

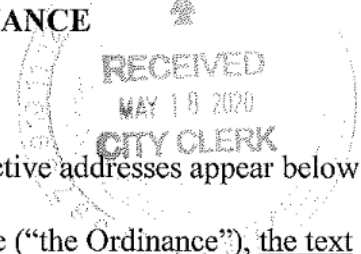
8/19/2026

Date Commission Expires/Date Entered the Bar

JONATHAN D TORSCH

Printed Name

**AFFIDAVIT FILED PURSUANT TO §9-36 OF PORTLAND CITY CODE
SEEKING PETITIONS FOR INITIATION OF ORDINANCE**



The undersigned hereby depose and say as follow:

- (1) The undersigned are registered voters of the City of Portland, whose respective addresses appear below next to their names;
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- (4) All notices to the Committee are to be sent to DSA the following address:

PO Box 11345 Portland Maine 04104

Dated at Portland, this _____ day of _____ 20____.

Crow Norlander
(Print) Name

64 Mabel St. #2 Portland ME 04103
Address

[Signature]
Signature

Nicholas Pellenz
(Print) Name

215 St John St
Address

[Signature]
Signature

Jai Kang
(Print) Name

45 Rustic Ln.
Address

[Signature]
Signature

Jeanne Heil
(Print) Name

45 Rustic Ln
Address

[Signature]
Signature

Jessica Falero
(Print) Name

9 C st
Address

[Signature]
Signature

Aaron Berger
(Print) Name

11 Grant st #6
Address

[Signature]
Signature

Sydney Avitia-Jacques
(Print) Name

180 State St. #301 Portland ME 04101
Address

[Signature]
Signature

Grayson Lookner
(Print) Name

1275 Westbrook St. #2
Address

[Signature]
Signature

KRYSZIAN BIGOSINSKI
(Print) Name

73 ALBA ST
Address

[Signature]
Signature

Ana Laguerz
(Print) Name

139 Park St.
Address

[Signature]
Signature

Subscribed and sworn to before me this 14 day of May, 2020.

[Signature]
Signature of Notary Public/Attorney-at-law

8/19/2026
Date Commission Expires/Date Entered the Bar

JONATHAN D TORSCH
Printed Name

An Act To Protect Tenants

An Act to Protect Tenants will cap most annual rent increases to the rate of inflation, ban discrimination against tenants with public vouchers, incentivize landlords to provide 90-day notice to tenants they are asking to vacate, and create a tenant/landlord board to permit additional rent increases when individual building circumstances warrant, such as major capital improvements.

1. That the Code of Ordinances, City of Portland, Maine, is hereby amended by adding a section to be numbered Chapter 6, Article XII, which said article reads as follows:

ARTICLE XII. RENT CONTROL AND TENANT PROTECTIONS

Sec. 6-230. Purpose.

The purpose of this Article is to address increasing rental costs within the City of Portland; to promote neighborhood and community stability; to protect the City's tenant population; to limit arbitrary evictions; and to stabilize and make more predictable future rent increases, all while remaining in conformance with Maine law, and ensuring that Landlords within the City receive a fair return on investment.

Sec. 6-231. Applicability.

This Article shall apply to Rental Units in the City limits of Portland, exempting the following:

- (a) Rental Units owned, operated, or otherwise managed by municipal housing authorities, as defined in 30-A M.R.S. §4721(1), as amended;
- (b) Accommodations provided in a hospital, convent, church, religious facility, or extended care facility;
- (c) Dormitories owned and operated by an institution of higher education, or by Portland Public Schools;
- (d) Rental Units within a building containing only two (2), three (3) or four (4) dwelling units, one of which the Landlord currently occupies as his or her principal residence;
- (e) Accommodations where the amount of rent charged is either controlled or subsidized by a federal, state, or local governmental agency; and
- (f) Accessory dwelling units, as defined and understood in Chapter 14 of this Portland City Code.

Sec. 6-232. Definitions.

Allowable increase percentage means the amount that the rent of a Covered Unit may be raised within a Rental Year, unless a Landlord is entitled to additional increases as laid out in Section 6-233 below. The allowable increase percentage shall be determined on September 1 of each year beginning on September 1, 2021, and shall be equal to 100 percent of the change in the Consumer Price Index for Greater Boston Metro Area, as published by the United States Bureau of Labor Statistics or its designee.

Base rent means the initial amount of rent that a Landlord charges for a Covered Unit, as more specifically defined in Section 6-233 of this Article.

Banked rent means the Base Rent for a Covered Unit, plus any increase in rent to which the Landlord was entitled under Sections 6-233 and 6-234 below, but that was not charged to a Tenant during a particular Rental Year.

Constructed means a Rental Unit that has received its final certificate of occupancy from the City's Permitting and Inspections Department, or its designee.

Covered unit means a Rental Unit within the City of Portland that does not fall within a category exempted from this Article by Section 6-231.

Current covered unit means a Covered Unit that is occupied by a Tenant on January 1, 2021.

Discontinued covered unit means a Covered Unit that is not occupied on January 1, 2021 and has not been registered with the City of Portland under Section 6-151 of this Chapter.

Landlord means an owner, manager, managing agent, sublessor, or other person having the right to rent or sell or manage any housing unit or rental property or any agent of these individuals or entities.

Qualified family member means a spouse, parent, grandparent, brother, sister, child or grandchild related by blood, marriage, or adoption.

Rent means the consideration, including any deposit, bonus, benefit, or gratuity demanded or received for, or in consideration with, the use or occupancy of rental units and housing services. Such consideration includes, but is not limited to, monies and fair value of goods and services rendered to or for the benefit of the

Landlord under the Rental Agreement, or in exchange for a Rental Unit, or housing services of any kind.

Rent board means the set of appointed individuals responsible for the administration of this Article, in accordance with the terms set forth below.

Rent stabilization allowances means collectively the Allowable Increase Percentage, the Tax Rate Rent Adjustment, and any additional rent increase exemptions approved by the Rent Board under Section 6-234 of this Article.

Rent stabilization ordinance means Chapter 6, Article XII of the Code of Ordinances, City of Portland, Maine, as amended.

Rental agreement means a written legal contract between a Landlord and a Tenant for the use and/or occupancy of a Rental Unit.

Rental unit means any dwelling unit that is rented or otherwise made available for rent for residential use or occupancy, together with all additional rights, privileges, or services connected with use or occupancy of such a unit, including but not limited to vehicle parking spaces, storage, and commons areas and/or recreational facilities held out for use by the Tenant.

Rental year means a period of twelve (12) consecutive months beginning on January 1, 2021, or the date on which a Covered Unit enters the rental housing market, whichever is earlier.

Tax rate rent adjustment means the additional amount by which a Landlord may increase the rent of a Covered Unit within a given year. The Tax Rate Rent Adjustment may be added to the Allowable Increase Percentage if and only if the City changes the mil rate as compared to the previous Rental Year. In this case, the tax rate rental adjustment is equal to the actual increase in property taxes attributable to the individual Covered Unit.

Tenancy means the right or entitlement of a Tenant to use or occupy a rental unit.

Tenant-Based Rental Assistance means any and all forms of tenant-based rental assistance and vouchers, including but not limited to:

- (a) Tenant-based rental assistance through the Section 8 Housing Choice Voucher Program, 42 U.S.C § 1437f (o)
- (b) Tenant-based rental assistance through the HOME Investment Partnerships Act at title II of the Cranston-Gonzalez

- National Affordable Housing Act, as amended, 42 U.S.C § 12701 et seq.;
- (c) Tenant-based rental assistance under the HOD-Veterans Affairs Supportive Housing (HUD-VASH), authorized by § 8 (o) (19) of the United States Housing Act of 1937, 42 U.S.C. § 1437f (o) (19);
 - (d) Tenant-based rental assistance through the Shelter Plus Care Program authorized by title IV, subtitle F, of the Stewart B McKinney Homeless Assistance Act, 42 U.S.C. §§ 11403-11407b, as amended;
 - (e) Tenant-based rental assistance through the Supportive Housing Program authorized by title IV, subtitle F, of the Stewart B McKinney Homeless Assistance Act, 42 U.S.C. §§ 11381-11389, as amended;
 - (f) Tenant-based rental assistance through the Section 8 Disaster Voucher Program (DVP);
 - (g) Tenant-based rental assistance through the Housing Opportunities for Persons with AIDS (HOPWA) Program, 42 U.S.C. § 12901 -12912 as amended;
 - (h) Tenant-based rental assistance through the Community Block Grant Program, 42 U.S.C. § 5301 et seq. as amended;
 - (i) Tenant-based rental assistance through the Continuum of Care Program authorized by subtitle C of title IV of the McKinney-Vento Homeless Assistance Act, 42 U.S.C. §§ 11381-11389;
 - (j) Tenant-based rental assistance through the Rural Development Voucher Program authorized through § 542 of the Housing Act of 1949, as amended. See 78 Fed. Reg. 49374 (Aug. 14, 2013) (proposed rule);
 - (k) Tenant-based rental assistance through the Maine Bridging Rental Assistance Program, authorized by M.R.S. Title 34-B § 3011;
 - (l) Tenant-based rental assistance through the Maine State Housing Authority Home To Stay Program, M.R.S. Title 30-A § 4771;
 - (m) Tenant-based rental assistance through the Maine State Housing Authority Stability Through Engagement Program, M.R.S. Title 30-A § 4771;
 - (n) Tenant-based rental assistance through the City of Portland's Tennant Based Rental Assistance Program, M.R.S. Title 30-A § 4771;
 - (o) Tenant-based rental assistance through the City of Portland's General Assistance Program, authorized by M.R.S. Title 22 § 4301 et seq.; and
 - (p) Such other Tenant-based rental assistance or rental vouchers or rental coupons as may be authorized under any federal, state, or local program.

Sec. 6-233. Establishment of base rent.

(a) Base Rent for Current Covered Units. Beginning on January 1, 2021, each Covered Unit shall be registered with the City in accordance with Section 6-151(c). Such registration must include proof of the rent charged by the Landlord for each Covered Unit as of June 1, 2020 (i.e., through presentation of a valid Rental Agreement, rent payment receipt, or other acceptable means within the opinion of the City). This amount shall be the Base Rent for purposes of the Rent Stabilization Ordinance.

(b) Base rent for Discontinued Covered Units.

- (i) If a Covered Unit is not registered with the City as of January 1, 2021, but is registered with the City after such date, the Base Rent shall be set by the Landlord.
- (ii) If a Covered Unit is registered with the City as of January 1, 2021, but is removed from the rental housing market, the Base Rent for such a Covered Unit upon reentry to the rental housing market shall be the Banked Rent, as measured from the Rental Year in which the Covered Unit was removed from the rental housing market.
- (iii) If a Covered Unit is registered with the City as of January 1, 2021, but is subsequently removed from the rental housing market for a period of five (5) or more Rental Years, the Base Rent for such a Covered Unit upon reentry into the rental housing market shall be set by the Landlord.

(c) Base rent following renovation or reconfiguration of Covered Units. Upon the renovation or reconfiguration of a Covered Unit, the Landlord may charge no more than the Banked Rent for that unit, or may apply to the Rent Board for determination of the appropriate increase in rent. When determining the appropriate increase in rent, the Rent Board may consider factors including the increase in floor area, the addition or upgrade of amenities, and any other factor determined relevant in the opinion of the Rent Board.

(d) Base rent following consolidation of Covered Units. When two (2) or more Covered Units are consolidated to create a single Covered Unit, the Base Rent for the resulting Covered Unit shall be equal to the Banked Rent of the larger of the two previously-existing Covered Units, increased by a percentage equal to the increase in square footage of the new Covered Unit.

Sec. 6-234. Rent increase limitations.

(a) Beginning on September 1, 2021, and occurring no later than September 1 of each subsequent year, the Housing Safety Office shall establish and publish the Allowable Increase Percentage and the Tax Rate Rent Adjustment for the following calendar year.

(b) A Landlord may only increase the rent charged for a Covered Unit once within a Rental Year, by an amount that conforms to the following specifications:

- (i) Annual Increase Percentage. Unless a Landlord qualifies for an additional increase as further described below, rent for a Covered Unit may not be increased by more than the Allowable Increase Percentage.
- (ii) Tax Rate Rent Adjustment. If the mil rate within the City of Portland is altered for the subsequent fiscal year a Landlord may, in addition to the Allowable Increase Percentage, increase rent by the Tax Rate Rent Adjustment for the subsequent Rental Year.
- (iii) New Tenancy. A landlord may increase the rent on a Covered Unit by five percent (5%) of the base rent in addition to any other allowable increases when a new tenant occupies a unit. This increase may be applied at most once per year, regardless of the number of new tenancies.
- (iv) Banked Rent. If the Landlord has banked additional rent increases, in accordance with Section 6-235 below, this banked amount, in whole or in part, may be added to the increases permitted by subsections (i) and (ii) above.
- (v) Additional Rent Board Approved Increases. In addition to the above rent adjustments, the Rent Board may approve additional rent increases properly demonstrated by the Landlord, attributable to:
 - i. Capital improvement costs, including financing costs;
 - ii. Uninsured repair costs;
 - iii. Increased housing service costs; and
 - iv. Any additional increase, within the opinion of the Rent Board, required to allow the Landlord to receive a fair rate of return.

(c) Under no circumstances may a Landlord raise the rent of a Covered Unit by more than ten (10) percent within a Rental Year. Any rent increases available to a Landlord in excess of ten (10) percent must be banked for use in a subsequent Rental Year.

(d) Before increasing the rent of a Covered Unit, a Landlord must send a signed document to the Tenant(s) no fewer than seventy-five (75) days before the effective date of the rent increase. This document must include the date on which the Tenancy began, the date on which the rent will be increased, and the appropriate justifications for such a rent increase as defined in Section 6-234(b) above. Failure to provide such documentation shall be considered a violation of this Article.

(e) A Tenant who receives notice of a rent increase that they believe does not conform with this Section may file an appeal of said rent increase with the Rent Board. Upon receipt of the appeal, the Rent Board shall schedule a public hearing to be held no more than twenty-one (21) days after the filing of the completed appeal application. At the public hearing, the Board will consider the rent charged under the existing Rental Agreement, the amount of the proposed new rent, and the factors which may or may not allow such an increase in accordance with this Article. Upon consideration of such evidence, the Board will render a decision as to whether the increased rent is allowable. If such an increase is more than is allowed by this Article, the Board may impose such fines as are allowed by this Article.

Sec. 6-235. Process of banking rent increases.

If a Landlord chooses to not impose any rent increases to which they are entitled pursuant to Section 6-234 above, these increases may be banked, in whole or in part. Banked increases may be used to raise the rent of Covered Units in subsequent Rental Years in addition to the Rent Stabilization Allowances established for that year by the Rent Board, provided that the total increase of such rent shall not exceed ten (10) percent within a single Rental Year.

Sec. 6-236. Termination of Tenancies-At-Will

- (1) In order to be terminated by a Landlord, tenancies-at-will must be terminated by providing a minimum of 90 days' written notice to Tenant except as provided below:
 - a. "For Cause" tenancies terminable on 7 days' notice pursuant to 14 M.R.S. § 6002(1) may be terminated in accordance with Section 6002(1);
 - b. Short-term rentals with a term of fewer than 30 days' are exempt from the 90-day notice period outlined herein;
 - c. Holdover tenancies are exempt from the 90 day notice period outlined herein;
 - d. Where a Landlord provides \$500.00 reimbursement to Tenant for the inconvenience of termination, tenancies-at-will

- may be terminated by notice to the Tenant of sixty (60) to eighty-nine (89) days;
- e. Where a Landlord provides \$1000 reimbursement to Tenant for the inconvenience of termination, tenancies-at-will may be terminated by notice to the Tenant of thirty (30) to fifty-nine (59) days.
- (2) Reimbursement amounts outlined in subsections (c) and (d) above are lump-sum amounts payable in a single installment for the collective benefit of all tenants of a unit. Tenants are responsible for allocating the reimbursement amount among themselves.

Sec. 6-237. Discrimination prohibited in sale or rental of housing units.

- (a) A tenant shall have the right to secure a rental housing unit without being refused that right on the basis of discrimination because of race, color, sex, sexual orientation, physical or mental disability, ancestry, national origin, or family status, pursuant to 5 M.R.S. Section 4581-A, et. seq., as amended from time to time.
- (b) A landlord shall not refuse to rent or impose terms of tenancy on any tenant who is a recipient of federal, state or local public assistance, including medical assistance and housing subsidies primarily because of the individual's status as a recipient as described in 5 M.R.S. §4581-A(4), as amended from time to time.
- (c) It shall be prohibited for a landlord to refuse to rent or negotiate for the rental of, or otherwise make unavailable or deny a dwelling to any tenant because of the tenant's source of income or because of the requirements of any program providing the source of income;
- (d) It shall be prohibited for or a landlord to refuse to participate in or comply with any federal, state, or local requirements of a tenant-based rental assistance program, including, but not limited to the following:
1. Refusing to allow inspections of a dwelling by the public housing authority or other entity administering a tenant-based rental assistance program;
 2. Refusing to make reasonable repairs necessary for the dwelling to meet the housing quality standards of the tenant-based rental assistance program; such repairs will be considered reasonable if they do not substantially alter or change the housing unit or do not require repairs substantially different from those that would be required to bring the rental unit into compliance with the Maine Warranty of Habitability Act or local building or housing codes applicable for new construction.

3. Refusing to complete any necessary paperwork, including but not limited to such documents as the Request for Tenancy Approval form, the Housing Assistance Payments Contract, and the Tenancy Addendum or applicable General Assistance forms; and,
4. Refusing to provide information required by the public housing authority or other entity administering the source of income or tenant-based rental assistance program.

Sec. 6-238. Notice of ordinance to tenants.

(a) The Planning Department or its designee shall create and make available on the City's publicly accessible web site a plain language document that explains the rights, responsibilities, and protections created by this Ordinance.

(b) The document referenced above shall be provided by Landlords to all Tenants in Covered Units at the commencement of the rental of the Covered Unit and shall be provided again upon any update to the document made by the City.

(c) An acknowledgement of receipt of the document described above must be signed by all Tenants, and a copy of the acknowledgement kept on file by the Landlord for at least three (3) years and made available for inspection at the request of the City of Portland.

(d) Landlords of buildings shall post a copy of the document referenced above in at least one (1) conspicuous common area within the building housing the Covered Units.

Sec. 6-239. Non-waiver of rights.

No provision of, or right conferred by, this Article may be waived by a Tenant, by agreement or otherwise, and any such waiver shall be void. Any attempt to require, encourage, or induce a Tenant to waive any provision hereof, or right hereby, shall be a violation of this Article. Nothing herein shall be construed to void any term of a Rental Agreement that offers greater rights than those conferred hereby.

Sec. 6-240. Enforcement and remedies.

Any violation of this Article is considered a civil infraction and shall be enforced pursuant to the Portland City Code Chapter 1, §1-15.

Sec. 6-241. Limitation of Liabilities

(a) Nothing in this Article shall be interpreted to contravene the general laws of the State of Maine; and

(b) Nothing in this Article shall be construed to create additional liabilities greater than those already existing under law or to create new private causes of action.

Sec. 6-242. Severability.

The provisions of this Article are severable. If any of its provisions are held invalid by act of a court of competent jurisdiction, all other provisions of this Article shall continue in full force and effect.

Sec. 6-243. - Sec. 6-249. Reserved.

2. That the Code of Ordinances, City of Portland, Maine, is hereby amended by adding a section to be numbered Chapter 6, Article XIII, which said Article reads as follows:

ARTICLE XIII. RENT BOARD

Sec. 6-250. Creation; composition.

There shall be a Rent Board of seven (7) members. Members of the Rent Board shall be residents of the city and shall not be officers or employees of the city or any of its agencies or departments.

Two (2) members shall be appointed to fill at-large seats, and may reside in any part of the city. The remaining five (5) members shall be comprised of one member from each of the five (5) city council wards. Should the number or location of said city council wards be changed, the districts and number of Rent Board members shall change to mirror such changes.

The City shall take reasonable steps, but is not required, to appoint to the Rent Board with no more than three (3) landlords and at least three (3) tenants.

Sec. 6-251. Appointment; terms.

The members of the Rent Board shall be appointed by the City Council for terms of three (3) years. Such members shall serve until their successors are duly appointed and qualified. Such terms

shall be staggered so that the terms of not more than three (3) members shall expire in any calendar year.

Sec. 6-252. Vacancies.

Permanent vacancies on the Rent Board shall be filled by the City Council, in the same manner as other appointments hereunder, for the unexpired term of the former member.

Sec. 6-253. Removal of members.

Any member of the Rent Board may be removed for cause by the City Council at any time; provided, however, that before any such removal, such member shall be given an opportunity to be heard in his or her own defense at a public hearing.

Sec. 6-254. Compensation.

Members of the Rent Board shall serve without compensation.

Sec. 6-255. Chair and vice-chair.

(a) The members of the Rent Board shall annually elect one (1) of their number as chair to preside at all meetings and hearings and to fulfill the customary functions of that office, and another of their number as vice-chair. The chair may administer oaths. The chair shall have the right, upon request, to designate any person or organization as a specially interested party for purposes of offering evidence and conducting cross-examination at hearings.

(b) In the absence of the chair, the vice-chair shall act as chair and shall have all the powers of the chair. The vice-chair shall have such other powers and duties as may from time to time be provided by the rules of the Rent Board.

Sec. 6-256. Staff secretary; minutes, public records.

The Housing Safety Office shall designate a member of its staff to serve as staff secretary of the Rent Board and attend all its proceedings. The staff secretary shall keep the minutes of the proceedings of the Board, showing the vote of each member on every question, or his or her absence or failure to vote, and shall maintain the permanent records and decisions of all board meetings, hearings and proceedings, and all correspondence of the board, as required by statute. Such records shall be public records open to inspection during working hours upon reasonable notice.

Sec. 6-257. Quorum and necessary vote.

As to any matter requiring a hearing, no business shall be transacted by the Rent Board without a quorum, consisting of four (4) members being present. The concurring vote of at least four (4) members shall be necessary to authorize any action by the Board. If less than a quorum is present, the hearing may be adjourned from time to time for a period not exceeding three (3) weeks at any one time. The staff secretary shall notify in writing all members of the date of the adjourned hearing and shall notify such other interested parties as may be directed in the vote of adjournment.

Sec. 6-258. Meetings, hearings, and procedures.

(a) Regular meetings of the Rent Board shall be held at the call of the chair or as provided by the rules of the board. Special meetings shall be called by the chair at the request of any three (3) members of the Board or at the request of the city council. All meetings and hearings of the board shall be open to the public.

(b) The Rent Board shall adopt its own rules of procedure for the conduct of its business not inconsistent with the statutes of the state and this article. Such rules shall be filed with the staff secretary and with the city clerk. Any rule so adopted which relates solely to the conduct of hearings, and which is not required by the statutes of the state or by this article, may be waived by the board upon good cause being shown.

Sec. 6-259. Public hearings.

Public hearings shall be held as required by the various statutes, codes, and ordinances pursuant to which matters are brought before the Rent Board and shall be conducted in accordance with relevant state law, this code, and the rules of the board.

Sec. 6-260. Record and decisions.

(a) The minutes of the staff secretary, and the transcript if one (1) is made, and all exhibits, papers, applications, and requests filed in any proceeding before the Rent Board, and the decision of the Board shall constitute the records.

(b) Every final decision of the Rent Board shall include written findings of fact, and shall specify the reason or reasons for such decision.

(c) The staff secretary shall mail notice of any decision of the Rent Board to the applicant and any designated interested parties within five (5) days of such decision.

Sec. 6-261. Conflicts.

No member of the Rent Board shall participate in the hearing or disposition of any matter in which they have an interest, as defined by 30-A M.R.S.A. § 2604(4), as amended.

Sec. 6-262. Appeals to Superior Court.

An appeal from any final decision of the Rent Board as to any matter over which it has final authority may be taken by any party or by any authorized officer or agent of the City to the Superior Court in accordance with Rule 80B of the Maine Rules of Civil Procedure.

Sec. 6-263. Jurisdiction and authority.

In addition to the jurisdiction conferred on it by other ordinances of the City and in accordance therewith, the Rent Board shall have the following jurisdiction and authority:

(a) To hear, review, and approve or deny Landlord applications for rent increases greater than those allowed by the Rent Stabilization Ordinance;

(b) To hear, review, and approve or deny Landlord applications for increases in Base Rent due to the renovation or reconfiguration of existing Covered Units, as provided for in Section 6-234 above.

(c) To hear, review, and grant or deny appeals from Tenants regarding allegations violations of Maine statute regarding the habitability of residential units.

(d) To hear, review, and approve or deny any requests from Landlords for an extension of time in which to reinstate Tenants temporarily displaced due to the Landlord's performance of necessary capital improvements to the Covered Unit and/or the building in which said unit is housed.

(e) To hear, review, and decide the appropriate outcome of all disputes arising between Landlords and Tenants on matters falling within the scope of Article XII of this Chapter, if both parties consent to such mediation and resolution by submitting the landlord/tenant dispute form, as maintained and edited by the Housing Safety Office, signed by both Landlord and Tenant no later than fourteen (14) days before the date on which such a hearing shall be scheduled.

(f) To impose such fines as are necessary and allowed for violations of the provisions of the Rent Stabilization Ordinance.

(g) To prepare and recommend to the City Council changes and amendments to the City's Rent Stabilization Ordinance.

(h) To prepare an annual report on the state of the City's rental unit availability, which shall be presented to the City Council as part of a regularly-scheduled public hearing. This report shall include a summary of rents within each of the five (5) council wards. Such reporting may or may not be done in conjunction with similar reporting required of the City's Rental Housing Advisory Committee, as established by this Chapter.

(i) To initiate changes and amendments to this Article, as well as to the city's Rent Stabilization Ordinance.

3. That Chapter 6, Section 151, of the Code of Ordinances, City of Portland, Maine, is hereby amended as follows:

Sec. 6-151. Registration required.

...

(c) Additional Information Required for Covered Units. A Covered Unit, as defined by Section 6-232 of this Chapter, shall not be considered registered unless and until the registrant has submitted the following additional information:

1. The current rent charged at the time of registration;
2. The increase in rent (if any) when compared to the previous Rental Year's rent;
3. Whether the increase (if any) is attributable to: (1) the Allowable Increase Percentage and Tax Rate Rent Adjustment, as defined in Section 6-232; or (2) also includes Banked Rent, as defined in Section 6-232;
4. The amount of Banked Rent, if any, accumulated in the previous Rental Year;
5. The amount of security deposits or other payments demanded in addition to rent for each Covered Unit; and
6. The number of bedrooms, number of bathrooms, and the presence or absence of a kitchen from each Covered Unit.

(d) Registration data made available. The City's Permitting and Inspections Department or its designee is required to make anonymized data from the registration of Covered Units available to the Rent Board at the Board's request. Such data shall not include the names, or street and unit numbers of any reported units.

4. That Chapter 6, Section 152, of the Code of Ordinances City of Portland, Maine, is hereby amended as follows:

Sec. 6-152. Registration Fees.

...

(b) Long Term Rental Registration Fee. The registrant of a long term rental shall pay fifty dollars (\$50.00) to the City by January 1st of each year. Regardless of any discount a Landlord may be entitled to under subsection (d) below, thirty dollars (\$30) from each registration fee shall be appropriated to Housing Safety Office to cover the administrative expenses of the Rent Board, including the hiring of additional administrative staff if necessary.

EXHIBIT A

An Act to Protect Tenants in Portland

An Act to Protect Tenants in Portland ensures that tenants receive 90-day notice for lease termination and/or rent increases. It discourages no-cause evictions by limiting the 5% rent increase to voluntary turnovers. It reduces costs to tenants by restricting deposits to one-month rent, prohibiting application fees, and further limiting the amount of standard annual rent increases that landlords are allowed to impose to 70% of CPI. It strengthens protections for tenants who exercise their rights under the ordinance, and provides greater clarity and authority to the rent board to ensure landlords receive a fair return on investment and that tenant complaints receive a fair hearing. It also sets a \$25,000 fee for condominium conversions. The Act also makes various technical changes and corrections to allow the ordinance to better effectuate its originally intended purpose.

BE IT ORDAINED:

1. That Chapter 6, Sections 6-151, 6-152, 6-223, 6-223.1, 6-223.2, 6-231, 6-232, 6-233, 6-234, 6-235, 6-235.1, 6-236, 6-237, 6-240, 6-241, 6-250, 6-251, and 6-263 of the Portland City Code are hereby amended to read as follows:

Sec. 6-151. Registration required.*(a) Registration of Ownership.*

1. Rental units must be registered in accordance with this article by January 1st of each year; Rental units entering the rental housing market must be registered within fourteen days. Registration must be renewed annually, on or before January 1st, including updating all changes in previously submitted registration information.

...

(f) Additional Information Required for Covered Units. A Covered Unit, as defined by Section 6-232 of this Chapter, shall not be considered registered unless and until the registrant has submitted the following additional information:

...

2. The increase in rent (if any) when compared to the previous ~~Rental Year's rent~~ registration;

...

4. The amount of Banked Rent, if any, accumulated ~~in~~ since the previous ~~Rental-Year~~ registration;

...

Sec. 6-152. Registration Fees.

...

(e) Registrations that are not ~~renewed~~ received by ~~February~~ January 15, or within 14 days after entering the rental housing market, whichever is later, shall be subject to a late fee of ~~\$10~~ \$50 per unit, and registrations that are not received by February 15, or within 45 days after entering the rental housing market, whichever is later, shall be subject to a late fee of \$200 per unit. Registrations shall not be renewed unless and until the registrant pays any applicable late fee. Incomplete or inaccurate registrations may be rejected and subject to all applicable late fees upon resubmission. The Permitting and Inspections Director may waive a late fee upon a showing of both hardship and good cause as to why the renewal was not timely.

...

Sec. 6-223. Notification of rent increases.

Notwithstanding 14 M.R.S. Section 6015, a Landlord shall give ~~seventy-five (75)~~ ninety (90) days' written notice of any rent increase to a Tenant.

(Ord. No. 76-16/17, 11-21-2016)

Sec. 6-223.1. Rental applications, generally; application fees ~~restricted prohibited.~~

...

~~(b) Disclosure of Application Fee. Before accepting a rental application fee, a landlord shall disclose in writing to the applicant the rental application fee amount. The applicant shall not be charged more than the disclosed rental application fee for that application.~~

(eb) Availability of Units. Landlords shall only advertise rental housing units, receive applications, and screen applicants, ~~and accept application fees for rental housing units~~

when such rental housing units are actually available and ready for occupancy or are expected to be available for occupancy within a reasonable time period; provided, however, that an applicant may consent to be screened and placed on a waiting list. For purposes of this Section, a rental housing unit is no longer considered available if a different applicant has been screened by the landlord, has been offered the rental housing unit and accepted it, and has placed a deposit on the rental housing unit. A rental housing unit may be considered available if a tenant of a unit has declared they will not be renewing a lease or have otherwise vacated the property. Landlords shall document the date and time that deposits are placed on rental housing units.

(dc) Application Fees. ~~All application fees for rental housing units are prohibited shall not exceed the actual cost of the screening process or thirty dollars (\$30.00), whichever is lower. The actual cost of the screening process includes only the hard costs associated with a background check. Labor costs and other soft costs associated with application process must be excluded. Hard costs may include, including, but not be limited to, any fees or charges to applicants for the following:~~ national, state and local criminal background checks, credit reports, rental history records and/or reference checks, eviction records and/or employment verification. ~~Each adult who intends to reside in a rental housing unit may be charged an application fee.~~

~~(e) Disposition and Use of Application Fee. Within ten (10) days of receipt of an application fee, a landlord must provide an explanation for the disposition and use of the application fee and provide a receipt to the applicant detailing how the application fee was used. An application fee shall be refunded in its entirety if a landlord does not incur hard screening costs. A landlord shall also provide the applicant with any paperwork or copies of electronic correspondence generated as result of the screening process, to the extent permitted by State and Federal law.~~

~~(f) Current Tenants. A current tenant of a rental housing unit shall not be charged an application fee to move to another rental housing unit owned by the same landlord.~~

~~(g) Exemption. The provisions of this Section shall not apply to any landlord who does not charge a rental application fee.~~

Sec. 6-223.2 Maximum deposit.

Notwithstanding 14 M.R.S. Section 6032, a lease or tenancy at will agreement for a dwelling intended for human habitation may not require a security deposit equivalent to more than the rent for one (1) month.

...

Sec. 6-231. Applicability.

...

(d) Rental Units within a building containing only two (2), three (3) or four (4) dwelling units, one of which the Landlord property owner currently occupies as his or her principal residence;

...

Sec. 6-232. Definitions.

Allowable increase percentage means the standard amount that the rent of a Covered Unit may be raised within a the following Calendar ~~Rental~~ Year, unless a Landlord is entitled to additional increases as ~~laid out~~ provided in Sections 6-233 or 6-234 below. The allowable increase percentage shall be determined on September 1 of each year beginning on September 1, 2021, and shall be equal to ~~100~~ 70 percent of the change in the Consumer Price Index (CPI-U) for Greater Boston Metro Area for the preceding twelve months, as published in August by the United States Bureau of Labor Statistics or its designee. For the purposes of this ordinance, the Rent Board shall presume that the Allowable increase percentage is sufficient to allow a reasonably prudent landlord who received a fair return on investment prior to the enactment of this ordinance to continue to maintain a fair net operating income that increases over time at a just and reasonable rate, yielding a fair return on investment under the normal course of doing business.

Base rent means the initial amount of rent that a Landlord charged for a Covered Unit prior to the increases allowed under this ordinance, as more specifically defined in Section 6-233 of this Article. For the purposes of the ordinance, the Rent Board shall presume that the Base Rent was sufficient to have provided the Landlord a fair return on investment prior to the enactment of this ordinance.

Banked rent means the Base Rent for a Covered Unit, plus any

increase in rent to which the Landlord was entitled under Sections 6-233 and 6-234 below, but that was not yet applied to the Rent charged to a Tenant during a particular Rental Year.

...

Fair return on investment means an amount sufficient to allow a just and reasonable rate of return, to encourage the investment of capital in the rental housing market, to fairly compensate investors for the risks they have assumed, and to achieve minimum constitutionally protected standards. For the purposes of this ordinance, a Fair return on investment must be calculated using Maintenance of Net Operating Income methodology, as that term is used in other jurisdictions with similar ordinances, that presumes the net operating income the landlord earned from a Covered unit during calendar year 2019 yielded a fair return on investment, unless the landlord proves that special or peculiar circumstances prevented the landlord from receiving a fair return on investment during that period. The Rent Board may adopt rules or regulations to ensure the fair and consistent application of such methodology.

...

Major renovation or reconfiguration means one or more capital investments or improvements where the total cost of construction or improvement attributable to the Rental unit involved exceeds 20% of the property value, prior to improvement, of the Rental unit involved, as determined by the city's tax assessor.

...

Rent stabilization allowances means collectively the Allowable Increase Percentage, ~~the Tax Rate Rent Adjustment,~~ and any additional rent increase exemptions approved by the Rent Board under Section 6-234 of this Article.

Rent stabilization ordinance means Chapter 6, Articles XII and XIII of the Code of Ordinances, City of Portland, Maine, as amended.

Rental agreement means a ~~written legal~~ contract between a Landlord and a Tenant for the use and/or occupancy of a Rental Unit.

...

~~Tax rate rent adjustment means the additional amount by which a Landlord may increase the rent of a Covered Unit within a given year. The Tax Rate Rent Adjustment may be added to the Allowable Increase Percentage if and only if the City changes the mil rate as compared to the previous Rental Year. In this case, the tax rate rental adjustment is equal to the actual increase in property taxes attributable to the individual Covered Unit.~~

...

Tenants Union means any group, organization, committee, collective, association or entity, whether incorporated or unincorporated, of any kind, whatsoever, in which tenants participate and which exists for the purpose, in whole or in part, of dealing with Landlords concerning rental conditions or any matter related to the Landlord-tenant relationship, including but not limited to the rights and interests of tenants under this Chapter.

Sec. 6-233. Establishment of base rent.

(a) *Base Rent for Current Covered Units.* Beginning on January 1, 2021, each Covered Unit shall be registered with the City in accordance with Section 6-151(e). Such registration must include proof of the rent charged by the Landlord for each Covered Unit as of June 1, 2020 (i.e., through presentation of a valid Rental Agreement, rent payment receipt, or other acceptable means within the opinion of the City). This amount shall be the Base Rent for purposes of the Rent Stabilization Ordinance, except as otherwise provided within this section.

(b) *Base rent for Discontinued Covered Units.*

(i) If a Covered Unit ~~is~~ was not required to be registered with the City as of January April 1, 2021, but is required to be registered with the City after such date, the Base Rent shall be the amount of Rent charged 120 days prior to the date when the Covered Unit became required to be registered, or if no Rent was charged at such time, the first Rent charged by the Landlord any time thereafter. The Base Rent for any new Covered Unit entering the rental housing market for the first time shall be the Rent charged to the first Tenant, as set by the Landlord.

(ii) If a Covered Unit ~~is~~ was required to be registered

with the City as of ~~January~~ April 1, 2021, but is removed from the rental housing market, the Base Rent for such a Covered Unit upon reentry to the rental housing market shall be the Banked Rent, as measured from the ~~Rental Year in which time~~ the Covered Unit was removed from the rental housing market.

- (iii) If a Covered Unit ~~is~~ was required to be registered with the City as of ~~January~~ April 1, 2021, but is subsequently removed from the rental housing market for a period of ~~five (5) or more Rental Years~~ at least sixty (60) months, the Base Rent for such a Covered Unit ~~upon reentry into the rental housing market~~ shall be set by the Landlord the Rent charged to the first Tenant upon reentry into the rental housing market, as set by the Landlord.

(c) *Base rent following major renovation or reconfiguration of Covered Units.* Upon ~~the~~ a major renovation or reconfiguration of a Covered Unit, the Landlord may charge no more than the Banked Rent for that unit, or may apply to the Rent Board for determination of the appropriate ~~increased in rent~~ Base Rent. When determining the appropriate ~~increased in rent~~ Base Rent, the Rent Board may consider factors including the increase in floor area, the addition or upgrade of amenities, the amount necessary to ensure a fair return on investment, and any other factor determined relevant in the opinion of the Rent Board; the Rent Board may consider any amount of Banked Rent accrued for that unit, but after determining the appropriate Base Rent, all previously accrued Banked Rent shall be forfeited.

...

Sec. 6-234. Rent increase limitations.

(a) Beginning on September 1, 2021, and occurring no later than September 1 of each subsequent year, the Housing Safety Office shall establish and publish the Allowable Increase Percentage ~~and the Tax Rate Rent Adjustment~~ for the following calendar year, and shall announce and explain the methodology for calculating the Allowable Increase Percentage at the first meeting of the Rent Board following such publication. The Rent Board shall hear public comment after such announcement.

(b) A Landlord may not only increase the rent charged for a Covered Unit ~~once within a Rental Year~~ twelve (12) months

following a previous Rent increase. After twelve (12) months, the Landlord may only increase the rent charged for a Covered Unit, by an amount that conforms to the following specifications:

...

- ~~2. Tax Rate Rent Adjustment. If the mil rate within the City of Portland is altered for the subsequent fiscal year a Landlord may, in addition to the Allowable Increase Percentage, increase rent by the Tax Rate Rent Adjustment for the subsequent Rental Year.~~
32. New Tenancy. A landlord may increase the rent on a Covered Unit by five percent (5%) of the base rent in addition to any other allowable increases when a new tenant occupies a unit, but only if the previous Tenancy was terminated voluntarily by the previous Tenant, without coercion or unreasonable influence from the Landlord. This increase may be applied at most once per year twelve (12) months, regardless of the number of new tenancies. The Housing Safety Office shall investigate any report that the Tenancy was not terminated voluntarily by the Tenant, or that the Tenant was coerced or unreasonably influenced by the Landlord to terminate the Tenancy. Any tenancy in which the property owner served the tenant with a notice to quit or summons and complaint for forcible entry and detainer shall not be deemed to be a situation in which the previous tenant voluntarily terminated the tenancy.
43. Banked Rent. If the Landlord has banked additional rent increases, in accordance with Section 6-235 below, this banked amount, in whole or in part, may be added to the increases permitted by subsections (i) and (ii) above.
54. Additional Rent Board Approved Increases necessary to ensure a fair return on investment. In addition to the above rent adjustments, upon receipt of an application submitted by the Landlord, the Rent Board may approve additional rent increases necessary to ensure a fair return on investment. properly demonstrated by the Landlord, attributable to:

To calculate what amount is necessary to ensure a fair return on investment, the Rent Board shall employ generally acceptable Maintenance of Net Operating Income methodology, and may not consider any valuation-

based or capitalization-based methodology or any calculation or methodology factoring market rent or market value of the Covered Unit.

Rent board approval under this provision is intended to ensure a fair rate of return under abnormal, unexpected, or irregular circumstances, including, but not limited to, capital improvements and minor renovations, uninsured repairs, the provision of new housing services, revaluation for property tax assessment, or other unusual expenses. The Rent Board shall presume that the Allowable Increase Percentage will be sufficient to satisfy all regular increases in operating costs, routine maintenance expenses, and other normal or regular costs or expenses, allowing the Landlord to maintain a fair return on investment.

The Landlord submitting an application for an additional rent increase bears the burden of proof, including the burden of providing all necessary documentation, to demonstrate that the increase is necessary to receive a fair return on investment. Such documentation shall include, but is not limited to: historical net operating income, revenue and expenses; the costs and expenses requiring Rent board approval of an additional increase; and what portion of shared costs and expenses can be fairly attributed to each individual covered unit.

- ~~a. Capital improvement costs, including financing costs;~~
- ~~b. Uninsured repair costs;~~
- ~~c. Increased housing service costs; and~~
- ~~d. Any additional increase, within the opinion of the Rent Board, required to allow the Landlord to receive a fair rate of return.~~

(c) At no time ~~Under no circumstances~~ may a Landlord raise the rent of a Covered Unit by more than ten (10) percent ~~within a Rental Year~~. Any rent increases available to a Landlord in excess of ten percent must be banked for later ~~use in a subsequent Rental Year~~.

(d) Before increasing the rent of a Covered Unit, a Landlord

must send a signed document to the Tenant(s) no fewer than ~~seventy-five (75)~~ninety (90) days before the effective date of the rent increase. This document must include the date on which the Tenancy began, the date on which the rent will be increased, the amount of the increase, any remaining Banked Rent that has not been included in the Rent increase, and the appropriate justifications for such a rent increase as defined in Section 6-234(b) above. Failure to provide such documentation shall be considered a violation of this Article, and any notice not containing all such documentation shall be void.

(e) ~~A~~Tenants, individually or collectively, who receives notice of a rent increase that they believe does not conform with this Section may file ~~an~~ complaint with the Housing Safety office. The Housing Safety office shall promptly investigate such complaint and take appropriate action. If, within fourteen (14) days of filing such a complaint, the notice is not rescinded by the Landlord, an appeal of said rent increase may be filed with the Rent Board. Upon receipt of the appeal, the Rent Board shall schedule a public hearing to be held no more than twenty-one (21) days after the filing of the completed appeal application. At the public hearing, the Board will consider de novo the rent charged under the existing Rental Agreement, the amount of the proposed new rent, and the factors which may or may not allow such an increase in accordance with this Article. Upon consideration of such evidence, the Board will render a decision as to whether the increased rent is allowable. ~~If such a~~An increase is determined by the Board to be more than is allowed by this Article shall be considered a violation, and the Board may ~~impose such fines as are allowed by this Article~~ determine the appropriate penalty for any such violation in a manner consistent with the provisions of this Code. Multiple tenants collectively alleging the same or similar violations against a single Landlord, including but not limited to a Tenants Union or members of or participants in a Tenants Union, may file their complaints or appeals collectively as a single document, and the Rent Board shall hear all such matters together as a single complaint or appeal; but notwithstanding such consolidated hearing the Rent Board may elect to issue separate decisions.

(f) A landlord who is not in substantial compliance with any provision of this chapter, including but not limited to the Rent Stabilization Ordinance, may not demand, accept or retain any rent increase otherwise permitted by this section or any other provision of this Code or Maine statute.

Sec. 6-235. Process of banking rent increases.

If a Landlord chooses to not impose any rent increases to which they are entitled pursuant to Section 6-234 above, these increases may be banked, in whole or in part, with the annual registration required under Sec. 6-151. Banked increases may be used to raise the rent of Covered Units in subsequent Rental Years in addition to the Rent Stabilization Allowances established for that year by the Rent Board, subject to the limitations in Sec. 6-234, including provided that no single the total increase of such rent shall not exceed ten (10) percent within a single Rental Year.

Sec. 6-235.1. Alternative calculation of maximum allowable rent.

At no time shall any Landlord charge Rent on a Covered Unit that exceeds the Base Rent plus any accrued increases allowed under this Ordinance, and any Landlord who charges Rent on a Covered Unit that is greater than such amount is in violation of this Ordinance. This section shall not be construed to retroactively revoke any allowable increases accrued under previous versions of this Ordinance.

Sec. 6-236. Termination of Tenancies-At-Will

(a) In order to be terminated by a Landlord, all tenancies-at-will must be terminated by providing a minimum of 90 days' written notice to Tenant except as provided below:

1. "For Cause" tenancies terminable on 7 days' notice pursuant to 14 M.R.S. § 6002(1) may be terminated in accordance with Section 6002(1);
- a2. Short-term rentals with a term of fewer than 30 days' are exempt from the 90-day notice period outlined herein;
- b. ~~Holdover tenancies are exempt from the 90 day notice period outlined herein;~~
- e3. Where a Landlord provides \$500.00 the amount of one month's Rent as reimbursement to Tenant for the inconvenience of termination, tenancies-at-will may be terminated by notice to the Tenant of sixty (60) to eighty-nine (89) days;
- d4. Where a Landlord provides \$1000 the amount of two

months' Rent as reimbursement to Tenant for the inconvenience of termination, tenancies-at-will may be terminated by notice to the Tenant of thirty (30) to fifty-nine (59) days.

(2b) Reimbursement amounts outlined ~~in~~ under subsections (ea) ~~and (d)~~ above are lump-sum amounts payable in a single installment for the collective benefit of all tenants of a unit. Tenants are responsible for allocating the reimbursement amount among themselves.

...

Sec. 6-237. Discrimination prohibited in sale or rental of housing units.

...

(e) It shall be prohibited for a Landlord to refuse to rent or negotiate for the rental of, otherwise make unavailable or deny a dwelling to a Tenant, retaliate against, or otherwise discriminate against a Tenant because the Tenant, or a Tenants Union on behalf of the Tenant, has complained or initiated a complaint or appeal to assert the Tenant's rights or interests under this Ordinance, or because the Tenant is a member of or participates in a Tenants Union. There is a rebuttable presumption that any adverse action by the Landlord, including but not limited to forcible entry and detainer, was commenced in retaliation against the Tenant if, within 6 months prior to the commencement of the adverse action the Tenant, or a Tenants Union on behalf of the Tenant, complained or initiated a complaint or appeal to assert the Tenant's rights or interests under this Ordinance.

...

Sec. 6-240. Enforcement and remedies.

Any violation of this Article is considered a civil infraction; all such violations, including any penalty determined to be appropriate by the Rent Board, and shall be enforced pursuant to the Portland City Code Chapter 1, §1-15. Violations of this Article, including enforcement of penalties for all such violations, shall be given the highest enforcement priority by the City.

Sec. 6-241. Limitation of Liabilities

...

~~(b) Nothing in this Article shall be construed to create additional liabilities greater than those already existing under law or to create new private causes of action.~~

...

Sec. 6-243. Tenant Unions

(a) Any Tenants Union shall have standing as a party to assert the rights or interests of any Tenants, individually or collectively, under this Chapter in any complaint, appeal, or other proceeding brought before the Housing Safety Office, the Rent Board, or the Superior Court in an appeal from any final decision under this Chapter in accordance with Rule 80B of the Maine Rules of Civil Procedure.

(b) The Housing Safety Office shall create a registration form, and accept the registration of Tenants Unions representing Tenants with rights and interests under this Chapter. Such registration shall include the name, telephone number, and e-mail address of a principal contact for the Tenants Union. The Housing Safety Office shall maintain and publish a list of Tenants Unions registered under this section, including contact information, for use by Tenants wishing to join or contact a Tenants Union. Nothing in this Section shall be construed to require a Tenants Union to register with the City. The City shall be prohibited from requesting, collecting, maintaining or publishing the names of individual Tenant members of any Tenants Union.

...

Sec. 6-250. Creation; composition.

There shall be a Rent Board of seven (7) members. Members of the Rent Board shall be residents of the city and shall not be officers or employees of the city or any of its agencies or departments.

Two (2) members shall be appointed to fill at-large seats, and may reside in any part of the city. The remaining five (5) members shall be comprised of one member from each of the five (5) city council ~~wards~~ districts with the highest concentration of Rental units. Should the ~~number or~~ location of said city council ~~wards~~ districts be changed, the districts and ~~number of~~ Rent Board members shall change to mirror such changes.

...

Sec. 6-251. Appointment; terms.

The members of the Rent Board shall be appointed by the Mayor, subject to the approval of the City Council for terms of three (3) years. Such members shall serve until their successors are duly appointed and qualified. Such terms shall be staggered so that the terms of not more than three (3) members shall expire in any calendar year.

...

Sec. 6-263. Jurisdiction and authority.

In addition to the jurisdiction conferred on it by other ordinances of the City and in accordance therewith, the Rent Board shall have the following jurisdiction and authority:

(a) To hear, review, and approve or deny Landlord applications for rent increases greater than the Allowable Increase Percentage, as provided for in Section 6-234 above~~those allowed by the Rent Stabilization Ordinance;~~

(b) To hear, review, and approve or deny Landlord applications for increases in Base Rent due to the major renovation or reconfiguration of existing Covered Units, as provided for in Section 6-2334 above;

(c) To hear, review, and grant or deny complaints or appeals from Tenants, individually or collectively, regarding Rent charges or Rent increases not in compliance with the Rent Stabilization Ordinance, or other matters falling within the scope of the Rent Stabilization Ordinance, or allegations violations of Maine statute regarding the habitability of residential units; such appeals shall be heard and decided de novo;

...

(e) ~~To hear, review, and mediate decide the appropriate outcome of any disputes arising between Landlords and Tenants on matters falling within the scope of Article XII of this Chapter, if where both parties request consent to such mediation and resolution by submitting the landlord/tenant dispute mediation form, as maintained and edited by the Housing Safety Office,~~

signed by both Landlord and Tenant no later than fourteen (14) days before the date on which such a hearing shall be scheduled; all parties to such mediation must agree and shall be required to mediate in good faith; such authority to mediate disputes shall not be construed to limit the Rent Board's authority to hear, review or decide any tenant complaint or appeal without the consent of the Landlord; the Board may appoint one or more of its members, in lieu of the full Board, to mediate disputes on a rotating basis, and such mediation may be conducted outside of a public hearing, and a quorum of the Rent Board shall not be required for such mediation;

(f) To ~~impose such fines as are necessary and allowed~~ determine, in a manner consistent with the provisions of this Code, what penalties are appropriate for violations of the provisions of the Rent Stabilization Ordinance that are determined by the Board;

...

(h) To prepare an annual report on the state of the City's rental unit availability, which shall be presented to the City Council as part of a regularly-scheduled public hearing. This report shall include a summary of rents within each of the five council wards district. Such reporting may or may not be done in conjunction with similar reporting required of the City's Rental Housing Advisory Committee, as established by this Chapter; and

(i) To adopt or amend, subject to approval by the City Council, such rules and regulations as are necessary to implement, or to allow for the efficient and consistent application of, the provisions of the Rent Stabilization Ordinance, including but not limited to rules and regulations governing the proceedings of the Rent Board's hearing of Landlord applications or of Tenant complaints or appeals and rules and regulations providing standard procedures and methodology for calculating the amount of rent necessary to allow the Maintenance of Net Operating Income and yield a Fair Return on Investment under various circumstances; the Board may adopt, subject to approval by the City Council, rules and regulations, including methodology, allowing the Housing Safety Office or a hearing officer to review Landlord applications and to complete standard calculations in order to provide for or facilitate an expeditious process and efficient consideration by the Rent Board; Rules and Regulations adopted pursuant to this authority, and any amendments thereto, shall become effective only when approved by the City Council, and shall be kept on file in the Housing Safety Office;

(4j) To initiate changes and amendments to ~~this Article, as well as to~~ the city's Rent Stabilization Ordinance.

2. That Chapter 14, Section 14-18.4.5 of the Portland City Code is hereby amended to read as follows:

Sec. 14-18.4.5 Conversion permit

Before conveying or offering to convey a converted unit, the developer shall obtain a conversion permit from the Building Authority. The permit shall issue only upon receipt of a completed application therefore in a form to be devised for that purpose, a fee as established by the City Council of \$25,000 per converted unit, to be adjusted annually in the same way as the fee under Chapter 14, Subsection 18.1.8 of this Code, at least \$1,000 of which shall be appropriated to the Housing Safety Office for the administration and enforcement of the Rent Stabilization Ordinance, Chapter 6, Articles XII and XIII of this Code, and the remainder of which shall be paid into the Jill C. Duson Housing Trust Fund, and a finding, upon inspection, that each unit, together with any common areas and facilities appurtenant thereto, is in full compliance with all applicable provisions of Chapter 6, Articles II, III, and V and Chapter 10, Article II of the City of Portland Code of Ordinances, and the Life Safety Code as adopted by the state. The developer shall post a copy of the permit in a conspicuous place in each unit and shall make copies available to prospective purchasers.

3. That, except as specified herein below, all such amendments shall take effect thirty (30) calendar days after the official canvass of the return of the election at which this ordinance is approved, provided that:

(a) Notwithstanding any notice given prior to such effective date, all rent increases taking effect on or after January 1, 2023 must comply with the amendments to sections 6-223 and 6-234(d), such that any tenant charged such rent increase must receive at least 90 days notice, and such notice must include all newly required information, before any such increase may be implemented;

(b) Notwithstanding any Tax Rate Rent Adjustment announced by the Housing Safety Office prior to such effective date or any notice given prior to such effective date, all rent increases taking effect on or after January 1, 2023 must comply with the

amendments to Sections 6-232 and 6-234 repealing the Tax Rate Rent Adjustment, such that no Tax Rate Rent Adjustment may be included in any rent increase taking effect on or after such date;

(c) Amendments to Sections 6-232 and 6-234(a) changing the calculation of the Allowable Increase Percentage shall take effect for the Allowable Increase Percentage established and published by the Housing Safety Office on or before September 1, 2023, applicable to all rent increases taking effect on or after January 1, 2024; and

(d) Amendments to Sections 6-232 and 6-234(b) changing the requirements for Additional Rent Board Approved Increases shall be applicable for all landlord applications submitted to the Rent Board on or after March 1, 2023. For all landlord applications submitted prior to March 1, 2023, the Rent Board may continue to apply the previous version of this ordinance and to approve increases allowable pursuant to such previous version.

City of Portland | Office of the Mayor and City Council
Kate Sykes, Councilor (District 5)



To: Pious Ali, Chair and members of the HEDC
From: Kate Sykes, Councilor
Date: June 28, 2024
Re: Second Draft Short Term Rental Ordinance Amendments

Councilors,

Thank you for your comments and questions at last week's meeting. A second discussion, with public comment and vote on proposed changes to our Short Term Rental ordinance is scheduled for July 2, 2024.

I submit this revised second draft for deliberation by the Housing and Economic Development Committee, recommendation to the Council, and placement on the ballot for the November 2024 election.

A summary of the revised proposed changes, background and supporting data follows.

STR Ordinance Amendment Goals and Summary of Changes

Background:

Portland faces a severe housing affordability crisis. We have approximately 19,000 registered long-term rental units in the City and the rental vacancy rate is around 2.5% according to the most recent US Census Bureau's American Community Survey. It's estimated that 70% of Portland residents are rent burdened. It is further estimated that we are 9,000 units of housing short of what we need to adequately house our workforce.

Our parks, schools, libraries, tax base, and local workforce all depend on the availability of affordable long-term housing. Short term rentals take hundreds of units of housing away from Portland's already low housing stock and can undermine the residential character of neighborhoods and buildings. Under our current ordinance, the Islands bear a

disproportionate number of Short Term Rental Licenses relative to the mainland communities. Many of the homes on the islands are seasonal, leaving few housing options for year-round residents and workers. The Peaks Island school, businesses and labor markets are particularly vulnerable to disruption when long-term housing stock is lost to vacation rentals.

Policy Goals:

- Restore and/or preserve Portland's existing long-term housing stock
- Give law-abiding citizens the option use their primary residence as a short term rental
- Limit the number of non-owner occupied short-term rentals, in proportion to the amount of rental housing stock/vacancy rate
- Ensure that speculators do not buy up single family homes, including condominiums, to turn them into pseudo hotels
- Prevent rental arbitrage from eroding long term rental housing stock
- Protect the year-round community, labor force, and economy on Peaks Island by preserving their existing year-round housing stock
- Prevent the disruption of the residential character of neighborhoods and buildings
- Leverage legal precedent that has been set by other communities in requiring booking services to verify registration with the City before charging for services
- Decrease the threat or harm to public health, safety, or general welfare that results from unlawful vacation rentals
- Provide greater public transparency into Short Term rental registrations
- Create a clear public complaint process that aids enforcement

Summary of Substantive Amendments:

Sec. 6-150.1. Definitions.

Adds definitions for Accessory Dwelling Units, Booking Service, Non-Owner Occupied, Outer Island, and Seasonal rental unit

Revises definition of Owner Occupied unit to meet new registration standards and clarifies that an owner must live in the unit (not just the building) to qualify for owner occupancy.

Sec. 6-151. Registration required.

Requires proof of Homestead Exemption (as documented through the City Tax Assessor's office) and a photo ID to qualify for an owner-occupied license.

Removes discretionary use of other qualifying documents for owner occupancy

Requires Peaks Island short term rental registrants to provide information about whether the unit is season or year round

Require hosts of units in a condominium or other homeowners association to provide an attestation by an authorized representative of the association that short term rentals are allowed

Requires the City to list all registered short term rentals and their addresses on the City Website

Requires Booking Services to list the registration number of a short term rental in all advertisements/listings before collecting fees or charging for services

Requires Booking Services to provide information to the City upon request and in a timely manner. Removes tenants from this requirement.

Removes short term rentals from the registration requirements of rent controlled long-term rentals (an unintended consequence of the rent control ordinance).

Sec. 6-152. Registration Fees.

Adds seasonal Peaks Island Units, and Outer Island Units into the fee schedule for Owner-Occupied units.

Removes Mainland qualifier from the fee schedule for Non Owner-Occupied units

Sec. 6-153. Limitations on Short Term Rental Units.

Keeps current cap on mainland Non-Owner Occupied registrations the same for 2025.

Beginning in 2026, limits the number of Non-Owner Occupied mainland short term rentals to no more than 2% of the total number of registered long-term rental units on the mainland in the prior year. To be determined annually on September 1.

Exempts current license holders from this cap going forward provided they comply with the terms of the article.

Exempts Accessory Dwelling Units constructed within 5 years of the date registered as a non-owner occupied short term rental from this cap

Adds that Accessory Dwelling Units where the unit is not the primary residence of the owner are not considered owner-occupied

Limits non-owner occupied Peaks Island short term rentals to no more than 40 registered units in any one calendar year, provided those properties are year-round residences.

Established that there shall be no limits on owner-occupied Peaks Island short term rentals, or Peaks Island seasonal properties.

Limits Peaks Island short term rentals to 1 per single family home.

Establishes a ban on Peaks Island short term rentals in multi-unit properties of 4 or more units

Exempts Peaks Island short term rentals from the Mainland ban on short term rentals in single family homes and condominiums.

Limits the total number of Mainland short term rental units that may be operated in a multi-unit building to no more than half the total units in the building, up to 5 units maximum.

FAQ and Data

What is a short term rental?

Portland's current ordinance defines a short term rental as a housing unit rented for less than thirty days. Anything rented for 30 days or more is a long term rental and subject to rent control.

How do we currently enforce our short term rental ordinance?

The City contracts with a company called Host Compliance to monitor our Short Term Rentals online. They search the web for unregistered units in the City. The Permitting and Inspections office starts the enforcement process in April of each year. Over the years they have received comments that there are hundreds of non-compliant units in Portland. They investigate all complaints received, or that Host Compliance uncovers.

How many violations of the short term rental ordinance have we found?

2021 - 47 violations
2022 - 80 violations
2023 - 185 violations
2024 - 74 violations

Do short term rentals take housing off the market?

Portland currently bans mainland non-owner occupied short term rentals in *single family homes* and *condominiums* in order to prevent speculators from buying up properties and turning them into pseudo hotels.

Non-owner occupied short term rental licenses for apartments are capped at 400. This represents more than 2% of the total number of long term rentals in the City.

How many long term rentals do we have in Portland?

The City currently has 19,328 long term rentals registered

2% of 19328 = 387

1.5% 19328 = 290

1% of 19328 = 193

What is Portland's vacancy rate?

According to Maine State Housing,, which publishes housing statistics for Portland on its [website](#), we currently have a 2.2% vacancy rate. A healthy vacancy rate is considered to be about 5%.

How many short term rentals registrations do we have right now?

Total = 857

Non Owner Occupied = 400

Owner Occupied = 301

Tenant Occupied = 34

Total Island Rentals (including Peaks) = 122

Peaks Island = 98

How hard is it to get a license for a non owner occupied short term rental?

The permitting and inspections office maintains a waitlist. Every year, 20-30 licenses turn over. As of March 20, 2024, *31 units had been taken off the waitlist* and issued a Non Owner Occupied License. There are currently *69 units on the waitlist*. Some of the reasons licenses open up are: change of ownership; conversion to a long term rental; no longer a short term rental; failure to register by the deadline.

What does the short term rental market look like on Peaks Island?

At least 58% are year-round properties. 49% have out-of-state owners. 65% have been purchased in the last 10 years. 31% have been purchased in the last 5 years.

Comparatively, there are only 22 registered long term rentals on Peaks, many of which are rented monthly in the winter and rented weekly in the summer and shoulder season.

How many hosts have more than 1 short term rental license?

666 hosts have only 1 unit registered.

127 hosts have 2 units registered

38 hosts have 3 units registered

20 hosts have 4 units registered

6 hosts have 5 units registered

How many properties have more than 1 short term rental in them?

5 short term rentals - 0 properties

4 short term rentals - 7 properties

3 short term rentals - 17 properties

2 short term rentals - 118 properties



Staff Memo To:

Housing & Economic Development Committee
Councilor Pious Ali, Chair

DATE

July 2, 2024

AGENDA ITEM

Agenda Item #3 – Proposed Amendments to the Short Term Rental Ordinance

PURPOSE

This memo is intended to share staff feedback related to the administration of the proposed changes to the short term rental (STR) ordinance.

COMMITTEE WORK PLAN ALIGNMENT

The Committee's 2024 work plan includes an evaluation of the current short term rental ordinance.

BACKGROUND/ANALYSIS

After reviewing the proposals, staff request that the Committee consider several changes that may improve administrative efficiency:

- **Sec. 6-153(b):** Require the 2% limit on STR licenses be established every five (5) years, rather than annually.
- **Sec. 6-152(e):** Currently, a \$50 late fee is assessed for applications submitted after January 15. A \$200 late fee is assessed for applications submitted after February 15. We recommend simplifying the late fee structure by eliminating one of the late fees (and associated deadline).

We believe these changes could prevent new administrative complexity without sacrificing policy goals (as described in Councilor Sykes' June 7, 2024 memo). Reducing administrative complexity will help facilitate initial and ongoing implementation, as well as improve stakeholder's understanding of and adherence to new regulations.

Thank you for your consideration.

FISCAL IMPACT

After a review of the proposed changes, staff determined that they would not result in a meaningful increase to the cost of the program's implementation.

CONCLUSIONS(S)

N/A

PRIOR COMMITTEE REVIEW

- June 25, 2024: Committee's conceptual discussion of the proposed policy changes.

PREPARED BY

Dena Libner
Assistant City Manager
Executive Department

ATTACHMENTS

N/A

Chapter 6 BUILDINGS AND BUILDING REGULATIONS*

*Cross reference(s)--Alarm systems, Ch. 2.5; fire prevention and protection, Ch. 10; land use, Ch. 14; rodent and vermin control, Ch. 22; sewers, Ch. 24; streets, sidewalks and other public places, Ch. 25; moving of structures, § 25-191 et seq.; swimming pools, Ch. 26.

Art. I. In General, §§ 6-1--6-15

Art. II. Building Code, §§ 6-92--6-103

Div. 1. In General, §§ 6-92--6-97

Div. 2. Building Standards, §§ 6-98--6-103

[Art. III and IV were repealed by Order 18-17/18, 8-21-2107]

Art. V. Housing Code, §§ 6-106--6-149

Art. VI. Residential Rental Unit Registration Requirements, §§ 6-150--6-157

Art. VII. Green Building Code, §§ 6-165 - - 6-177

Art. VIII. Property Assessed Clean Energy, §§ 6-190--6-199

Div. 1. Property Assessed Clean Energy, §§ 6-190-6-194

Div. 2. Commercial Property Assessed Clean Energy §§ 6-195-6-199

Art. IX. Disorderly Houses, §§ 6-200-6-204

Art. X. Energy Benchmarking, §§ 6-205-6-218

Art. XI. Tenant Housing Rights, §§ 6-219-6-229

Art. XII. Rent Control and Tenant Protections, §§ 6-230-6-244

Art. XIII. Rent Board, §§ 6-250-6-263

ARTICLE I. IN GENERAL

Sec. 6-1. Penalties.

(a) *Penalties.* Monetary penalties shall be assessed on a per-day basis for each day on which a violation exists:

1. The minimum penalty for a specific significant code violation is two hundred dollars (\$200.00) per day, and the maximum penalty is two thousand five hundred dollars (\$2,500.00) per day. The minimum penalty for failure to correct such significant code violation after written notice by the city to do so is five hundred (\$500.00) per day, and the

ARTICLE VI. RESIDENTIAL RENTAL UNIT REGISTRATION REQUIREMENTS

Sec. 6-150. Purpose.

The proliferation of real estate proprietorships, partnerships, and trusts having undisclosed, anonymous or otherwise unidentifiable principals, owning large numbers of residential long term rental properties, sometimes managed through unresponsive property management companies, has impeded the proper enforcement of this chapter, chapter 12 and other ordinances of the city. Non-owner occupied short term rental units may remove housing units from the long term rental market and may contribute to the increase in the cost of rental housing in the City.

This article is intended to require the disclosure of the ownership of such property, and to regulate the renting of property within the City, and to make owners and persons responsible for the maintenance of property more accessible and accountable with respect to the premises, to ensure that housing units remain available for rent to those who reside or seek to reside within the City, to ensure that residential areas are not unduly impacted by the operation of short term rentals, and to ensure that owners and tenants comply with chapters 6 and 10 of the City Code.

(Ord. No. 443-89, 6-7-89; Ord. No. 53-89, 7-17-89; Ord. 298-14/15, 7-6-2015; Ord. 179-16/17, 3-27-2017; Order 99-18/19, 11-19-2018)

Sec. 6-150.1. Definitions.

The definitions in 6-106 apply to this Article. The following words and phrases, when used in this article, shall have the meanings respectively ascribed to them:

Island Short Term Rental shall mean a short term rental located on one of the following islands in the City of Portland: Peaks Island, Great Diamond Island, Cushing Island, Little Diamond Island, House Island, and/or Cliff Island.

Long Term Rental shall mean the letting of a rental unit in whole or in part for thirty (30) days or more.

Mainland Short Term Rental shall mean a short term rental located within the limits of the City of Portland, but not on Peaks Island, Long Island, Great Diamond Island, Cushing Island, Little Diamond Island, House Island and/or Cliff Island.

Multi-Unit shall mean a single, detached building in common ownership interest containing more than one (1) residential or commercial unit, as determined by the Director of the Permitting

and Inspections Department.

Owner-Occupied shall mean a rental unit owned and occupied by the registrant as his or her primary residence. Accessory dwelling units as defined in Chapter 14 of this Code, are not considered owner-occupied units for purposes of short term rental registration and regulation.

Owner shall mean each individual person or entity including, without limitation, all partners, officers, or trustees of any real estate trust; all members or managers of a limited liability company; and all officers and directors of a corporation; that is the record owner of a building or property.

Primary Residence shall mean the dwelling in which a person resides as his or her legal residence for more than one half of a year and registers as his or her address for tax and government identification purposes.

Registrant shall mean the owner of a rental unit, or a tenant, with permission from the owner, seeking to register a rental unit.

Rental unit is a portion of any residential structure that is rented or available for rent to any individual or individuals for any length of time. Any portion of a Single-Family Home, Condominium, or Apartment that is rented or available to be rented to an individual or individuals who are not the owner or owners shall be considered a *rental unit*. *Dwelling units* and *rooming units* as defined in §6-106 are, without limitation, *rental units*. A Single-Family Home, Condominium, or Apartment that is occupied by the owner or owners, and of which no portion is rented or available for rent, is not a *rental unit*.

Short Term Rental is the letting of a rental unit, in whole or in part, for less than thirty (30) days.

Single Family Home shall mean a detached residential dwelling or a single condominium unit containing one dwelling unit.

Tenant-Occupied shall mean a rental unit in which the registrant is not the record owner of the rental unit, but lawfully occupies the rental unit as his or her primary residence.
(Ord. 179-16/17, 3-27-2017; Order 99-18/19, 11-19-2018)

Sec. 6-151. Registration required.

(a) *Registration of Ownership.*

1. Rental units must be registered in accordance with this article by January 1st of each year; Rental units entering the rental housing market must be registered within fourteen days. Registration must be renewed annually, on or before January 1st, including updating all changes in previously submitted registration information.
2. If a rental unit is rented as both a short term and long term rental, it must be separately registered for each type of rental.
3. Each owner, manager, and person/entity otherwise responsible for the rental unit, such as a property manager, shall be obligated under this article. Any new owner, manager, or responsible person/entity must apply to register within thirty (30) days of purchase of the rental unit or transfer of management or responsibility. New owners or tenants applying to register an existing short term rental unit are considered new applicants and shall be subject to all limitations and regulations in effect at the time of the application.
4. A rental unit shall not be considered registered until all information and fees are provided to the satisfaction of the City's Permitting and Inspections Department or its designee.
5. As a condition of registration, all owners must allow onsite inspections of their property including, without limitation, all rental units.

(b) *Information/Documentation Required.* Registration must be completed on forms supplied by the City's Permitting and Inspections Department or their designee and must provide, at a minimum, the following information:

1. The street address of the building;
2. The unit number of the rental unit;
3. The tax assessor's chart, block and lot of the property on which the building is located;

4. The owner of the property, including the owners' name, address, telephone number, and email address. If the owner is anything other than a natural person, the following information must also be included:
 - a. The name of each individual person that has an ownership interest in any entity that is the record owner. This includes, without limitation, all partners, officers, or trustees of any real estate trusts; any members or managers of a limited liability company; and all officers and directors of a corporation; and
 - b. The residential street address, e-mail address and home phone number of at least one (1) such individual person;
5. The manager of the property or the person or persons responsible for its regular maintenance or repair, as well as a name, address, telephone number, and email address for that person or entity; and
6. The person designated as the agent of the owner or owners for the service of notices and civil process by the city, as well as their name, address, telephone number, and e-mail address. Service of notice and process upon the person so designated shall be deemed conclusive service upon the owner or owners.

(c) *Additional Information Required for Short Term Rentals.* A short term rental shall not be considered registered unless and until the registrant has submitted a complete application together with all information required by this article, paid the fee required by Sec. 6-152, and a registration number has been issued.

In addition to the information required in Section 6-151(b), a Short Term Rental registrant must provide at a minimum the following information and any other information requested by the City's Permitting and Inspections Department or their designee:

1. A short term rental application;
2. Whether the rental unit is owner-occupied, tenant-occupied, or non-owner occupied;
 - a. For Short Term Rental units that are owner-occupied, the owner must provide a notarized

primary residence affidavit, on forms provided by the City. The owner must also produce for review one of the following demonstrating residency at the owner-occupied unit:

- i. Valid driver's license or other state-issued identification;
 - II. Valid motor vehicle registration;
 - iii. Proof of homestead exemption; or
 - iv. Other documentation proving primary residence to the satisfaction of the City's Permitting and Inspections Department.
- b. For Short Term Rental units that are tenant-occupied, the tenant must provide a notarized primary residence affidavit, and a notarized statement of permission by his/her landlord, both on forms supplied by the City. The tenant must also produce for review one of the following demonstrating residency at the tenant-occupied unit:
 - i. Valid driver's license or other state-issued identification;
 - ii. Valid motor vehicle registration; or
 - iii. Other documentation proving primary residence to the satisfaction of the City's Permitting and Inspections Department.
3. The address and tax assessor's chart, block, and lot number of all other short term rentals in the City in which the registrant has an ownership interest;
4. For short term rental units that are within a condominium or homeowner's association, an attestation that use of the unit as a short term rental is allowed under the relevant documents; and
5. If the application is for renewal, the number of nights the unit was rented on a short-term basis and the number of nights the unit was rented on a long-term basis in the previous reporting year. For purposes of reporting this

information, November 1 through October 31 is the reporting period for a renewal of January 1.

(d) Display of Short Term Rental Registration Number Required.

Once registration is approved by the City, each short term rental shall be given a registration number, which must be displayed in the rental unit and in any and all advertisements for the rental unit.

(e) Upon request by the City, at any time, all registrants and/or agents of short term rental units must provide the City with their registration information, rental history, and upcoming reservation information. Failure of short term rental unit owners, tenants, and/or their representatives to adequately respond to inquiries by the City within a forty-eight (48) hour period shall be considered a violation under this ordinance.

(f) Additional Information Required for Covered Units. A Covered Unit, as defined by Section 6-232 of this Chapter, shall not be considered registered unless and until the registrant has submitted the following additional information:

1. The current rent charged at the time of registration;
2. The increase in rent (if any) when compared to the previous registration;
3. Whether the increase (if any) is attributable to: (1) the Allowable Increase Percentage and Tax Rate Rent Adjustment, as defined in Section 6-232; or (2) also includes Banked Rent, as defined in Section 6-232;
4. The amount of Banked Rent, if any, accumulated since the previous registration;
5. The amount of security deposits or other payments demanded in addition to rent for each Covered Unit; and
6. The number of bedrooms, number of bathrooms, and the presence or absence of a kitchen from each Covered Unit.

(g) Registration data made available. The City's Permitting and Inspections Department or its designee is required to make anonymized data from the registration of Covered Units available to the Rent Board at the Board's request. Such data shall not

include the names, or street and unit numbers of any reported units.

(Ord. No. 443-89, 6-7-89; Ord. No. 53-89, 7-17-89; Ord. No. 246-97, 4-9-97; Ord. 298-14/15, 7-6-2015; Ord. 69-15/16, 10/5/2015; Ord. 179-16/17, 3-27-2017; Order 99-18/19, 11-19-2018; By Referendum, 11-3-2020; By Referendum, 11-8-2022)

Sec. 6-152. Registration Fees.

(a) *Annual Registration Fee.* Upon initial registration and by January 1st of each year, registrants shall pay the City a registration fee for each rental unit, in the amounts set forth below. A rental unit shall not be considered registered unless and until this fee is paid in full.

(b) *Long Term Rental Registration Fee.* The registrant of a long term rental shall pay fifty dollars (\$50.00) to the City by January 1st of each year. Regardless of any discount a Landlord may be entitled to under subsection (d) below, thirty dollars (\$30) from each registration fee shall be appropriated to Housing Safety Office to cover the administrative expenses of the Rent Board, including the hiring of additional administrative staff if necessary.

(c) *Short Term Rental Registration Fee Structure.* The registrant of a short term rental shall pay the fee specified in the chart below. All fees will be cumulative and will increase based on the number of total units registered by the owner. The fee total will accumulate first by counting any owner occupied, tenant occupied, and/or island rentals first, and then fees will be attributed at the higher rate for any non-owner occupied mainland units.

Owners and tenants may register more than one owner occupied or tenant occupied unit (bedrooms, separate spaces, etc.) within their primary residence.

Owner Occupied Units, Tenant Occupied Units, Island Short Term Rentals	1 st Unit - \$100 2 nd Unit - \$250 3 rd Unit - \$500 4 th Unit - \$1,000 5 th Unit - \$2,000
Non-Owner Occupied Mainland Units	1 st Unit - \$200 2 nd Unit - \$500 3 rd Unit - \$1,000 4 th Unit - \$2,000 5 th Unit - \$4,000

(d) *Registration and Renewal Fee Discounts.* The following discounts shall apply to the registration and renewal fees:

1. \$10 discount for each rental unit within a fully-sprinkled building as verified by a testing report, maintenance report or a maintenance contract, which shall be provided at the time of registration and upon each registration renewal;
2. \$7.50 discount for each rental unit within a building with a centrally-monitored fire alarm as verified by Fire Department logs or an alarm contract, which shall be provided at the time of registration and upon each registration renewal;
3. \$5.00 for a rental unit that has been subject to and has passed a Housing and Urban Development Housing Quality Standard (HQS) inspection within the preceding year as verified by the HQS inspection report, which shall be provided at the time of registration and upon each registration renewal;
4. \$10.00 for a rental unit that has been subject to and has passed a Housing and Urban Development Uniform Physical Condition Standard (UPCS) inspection within the preceding year as verified by the UPCS inspection

report, which shall be provided at the time of registration and upon each registration renewal;

5. \$2.50 for a rental unit that is subject to a signed lease which prohibits smoking by tenants as verified by a copy of the current lease, which shall be provided at the time of registration and upon each registration renewal. The existence of and enforcement of this provision may be verified through an inspections of each rental unit.

The total amount of discounts from the annual registration or renewal fee as described above shall not exceed \$20.00 per unit.

(e) Registrations that are not received by January 15, or within 14 days after entering the rental housing market, whichever is later, shall be subject to a late fee of \$50 per unit, and registrations that are not received by February 15, or within 45 days after entering the rental housing market, whichever is later, shall be subject to a late fee of \$200 per unit. Registrations shall not be renewed unless and until the registrant pays any applicable late fee. Incomplete or inaccurate registrations may be rejected and subject to all applicable late fees upon resubmission. The Permitting and Inspections Director may waive a late fee upon a showing of both hardship and good cause as to why the renewal was not timely.

(Ord. No. 443-89, 6-7-89; Ord. No. 53-89, 7-17-89; Ord. 298-14/15, 7-6-2015; Ord. 179-16/17, 3-27-2017; Order 99-18/19, 11-19-2018; Ord. No. 244-18/19, 5-30-2019; By Referendum, 11-3-2020; By Referendum, 11-8-2022)

Sec. 6-153. Limitations on Short Term Rental Units.

(a) *Occupancy Limit.* Overnight short term rental guest occupancy in each rental unit will be limited to two (2) guests per bedroom plus no more than two (2) additional guests.

(b) *Limitation on Total Number of Short Term Rentals.* No more than 400 non-owner occupied mainland short term rental units shall be registered in any one calendar year.

A mainland short term rental unit in an owner-occupied multi-unit, where the unit is not the primary residence of the owner,

shall be counted as a non-owner occupied unit.

(c) *Limitations on number of Short Term Rentals an Individual or Entity May Register.* An individual or entity may only register up to five (5) short term rental unit in the City, including owner occupied, non-owner occupied, and island short term rental units, in any one (1) calendar year. For purposes of this section, short term rental units registered by an entity in which the registrant has an ownership interest shall be counted towards this limit.

(d) No individual or entity may register a short term rental in any single family home unless it is owner-occupied; tenant-occupied with permission of the owner; or located on an Island.

(e) The number of short term rental units that may be operated in a multi-unit building are as follows:

Total # of Units in a Building	# of Short Term Rental Units Allowed in a Building	
	Owner Occupied	Non-Owner Occupied
2	1	1
3	2	2
4	3	2
5	4	2
6-9	5	4
10+	5	5

1. Tenant-occupied units, where the tenant is the registrant, shall be counted towards these limits.
2. Owner-occupied units shall be counted towards these limits.

(f) Notwithstanding the requirements of subsections (c) and (e), owners may register up to five (5) owner-occupied units (bedrooms, separate spaces, etc.) within their primary residence. (Ord. No. 443-89, 6-7-89; Ord. No. 53-89, 7-17-89; Ord. 298-14/15, 7-6-2015; Ord. 179-16/17, 3-27-2017; Order 99-18/19, 11-19-2018)

Sec. 6-154. Allocation of Short Term Rentals.

(a) Non-owner occupied mainland short term rental units, which are limited by section 6-153(b), shall be allocated on a first come, first registered basis. Once the total number of units identified in section 6-153(b) has been reached, a waitlist will be formed to help gauge market demand.

(b) Notwithstanding the limitations in section 6-153, current registrations of short term rentals may be renewed each year upon application and payment of the registration fee, so long as the renewal is complete by January 1 of that year.

1. Failure to renew by January 1 shall result in the forfeiture of the right to renew the registration, and any subsequent application shall be treated as a new application for registration.
2. The renewal date for 2019 only shall be February 1, 2019.

(c) No registration under this Article shall be transferrable or assignable.

(Ord. 179-16/17, 3-27-2017; Order 99-18/19, 11-19-2018)

Sec. 6-155. Violations.

Specific violations of this article, subject to the provisions of section 6-1, include, but are not limited to:

(a) Any person, business entity, or other organization failing to timely register a rental unit, including providing all required information and paying the required registration fee;

(b) Any person, business entity, or other organization failing to timely file any required update to the registration;

(c) Any person, business entity, or other organization failing to acquire and/or display the required short term rental registration number;

(d) Any person, business entity, or other organization providing false information with respect to registration. Notwithstanding the provisions of § 6-1, the penalty for such violation shall be \$1,000.00;

(e) Any person, business entity, or other organization renting any rental unit that is not registered under this article, or to permitting the occupancy of such premises without registration;

(f) Failure of short term rental unit owners, tenants, and/or their representatives to adequately respond to inquiries by the City pursuant to 6-152(e) within a forty-eight (48) hour period;
(Ord. 179-16/17, 3-27-2017; Order 99-18/19, 11-19-2018)

Sec. 6-156. Enforcement.

(a) The building authority as defined in section 6-1 or his or her designee is authorized to institute or cause to be instituted by and through the office of the corporation counsel, in the name of the city, any and all actions, legal or equitable, that may be appropriate or necessary for the enforcement of the provisions of this article.

(b) No certificate of occupancy shall be issued for property that is subject to the registration requirements of this article, but is not registered in accordance with this article.

(c) Any short term rental at a property that is designated by the City as a disorderly house and fails to remedy the disorderly house as required by section 6-202, shall, at the discretion of the City Manager or his or her designee, have its registration revoked and be ineligible for registration for a period of twelve (12) months. Any registration after revocation shall be considered a new registration and not a renewal. Upon the second designation of the short term rental property as a disorderly house, the City shall, at the discretion of the City Manager or his or her designee, prohibit the registered owner from operating the property as a short term rental or post the property against occupancy pursuant to section 6-201.

(d) Fines may be attributed to Property Management firms found operating short term rental units in violation of this article. These fines may be in addition to fines levied against owners of property.

(e) Violations of the provisions of this article shall be grounds to deny an application or renewal application for a short term rental registration.

(Ord. 179-16/17, 3-27-2017; Ord. No. 29-17/18, 9-18-2017; Order 99-18/19, 11-19-2018)

Sec. 6-157. Revenue Allocation.

Notwithstanding section 6-1(b), all revenue generated from short term rental registration fees and penalties shall be used to first fund short term rental related administrative costs. Any remaining revenue shall be deposited in the Housing Trust Fund, as defined in Section 14-489.

(Ord. 179-16/17, 3-27-2017)

Sec. 6-158. Reserved.

MARK DION (MAYOR)
PIOUS ALI (A/L)
APRIL D. FOURNIER(A/L)
ROBERTO RODRÍGUEZ (A/L)

**CITY OF PORTLAND
IN THE CITY COUNCIL**

ANNA TREVORROW (1)
VICTORIA L. PELLETIER (2)
REGINA L. PHILLIPS (3)
ANNA BULLETT (4)
KATE SYKES (5)

**AMENDMENT TO PORTLAND CITY CODE CHAPTER 6
RE: SHORT TERM RENTAL UNIT REGISTRATION REQUIREMENTS**

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF PORTLAND, MAINE
IN CITY COUNCIL ASSEMBLED AS FOLLOWS:**

1. *That the Sections 6-150 to 6-155 of the Portland City Code Chapter 6 are hereby amended effective as September 1, 2025 to read as follows:*

Chapter 6 BUILDINGS AND BUILDING REGULATIONS*

ARTICLE VI. RESIDENTIAL RENTAL UNIT REGISTRATION REQUIREMENTS

Sec. 6-150. Purpose.

The proliferation of real estate proprietorships, partnerships, and trusts having undisclosed, anonymous or otherwise unidentifiable principals, owning large numbers of residential long term rental properties, sometimes managed through unresponsive property management companies, has impeded the proper enforcement of this chapter, chapter 12 and other ordinances of the city. Non-owner occupied short term rental units may remove housing units from the long term rental market and may contribute to the increase in the cost of rental housing in the City.

This article is intended to require the disclosure of the ownership of such property, and to regulate the renting of property within the City, and to make owners and persons responsible for the maintenance of property more accessible and accountable with respect to the premises, to ensure that housing units remain available for rent to those who reside or seek to reside within the City, to ensure that residential areas are not unduly impacted by the operation of short term rentals, and to ensure that booking

services, owners, and tenants comply with chapters 6 and 10 of the City Code.

Sec. 6-150.1. Definitions.

The definitions in 6-106 apply to this Article. The following words and phrases, when used in this article, shall have the meanings respectively ascribed to them:

Accessory Dwelling Unit shall have the same meaning as it has in Chapter 14 of the City Code.

~~Island Short Term Rental shall mean a short term rental located on one of the following islands in the City of Portland: Peaks Island, Great Diamond Island, Cushing Island, Little Diamond Island, House Island, and/or Cliff Island.~~

Booking Service shall mean a business entity or individual persons who, directly or indirectly:

1. Provides one or more online, computer or application-based platforms that individually or collectively can be used to (i) list or advertise offers for short-term rentals, and (ii) either accept such offers, or reserve or pay for such rentals; and

2. Charges, collects or receives a fee for the use of such a platform or for provision of any service in connection with a short-term rental.

A booking service shall not be construed to include a platform that solely lists or advertises offers for short-term rentals.

Long Term Rental shall mean the letting of a rental unit in whole or in part for thirty (30) days or more.

Mainland Short Term Rental shall mean a short term rental located within the limits of the City of Portland, but not on Peaks Island, Long Island, Great Diamond Island, Cushing Island, Little Diamond Island, House Island and/or Cliff Island.

Multi-Unit shall mean a single, detached building in common ownership interest containing more than one (1) residential or commercial unit, as determined by the Director of the Permitting and Inspections Department.

Non-Owner Occupied shall mean a rental unit that is not occupied by the registrant of the unit as their primary residence.

Outer Island shall mean Great Diamond Island, Cushing Island, Little Diamond Island, House Island, or Cliff Island.

Owner-Occupied shall mean a rental unit owned and occupied by the registrant as ~~his or her~~ their primary residence. A short term rental unit in an owner-occupied multi-unit building, where the unit is not the primary residence of the owner, shall be counted as a non-owner occupied unit. Accessory dwelling units ~~as defined in Chapter 14 of this Code,~~ are not considered owner-occupied units for purposes of short term rental registration and regulation.

Owner shall mean each individual person or entity including, without limitation, all partners, officers, or trustees of any real estate trust; all members or managers of a limited liability company; and all officers and directors of a corporation; that is the record owner of a building or property.

Primary Residence shall mean the dwelling in which a person resides as his or her legal residence for more than one half of a year and registers as his or her address for tax and government identification purposes.

Registrant shall mean the owner of a rental unit, or a tenant, with permission from the owner, seeking to register a rental unit.

Rental unit is a portion of any residential structure that is rented or available for rent to any individual or individuals for any length of time. Any portion of a Single-Family Home, Condominium, or Apartment that is rented or available to be rented to an individual or individuals who are not the owner or owners shall be considered a rental unit. Dwelling units and rooming units as defined in §6-106 are, without limitation, rental units. A Single-Family Home, Condominium, or Apartment that is occupied by the owner or owners, and of which no portion is rented or available for rent, is not a rental unit.

Seasonal rental unit means a rental unit in a property identified as a seasonal property by the City's Assessor.

Short Term Rental is the letting of a rental unit, in whole or in part, for less than thirty (30) days.

Single Family Home shall mean a detached residential dwelling or a single condominium unit containing one dwelling unit.

Tenant-Occupied shall mean a rental unit in which the registrant is not the record owner of the rental unit, but lawfully occupies the rental unit as his or her primary residence.

Sec. 6-151. Registration required.

* * *

(e) All booking services shall include a short term rental's registration number in all advertisements or listings for a short term rental before accepting any charges or collecting or receiving any fees in connection with a short-term rental. Upon request by the City, at any time, all owners, registrants, ~~and/or~~ agents, and booking services of short term rental units must provide the City with their registration information, rental history, and upcoming reservation information. Failure of short term rental unit owners, registrants~~tenants,~~ and/or their representatives to adequately respond to inquiries by the City within a forty-eight (48) hour period shall be considered a violation under this ordinance.

(f) *Additional Information Required for Covered Units.* A Covered Unit, as defined by Section 6-232 of this Chapter, shall not be considered registered unless and until the registrant has submitted the following additional information:

1. The current rent charged at the time of registration;
2. The increase in rent (if any) when compared to the previous registration;
3. Whether the increase (if any) is attributable to: (1) the Allowable Increase Percentage and Tax Rate Rent Adjustment, as defined in Section 6-232; or (2) also includes Banked Rent, as defined in Section 6-232;
4. The amount of Banked Rent, if any, accumulated since the previous registration;
5. The amount of security deposits or other payments demanded in addition to rent for each Covered Unit; and
6. The number of bedrooms, number of bathrooms, and the presence or absence of a kitchen from each Covered Unit.

The provisions of this subsection (f) do not apply to short term rental units.

(g) *Registration data made available.* The City's Permitting and Inspections Department or its designee is required to make anonymized data from the registration of Covered Units available to the Rent Board at the Board's request. Such data shall not include the names, or street and unit numbers of any reported

units. The provisions of this subsection (g) do not apply to short term rental units.

(h) Once short term rental registration is issued by the City, the City's Permitting and Inspections Department or its designee shall publish the registration number and address of the unit to the City's website.

* * *

Sec. 6-152. Registration Fees.

* * *

(c) *Short Term Rental Registration Fee Structure.* The registrant of a short term rental shall pay the fee specified in the chart below. All fees will be cumulative and will increase based on the number of total units registered by the owner. The fee total will accumulate first by counting any owner occupied, tenant occupied, and/or island rentals first, and then fees will be attributed at the higher rate for any non-owner occupied mainland units.

Owners and tenants may register more than one owner occupied or tenant occupied unit (bedrooms, separate spaces, etc.) within their primary residence.

Owner Occupied <u>Short Term Units,</u> <u>Seasonal Short Term Units,</u> Tenant Occupied <u>Short Term Units,</u> <u>Peaks Island Short Term Units,</u> <u>and Outer Island Short Term Units</u> <u>Short Term Rentals</u>	1 st Unit - \$100 2 nd Unit - \$250 3 rd Unit - \$500 4 th Unit - \$1,000 5 th Unit - \$2,000
Non-Owner Occupied <u>Short Term</u> <u>Mainland Units,</u>	1 st Unit - \$200 2 nd Unit - \$500 3 rd Unit - \$1,000 4 th Unit - \$2,000 5 th Unit - \$4,000

* * *

Sec. 6-153. Limitations on Short Term Rental Units.

(a) *Occupancy Limit.* Overnight short term rental guest

occupancy in each rental unit will be limited to two (2) guests per bedroom plus no more than two (2) additional guests.

(b) Limitation on Total Number of non-owner occupied mainland Short Term Rentals. ~~For calendar year 2025, no~~ more than 400 non-owner occupied mainland short term rental units shall be registered ~~in any one calendar year.~~ Beginning in calendar year 2026 and for each year thereafter, non-owner occupied mainland short term rental units shall be limited to no more than 1.5% of the total number of registered long-term rental units in the prior year. This limit shall be set annually on September 1 beginning in 2025. Notwithstanding the 1.5% limit set forth above, all registrants of non-owner occupied mainland short term rental units that are validly registered as of December 31, 2025 will be permitted to continue to register those units in 2026 and subsequent years, subject to the terms of this Article, even if the number of such units exceeds the 1.5% limit. Mainland accessory dwelling units that are registered as non-owner occupied short term rentals and that were constructed and received a certificate of occupancy within 5 years before the unit's registration date are excluded from the 1.5% limit set forth in this paragraph.

Accessory dwelling units, and mainland short term rental units in an owner-occupied multi-unit^s, where the units ~~is~~ are not the primary residence of the owner, shall be counted as a non-owner occupied units.

(c) Limitation on Total Number of Peaks Island Short Term Rentals. Beginning in 2026 no more than forty (40) non-owner occupied Peaks Island short term rentals will be allowed in any calendar year. There is no limit on the total number of Peaks Island short term seasonal rental units. There is no limit on the total number of owner-occupied Peaks Island short term rental units. Only one short term rental unit is permitted in any single family home or multi-unit property on Peaks Island, except that no short term rentals will be allowed in buildings with three or more dwelling units.

(d) Limitation on Tenant-Occupied Short Term Rentals. For the calendar year beginning January 1, 2026, no new tenant-occupied short term rental units will be allowed. Only tenants who have a validly registered tenant-occupied short term rental unit as of December 31, 2025 will be allowed to continue to register those units in 2026 and subsequent years, subject to the provisions of this Article.

(e) Limitations on number of Short Term Rentals an Individual or Entity May Register. An individual or entity may only register

up to five (5) short term rental units in the City, ~~including owner occupied, non-owner occupied, and Peaks Island, and Outer Island short term rental units,~~ in any one (1) calendar year. For purposes of this section, short term rental units registered by an entity in which the registrant has an ownership interest shall be counted towards this limit.

(f) No individual or entity may register a short term rental in any single family home unless it is owner-occupied; tenant-occupied with permission of the owner; or located on ~~a Peaks Island~~ or on an Outer Island.

(g) The number of short term rental units that may be operated in a multi-unit building on the mainland are as follows:

Total # of Units in a Building	# of Short Term Rental Units Allowed in a Building		
	Owner Occupied	Non-Owner Occupied	<u>Total</u>
2	<u>1</u>	<u>1</u>	<u>1</u>
3	<u>2</u>	<u>2</u>	<u>1</u>
4	<u>3</u>	<u>2</u>	<u>2</u>
5	<u>4</u>	<u>2</u>	<u>2</u>
6-9	<u>5</u>	<u>4</u>	<u>3</u>
10+	<u>5</u>	<u>5</u>	<u>5</u>

~~1. Tenant-occupied units, where the tenant is the registrant, shall be counted towards these limits.~~

~~2. Owner-occupied units shall be counted towards these limits.~~

(h~~f~~) Notwithstanding the requirements of subsections (f~~e~~) and (e~~h~~), owners may register up to five (5) owner-occupied units (bedrooms, separate spaces, etc.) within their primary residence.

(i) Notwithstanding any of the limitations on the quantities of short term rental units allowed under this section 6-153, all registrants of short term rental units that are validly registered as of December 31, 2025 will be permitted to continue to register those units in 2026 and subsequent years, subject to the terms of this Article, even if the numbers of such units exceeds the limitations set forth in this section 6-153.

Sec. 6-154. Allocation of Short Term Rentals.

(a) Non-owner occupied mainland short term rental units, which are limited by section 6-153(b), shall be allocated on a

first come, first registered basis.

~~(a)~~ (b) Once the total number of units identified in section 6-153(b) has been reached, a waitlist will be formed to help gauge market demand.

~~(b)~~ (c) Notwithstanding the limitations in section 6-153, current registrations of short term rentals may be renewed each year upon application and payment of the registration fee, so long as the renewal is complete by January 1 of that year.

~~1.~~ Failure to renew by January 1 shall result in the forfeiture of the right to renew the registration, and any subsequent application shall be treated as a new application for registration.

~~2. The renewal date for 2019 only shall be February 1, 2019.~~

(c) No registration under this Article shall be transferrable or assignable.

Sec. 6-155. Violations.

Specific violations of this article, subject to the provisions of section 6-1, include, but are not limited to:

(a) Any person, business entity, or other organization failing to timely register a rental unit, including providing all required information and paying the required registration fee;

(b) Any person, business entity, or other organization failing to timely file any required update to the registration;

(c) Any person, business entity, booking service or other organization failing to acquire and ~~or~~ display the required short term rental registration number;

(d) Any person, business entity, booking service, or other organization providing false information with respect to registration. Notwithstanding the provisions of § 6-1, the penalty for such violation shall be \$1,000.00;

(e) Any person, business entity, or other organization renting any rental unit that is not registered under this article, or to permitting the occupancy of such premises without registration;

(f) Failure of short term rental unit owners, tenants, and/or registrants, ~~and/or their representatives~~ to adequately respond to inquiries by the City pursuant to 6-152(e) within a forty-eight

(48) hour period;

*Note: The amendments set forth above will be effective as of September 1, 2025.

public comment regarding the AirBnB proposal

Pamela <pamelachristinebrock@gmail.com>

Sun, Jul 14,
11:58 AM (23 hours
ago)

to publiccomment, Pamela

I really appreciate the suggestion to reduce the number of short-term rental units. However, I don't believe that the economic benefit of having *any* non-owner occupied short-term rentals on the peninsula outweighs the costs to our community. I'm certain that the people who stay in these units will visit our city whether they can stay in a short-term rental or not. Several new hotel options have been added to the city in the past decade and there are also plenty of other hotel options throughout the county (as well as cabin rentals at Sebago and camping options.) The owners of these units can still do very well renting them out as apartments and we desperately need more rental units.

Alternatively, if you decide to keep a small percentage of non-owner occupied short-term rentals, I think that any business who has taken a rental unit off the market should have to pay \$50,000 to the Jill Duson Housing Trust Fund. When the Eastland Park Hotel converted apartments into hotel units back in 2009, they paid this fine for each of the units. AirBnB owners are essentially running mini-hotels and I don't see why they shouldn't be charged this fee for each former apartment rental as well. Their economic activities have the same detrimental effect on our housing market as any other hotel or business that converts apartments for another use. And the added funding would certainly help speed up the pace of new housing development to replace what has been lost.

Thank you,

Pamela Brock, Sherman Street, Portland

**AMENDMENT TO ORDER 28-24/25
PREPARED BY CORPORATION COUNSEL
FOR COUNCILOR KATE SYKES
RE: SHORT TERM RENTAL PROVISIONS**

* * *

Sec. 6-151. Registration required.

* * *

(e) All booking services shall include a short term rental's registration number in all advertisements or listings for a short term rental before accepting any charges or collecting or receiving any fees in connection with a short-term rental. Upon request by the City, at any time, all owners, registrants, and agents, ~~and booking services~~ of short term rental units must provide the City with their registration information, rental history, and upcoming reservation information. Failure of short term rental unit owners, registrants, and/or their representatives to adequately respond to inquiries by the City within a forty-eight (48) hour period shall be considered a violation under this ordinance.

(f) *Additional Information Required for Covered Units.* A Covered Unit, as defined by Section 6-232 of this Chapter, shall not be considered registered unless and until the registrant has submitted the following additional information:

1. The current rent charged at the time of registration;
2. The increase in rent (if any) when compared to the previous registration;
3. Whether the increase (if any) is attributable to: (1) the Allowable Increase Percentage and Tax Rate Rent Adjustment, as defined in Section 6-232; or (2) also includes Banked Rent, as defined in Section 6-232;
4. The amount of Banked Rent, if any, accumulated since the previous registration;

5. The amount of security deposits or other payments demanded in addition to rent for each Covered Unit; and

6. The number of bedrooms, number of bathrooms, and the presence or absence of a kitchen from each Covered Unit.

~~The provisions of this subsection (f) do not apply to short term rental units.~~

(g) *Registration data made available.* The City's Permitting and Inspections Department or its designee is required to make anonymized data from the registration of Covered Units available to the Rent Board at the Board's request. Such data shall not include the names, or street and unit numbers of any reported units. ~~The provisions of this subsection (g) do not apply to short term rental units.~~

Chris Korzen <chriskorzen@gmail.com>

Thu, Aug 15, 10:30 PM (4 days ago)

to publiccomment

Good evening, I intend to provide comment at Monday night's City Council meeting but would also appreciate if you could include this exchange with the director of the Maine Office of Tourism in order to better inform interested parties about the issue at hand.

Many thanks,

Chris Korzen

----- Forwarded message -----

From: Lyons, Steve <Steve.Lyons@maine.gov>

Date: Wed, May 8, 2024, 13:41

Subject: RE: Economic impact of tourism and short-term rentals

To: Chris Korzen <chriskorzen@gmail.com>

Chris

Sorry for the delayed reply, but we only recently got our annual research in.

According to our research firm, Downs & St. Germain, here is the estimated economic impact of visitors staying in vacation rentals in the Portland & Casco Bay area.

Estimated Economic Impact: \$649.6M-794.0M

Steve Lyons

Director

Maine Office of Tourism

p: 207-624-9815

steve.lyons@maine.gov

www.VisitMaine.com

From: Chris Korzen <chriskorzen@gmail.com>

Sent: Thursday, April 18, 2024 10:44 PM

To: Lyons, Steve <Steve.Lyons@maine.gov>

Subject: Economic impact of tourism and short-term rentals

EXTERNAL: This email originated from outside of the State of Maine Mail System. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Hi Steve, I hope you're the right person to contact with a question about economic impact data.

I work with a group of short-term rental hosts in Portland who are trying to quantify the benefit of short-term rentals to our local economy. The economic impact report for greater Portland is certainly helpful and we appreciate that. However we'd like to dig into the findings some more. Would it be possible to obtain the datasets that underlie these findings?

Thanks!

Chris Korzen

207-329-5394

8/19/24 Portland, ME Council Mtg- Order 28-24/25 -STR Amendments Needs Fixing

'Karen Snyder' via Public Comment

Aug 16, 2024, 11:47 AM (3 days ago)

to publiccomment@portlandmaine.gov, mdion@portlandmaine.gov, atrevorrow@portlandmaine.gov, pali@portlandmaine.gov, rrodriguez@portlandmaine.gov, afournier@portlandmaine.gov, vpelletier@portlandmaine.gov, rphillips@portlandmaine.gov, abullett@portlandmaine.gov, ksykes@portlandmaine.gov

Dear City Councilors, Dear City Councilors,

The City of Portland, ME STR policy should be changed to ONLY allowing owner occupied or seasonal short-term rentals.

There should be no non-owner occupied/tenant short term rentals. Existing non-owner occupied STR property investors should NOT be allowed to grandfather in their existing non-owner occupied STR registrations.

By allowing grandfathered non-owner occupied STRs, this sends the wrong message that continued commoditization of housing (aka using housing as property investments rather than long term residential use) is acceptable and is approved by Portland, ME City Councilors.

There is continued overwhelming evidence and reasons why existing STR policies should ONLY allow one owner occupied STR registration no matter how many companies or LLC a person owns which is contributing to the housing crises.

These validated reasons and evidence are listed below:

Reason #1: Because the other popular tourist cities finally realized how much STRs consume long term rental housing supply and have changed their ordinances to allow owner occupied and better enforcement.

[New York City's crackdown on Airbnb and short-term rentals goes into effect | New York | The Guardian](#)

[Paris' legal battle against illegal tourist rentals starts to pay off \(lemonde.fr\)](#)

[Registration Law - OSE \(nyc.gov\)](#)

[About Illegal Short-Term Rentals - OSE \(nyc.gov\)](#)

Reason #2: There is a housing crisis when one sees more 2 times up to 10 times more Airbnb's advertised than long term rentals advertised, this is a problem.

For example:

- 8/16/2024 - Airbnb Portland, ME: approx **741** entire homes, apartments, or guesthouse (Note: There are around 60 websites that advertise short term rentals) [Airbnb | Portland - Vacation Rentals & Places to Stay - Maine](#)
- 8/16/2024 - Apartment.com Portland, ME: **260** rentals [Apartments for rent in Portland ME - 260 Rentals | Apartments.com](#)

Reason #3: False narratives given by Non-Owner Occupied STR property owners in during the 7/02/2024 HEDC meeting [Housing & Economic Development Committee Meeting • City of Portland Meetings & Agenda Portal • CivicClerk](#)

Reason #1: *The maintenance on my 100 yr old building is expensive.*

Observation of Reason #1: Can't the rest of the property owners that don't run STRs and but have over 100 yr old residential buildings use the same excuse?

Reason #2: *My mortgage necessitates me to run non-owner occupied buildings.*

Observation of Reason #2: Certain non-owner occupied STR property owners have purchased their buildings for way too much money than what it was actually worth which basically encouraged them to kick out their tenants and register all their units as non-owner occupied STRs.

One specific example is in Bayside, where a certain property owner purchased in 2020 a 3-unit building for 900K but yet only 4 years prior the previous property owner purchased the building for \$349K. Consequently, in what world would a person purchase a building for almost 3 TIMES more than what the previous purchase price was 4 years prior? The only reason is they could justify this purchase price is they kick out long term tenants and run STRs out of it.

Reason #3: *I would have to charge high rents if I had long term tenants.*

Observation of Reason #3: There is a property owner on Munjoy Hill who rents 5 of 6 of their units as STRs (owns both buildings for 15 and 27 years respectively), has homestead exception, but yet has Vermont license plate on their car.

How is grandfathering on these non-owner occupied STR property owners examples above considered acceptable?

Reason #4: Airbnbs disrupt neighborhoods and abutters who have long term rentals.

For example, I have been tracking the number of disturbances when my long term tenants inform me of my abutter who runs 2 of 3 of her apartments as STRs for the last 5 years. There have been over 30 different incidents documented. Other property owners living near Airbnbs can provide same experience.

Note: There is no official and transparent complaint system in place. When contacting the Permitting & Inspection Director, Jessica Hanscomb on any Airbnb complaints, she refers them to the police dept so nothing is documented consistently and with transparency.

Reasons #5: Grandfathering in Non-owner occupied property investors is sending the wrong message that property investors can continue purchasing buildings and kicking out long term tenants to run illegal STRs.

-In existing Chapter 14 code, technically only R6/R6a allow "bed and breakfasts" and "hostels". Any other residential zone is basically illegal as pointed out below in Chapter 14, Table 6-A.

TABLE 6-A: PERMITTED AND CONDITIONAL USES IN RESIDENTIAL ZONES

	R-1	R-2	R-3	R-4	R-5/R-5a	R-6/R-6a	Use Standards
Residential	Single-family dwellings	●	●	●	●	●	
	Two-family dwellings			●	●	●	6.4.2
	Multi-family dwellings		○		○/● ¹	●	6.4.2, 6.5.6(G)
	Congregate care facilities				● ²		
	Handicapped family units	●	●	●		●	
	Planned Residential Unit Developments		● ⁴		● ³		
	Special needs independent dwelling units			●	● ¹	●	
	Lodging houses				○ ^{1,3}	●	6.4.10
	Sheltered care group homes	○	○	○	○	○	6.5.6(K)
	Elementary, middle, and secondary schools	○	○	○	○ ¹	○	6.5.6(F)
Institutional	Governmental uses	●	●	●	●	●	
	Hospitals			○	○ ¹	○	
	Intermediate care facilities	○	○	○	○/● ²	○	
	Long-term and extended care facilities	○	○	○	○/● ²	○	6.5.6(F)
	Places of assembly (<10,000 SF)	○	○	○	○	○	
	Places of assembly (>10,000 SF)	○	○	○	○	○	
	Preschool facilities	○	○	○	○	○	6.5.6(I)
	Post-secondary schools	○			○ ¹	○	6.5.6(F)
	Bed and breakfasts					●/○ ⁵	6.4.5
	General offices (<5,000 SF)					○	6.5.6(C)
Comm.	Hostels					●/○ ⁵	6.4.9
Other	Agriculture	●	●				
	Cemeteries	○	○				
	Off-street parking			○	○	○	6.5.6(H)
	Parks and open spaces	●	●	●	●	●	
	Raising of domesticated animals	○					6.5.6(J)
	Solar energy system (minor)	●	●	●	●	●	6.4.16
	Utility substations	○	○	○	○	○	6.5.6(L)

¹ In the R-5 zone only.
² In the R-5a zone only.
³ Conversions of existing two-family structures into lodging houses are permitted as a conditional use, provided that the lodging house shall not be located within 500 ft. of another as measured along street lines.
⁴ Must consist of horizontally or vertically attached dwelling units, or a series of such dwelling units, with all land owned and used in common. PRUDs shall be subject to review and approval by the Planning Board under Article 15.
⁵ Permitted if a conversion of a structure existing as of 3/3/97 to up to four guest rooms and conditional if a conversion of the same to five to nine rooms.
⁶ Permitted if for no more than 10 overnight transient guests and conditional if for between 11 and 20 overnight transient guests. An owner, manager, or operator shall be a permanent resident of the building.

Source: [a5dcd1dc-4117-40b3-b3da-74a56919e14b \(civicplus.com\)](https://a5dcd1dc-4117-40b3-b3da-74a56919e14b.civicplus.com)

Ultimately, I am surprised Portland, ME continues to struggle with policies that allow the continued commoditization of housing when there is such a housing crisis. The only reason I can come up with is that by allowing policies that reduce the supply of long-term housing which drives up housing prices and rents which is one of the reasons why the Northeast region of the United States continue to have such insane housing prices and rents which basically eliminates working and middle class able to afford to live in these cities which causes the urban sprawl and massive traffic commutes.

Regards,

Karen Snyder

D1 Resident

Short Term Rentals - Monday, August 19

Peter Murray <pmurray@gwi.net>

Fri, Aug 16, 12:32 PM (3 days ago)

to publiccomment, Murray, Dion, atrevorrow@portlandmaine.gov, pali@portlandmaine.gov, rrodriguez@portlandmaine.gov, afournier@portlandmaine.gov, vpelletier@portlandmaine.gov, rphillips@portlandmaine.gov, abullett@portlandmaine.gov, ksykes@portlandmaine.gov

Dear Mayor Dion and Members of the Council:

This is in anticipation of your consideration of amendments to Portland's ordinance governing short term rentals on Monday, May 19. While it is clear that reform of this regulation is overdue, the measure as proposed appears inadequate and unlikely to result in improvement in what many of us think is an unsatisfactory situation.

The proliferation of short term rentals combined with Portland's heretofore relatively loose and permissive regulation of this activity has resulted in a marked loss of housing, mainly at the affordable and middle range levels, for long term Portland residents. Popular parts of town are developing a transient atmosphere as rolling suitcases replace playing children in front of neighbors' dwellings. Housing costs are being driven upward remorselessly.

If we merely eliminated non-owner occupied units, we should gain 400 additional units of potential long term housing for people who want to live in Portland.

If we restricted owner occupied units to one per owner-occupied structure, we would gain a number more.

Here are two suggestions:

1) Enact a simple ordinance that provides that in mainland Portland only one STR would be allowed to any property owner under his own roof. This would eliminate all non-owner STRs. There is no reason why these should be grandfathered. We need the housing too badly.

2) If the Council is not ready to go this far right away, convene a task force including residents, Council members, housing advocates, and STR owners (not too many of the latter) to come up with a regulation that will result in getting back at least 500 units that are currently STR. The islands and seasonal property there should be left alone.

We have let the STR industry take advantage of our city and our neighborhoods to the detriment of places for Portlanders to live. Many cities across the city have tightened up their STR regulations for the same reason. It is high time for us to act.

Thank you for your consideration,

PLM

Peter L. Murray

104 North Street

Portland, ME 04101

pmurray@gwi.net

Public comment, Order 28, short term rentals

Winston Lumpkins <winston.lumpkins@gmail.com>

Fri, Aug 16, 2:02 PM (3 days ago)

to publiccomment, City, Mark

Dear Mayor Dion, members of the Portland City Council,

While I'm glad to see the council taking up short term rentals, the concerns I addressed during the committee process are mostly unaddressed, and don't reflect that residents in Districts 1 & 2 have twice voted to ban most or all existing unhosted Short Term Rentals. I am saddened not to see my comments included in the public comment, and have copied them below to show that, though this email is likely too late for public comment, I have been engaged with this process throughout*.

Non-owner occupied units should not be allowed, and I don't think that having owned and operated an owner occupied unit legally has any bearing on that calculation: that's a unit of housing removed from the market during a housing crisis for the gain of corporations like airbnb and property owners, some of whom don't even live in Portland, nothing more than that.

I feel saddened not to even see any amendments to limit STRs to only owner occupied units as so many other tourist cities have done. Consigning 1.5% of the market to STRs does nothing in the long term but limit housing availability for renters; as we inevitably add units through development, 1.5% of them will be immediately removed from the market, hampering in one small way the city's housing goals.

Hopefully, before either the number of units operated by grandfathered operators falls below 1.5% or the 1.5% number rises above 400 units the council will see sense and further limit STRs; otherwise, more renters will be displaced. This may pause that displacement for a few years, so I hesitantly support the passage of this order, and hope that a future council cares more for renters (and employers who depend on those renters for a workforce) than those select few who have already long profited from STRing residential units in neighborhoods where hotels are not allowed.

Certainly, I will be considering this future policy need in my decisions this November.

Sincerely, thank you for your service and consideration,

~Winston

Winston Lumpkins IV (he/him/his)

District 1,

Waterville Street,

*From July 1st, 2024:

Dear Chair Pious, Members of the Housing and Economic Development Committee,

Thanks for finally taking this issue up, and to Councilor Sykes for leading the way.

I have come to see the allocation of some percentage of the market to STRs as worse than the set number of 400 units. Very simply, as has been done in NYC and in so many other places, only hosted Short Term Rentals should be allowed. We should not give up a significant percentage of the housing market for the profit of corporations like Airbnb and a few STR hosts, many of whom don't live in Portland.

Our economy doesn't need these STR units; there are many hotel units planned in Portland, and more that have been constructed over the last few years: what Portland needs is housing: multi bedroom housing units in mixed use neighborhoods where people can walk or bike to work: housing that already exists. Additionally, allowing new construction ADUs a 5 year waiver to operate an unhosted unit would provide both the perceived benefit to the economy, and future housing stock: we don't need that and the existing 400 allowed STRs.

Every time a unit is converted to a short term rental unit that means either a tenant has lost housing, or a tenant needed to find housing and could not. Some of the members of the HEDC have expressed concern about hurting the hosts by reducing the number of allowable units: allowing more units to be converted to STRs will hurt renters like me, as has every unit converted thus far, whether legally or illegally. It doesn't matter to my friends who have lost housing when their landlords converted whether their landlords did so legally or illegally.

One of the policy goals given in the opening statement of the memo is: Restore and/or preserve Portland's existing long-term housing stock.

I fear that by allowing 2% of the rental housing stock, this ordinance will achieve neither of those goals.

If the council does allow some non-hosted STR units, 2% of the total number of rental units is too high: as shown in the Memo currently we have 19,328 long term rental units, and 2% of that is 387. With more rental units coming online all the time, by the time this law takes effect it could well raise the number of allowed STRs above the current 400.

While I support allowing ADUs to be let on a short term basis for the first 5 years after construction to offset their cost, I'm not sure the code makes it clear enough that after 5 years they have to stop; I would like to see that clarified.

Further, I'm concerned that while it looks like a good idea to only allow half the units in a building to be STR units, by eliminating some existing legal units without significantly lowering the cap we would allow the conversion of existing long term units; each of those units existing tenants would be hurt by such a change, esp. if the total number of allowed STR units remains high.

Thank you for taking this up, and for considering how to right the wrong done when this ordinance was originally written.

Thank you as well for your service to the city of Portland.

Sincerely yours,

~Winston

Short term rental policy

Davian Akers <dakers1@gmail.com>

Sat, Aug 17, 9:34 AM (2 days ago)

to publiccomment

What's the point of changing it to 1.5% percent? What's wrong with 400?

All the tenants union is doing is making things for complicated for everyone at the government.

Short-term Rental Ban

Caroline Webster <cewebst2@gmail.com>

Sat, Aug 17, 3:16 PM (2 days ago)

to publiccomment

As a resident of Portland, I fully support an outright ban of new short term rentals and would like to see a more strict proposal that would not only cap, but through tax or other measure incentivise conversion to long term rental properties to further reduce the number of short term rentals including that once a pre-existing short term property is used for a long term rental, it can not return to being a short term rental.

Order 28-24/25 Amendment to Short Term Rentals

S. Nick Zaccaro <snzaccaro@gmail.com>

Sun, Aug 18, 11:53 AM (1 day ago)

to publiccomment

Dear City Council,

I am the owner-occupant of a 3-family in District 3. I have never hosted STRs.

I strongly urge that City Council sunset all 400 unhosted units on the mainland. It is imperative that our STR regulation:

Is morally consistent for all landlords,

Does not allow hotels in residential neighborhoods,

Does not allow tourists to displace the very hospitality workers who serve them.

If we implement a sunset policy after 5, or even 10 years, hosts will surely recoup their investment. As for hosts' life plans, I would love the opportunity to retire from my back-breaking job sorting mail to instead host STRs, but it's unfair to my neighbors. The unfairness honestly angers me.

If the 400 unhosted units are allowed to remain, what happens when the units are sold or when the hosts die? Do these units persist in perpetuity? Let's bring an end to this now.

Sincerely,

S. Nick Zaccaro

64 Whitney Ave #3

MEMORANDUM
City Council Agenda Item

FROM:

DATE: July 10, 2024

SUBJECT: Order 23-24/25 Setting an Election Date on an Amendment to the Portland City Code RE: an Act to Amend Portland's Short Term Rental Unit Registration Requirements - Sponsored by the Housing and Economic Development Committee, Councilor Pious Ali, Chair

SPONSOR: The Mayor, City Manager, City Clerk, Corporation Counsel, the Planning Board, or up to three (3) members of the Council shall sponsor any orders or other items. If sponsored by a Council Committee, please include the date the committee met and the results of the vote.

(If sponsored by a Council committee, include the date the committee met and the results of the vote.)

COUNCIL MEETING DATE ACTION IS REQUESTED:

1st Reading 7/15/2024

**Final
Action 8/19/2024**

Can action be taken at a later date: No If action cannot be taken at a later date, please explain why. Do NOT write yes or no; that will be automatically generated by the checkbox.

Does this item involve a new contract with the City: No

PRESENTATION: Please list the presenter(s), type, and length of presentation

I. SUMMARY

II. AGENDA DESCRIPTION

The public hearing for this Amendment is scheduled for the August 19, 2024 City Council meeting. Along with receiving public comment, the City Council will vote to set the election date of November 5, 2024 for this item and to approve the language of the summary that will appear on the ballot. That language is as follows:

An Act To Amend Portland's Short Term Rental Unit Registration Requirements amends the list of information required to register short term rental units in Portland.

This item must be read on two separate days. It received its first reading on July 15. Five affirmative votes are required for passage after public comment.

III. BACKGROUND

Background information that will not appear in the Agenda Description

IV. INTENDED RESULT AND/OR COUNCIL GOAL ADDRESSED

V. FINANCIAL IMPACT

Please indicate whether or not there is a financial impact. Please note that per Council Rule 12, this form must have "a separate fiscal impact statement memo attached if the impact of the item is \$50,000 or more in a given fiscal year. This memo shall include details and information describing the fiscal impact including, but not limited to, projected costs, revenues or savings over a three (3) year period and/or any potential impacts on the City tax levy."

VI. STAFF ANALYSIS AND BACKGROUND

Staff Analysis that will not appear in the Agenda Description.

VII. RECOMMENDATION

VIII. LIST ATTACHMENTS

1. Order 23 - Setting an Election Date on an Amendment to the Portland City Code Re Short Term Rental Registration Ordinance
2. Snippets from Chapter006.Buildings 5.8.2024
3. Short Term Rental Item
4. Sykes Amendment 1 to Order 23

Prepared by:

Date: 07/10/2024

MARK DION (MAYOR)
PIOUS ALI (A/L)
APRIL D. FOURNIER(A/L)
ROBERTO RODRÍGUEZ (A/L)

**CITY OF PORTLAND
IN THE CITY COUNCIL**

ANNA TREVORROW (1)
VICTORIA L. PELLETIER (2)
REGINA L. PHILLIPS (3)
ANNA BULLETT (4)
KATE SYKES (5)

**ORDER SETTING ELECTION DATE ON AN AMENDMENT TO THE PORTLAND
CITY CODE**

**RE: AN ACT TO AMEND PORTLAND'S SHORT TERM RENTAL UNIT
REGISTRATION REQUIREMENTS**

ORDERED, that the amendment to the Portland City Code called An Act to Amend Portland's Short Term Rental Unit Registration Requirements, a copy of which is attached to and made a part of this Order, shall be submitted to the voters of the City, on a ballot with the below summary only as determined necessary by the City Clerk, at the municipal election on November 5, 2024; and

BE IT FURTHER ORDERED, that notwithstanding the limitation on the repeal or amendment of ordinances set forth in Portland City Code Chapter 9 Section 9-46, the City Council may, without a vote of the people, amend or repeal the ordinance set forth below at any time; and

BE IT FURTHER ORDERED, that the Portland City Clerk is hereby authorized to place the following question and summary of An Act to Amend Portland's Short Term Rental Unit Registration Requirements on the ballot:

Do you favor the change in the city ordinance proposed by City Councilors as summarized below?

An Act to Amend Portland's Short Term Rental Unit Registration Requirements

An Act To Amend Portland's Short Term Rental Unit Registration Requirements amends the list of information required to register short term rental units in Portland. This amendment will be effective beginning September 1, 2025.

EXHIBIT A

An Act to Amend Portland's Short Term Rental Unit Registration Requirements

An Act to Amend Portland's Short-Term Rental Unit Registration Requirements amends the list of information required to register short term rental units in Portland.

BE IT ORDAINED:

That Chapter 6, Subsection 6-151 of the Portland City Code is hereby amended to read as set forth below and will be effective beginning September 1, 2025. Notwithstanding the limitation on the repeal or amendment of ordinances set forth in Portland City Code Chapter 9 Section 9-46, the City Council may, without a vote of the people, amend or repeal the ordinance set forth below at any time.

Sec. 6-151. Registration required.*

. . .

(c) *Additional Information Required for Short Term Rentals.* A short term rental shall not be considered registered unless and until the registrant has submitted a complete application together with all information required by this article, paid the fee required by Sec. 6-152, and a registration number has been issued.

In addition to the information required in Section 6-151(b), a Short Term Rental registrant must provide at a minimum the following information and any other information requested by the City's Permitting and Inspections Department or their designee:

1. A short term rental application;
2. Whether the rental unit is owner-occupied, tenant-occupied, or non-owner occupied;
 - a. For Short Term Rental units that are owner-occupied, the owner must provide a notarized primary residence affidavit, on forms provided by the City. The owner must also produce for review ~~one of~~ the following demonstrating residency at the owner-occupied unit:
 - i. Valid driver's license, ~~or~~ other state-

issued identification, or passport; and

~~ii. Valid motor vehicle registration;~~

~~iii. Proof of homestead exemption verified through the City Assessor's records, or, if the legal owner of the property is not eligible for the homestead exemption, a copy of the owner's most recent tax return with financial information redacted; or.~~

~~iv. Other documentation proving primary residence to the satisfaction of the City's Permitting and Inspections Department.~~

b. For Short Term Rental units that are tenant-occupied, the tenant must provide a notarized primary residence affidavit, and a notarized statement of permission by his/her landlord, both on forms supplied by the City. The tenant must also produce for review one of the following demonstrating residency at the tenant-occupied unit:

i. Valid driver's license, ~~or~~ other state-issued identification, or passport;

ii. Valid motor vehicle registration; or

iii. Other documentation proving primary residence to the satisfaction of the City's Permitting and Inspections Department.

3. For Peaks Island short term rentals, whether the unit is seasonal or year-round, verified through the City Assessor's records.

4. The address and tax assessor's chart, block, and lot number of all other short term rentals in the City in which the registrant has an ownership interest;

5. For short term rental units that are within a condominium or other homeowner's association, an attestation by an authorized representative of the association that use of the unit as a short term rental is allowed under the relevant association's governing documents and a copy of

those documents; and

5. If the application is for renewal, the number of nights the unit was rented on a short-term basis and the number of nights the unit was rented on a long-term basis in the previous reporting year. For purposes of reporting this information, November 1 through October 31 is the reporting period for a renewal of January 1.

*Note: The amendments set forth above will be effective as of September 1, 2025. Notwithstanding the limitation on the repeal or amendment of ordinances set forth in Portland City Code Chapter 9 Section 9-46, the City Council may, without a vote of the people, amend or repeal the ordinance set forth below at any time.

Chapter 6 BUILDINGS AND BUILDING REGULATIONS*

*Cross reference(s)--Alarm systems, Ch. 2.5; fire prevention and protection, Ch. 10; land use, Ch. 14; rodent and vermin control, Ch. 22; sewers, Ch. 24; streets, sidewalks and other public places, Ch. 25; moving of structures, § 25-191 et seq.; swimming pools, Ch. 26.

Art. I. In General, §§ 6-1--6-15

Art. II. Building Code, §§ 6-92--6-103

Div. 1. In General, §§ 6-92--6-97

Div. 2. Building Standards, §§ 6-98--6-103

[Art. III and IV were repealed by Order 18-17/18, 8-21-2107]

Art. V. Housing Code, §§ 6-106--6-149

Art. VI. Residential Rental Unit Registration Requirements, §§ 6-150--6-157

Art. VII. Green Building Code, §§ 6-165 - - 6-177

Art. VIII. Property Assessed Clean Energy, §§ 6-190--6-199

Div. 1. Property Assessed Clean Energy, §§ 6-190--6-194

Div. 2. Commercial Property Assessed Clean Energy §§ 6-195--6-199

Art. IX. Disorderly Houses, §§ 6-200--6-204

Art. X. Energy Benchmarking, §§ 6-205--6-218

Art. XI. Tenant Housing Rights, §§ 6-219--6-229

Art. XII. Rent Control and Tenant Protections, §§ 6-230--6-244

Art. XIII. Rent Board, §§ 6-250--6-263

ARTICLE I. IN GENERAL

Sec. 6-1. Penalties.

(a) *Penalties.* Monetary penalties shall be assessed on a per-day basis for each day on which a violation exists:

1. The minimum penalty for a specific significant code violation is two hundred dollars (\$200.00) per day, and the maximum penalty is two thousand five hundred dollars (\$2,500.00) per day. The minimum penalty for failure to correct such significant code violation after written notice by the city to do so is five hundred (\$500.00) per day, and the

ARTICLE VI. RESIDENTIAL RENTAL UNIT REGISTRATION REQUIREMENTS

Sec. 6-150. Purpose.

The proliferation of real estate proprietorships, partnerships, and trusts having undisclosed, anonymous or otherwise unidentifiable principals, owning large numbers of residential long term rental properties, sometimes managed through unresponsive property management companies, has impeded the proper enforcement of this chapter, chapter 12 and other ordinances of the city. Non-owner occupied short term rental units may remove housing units from the long term rental market and may contribute to the increase in the cost of rental housing in the City.

This article is intended to require the disclosure of the ownership of such property, and to regulate the renting of property within the City, and to make owners and persons responsible for the maintenance of property more accessible and accountable with respect to the premises, to ensure that housing units remain available for rent to those who reside or seek to reside within the City, to ensure that residential areas are not unduly impacted by the operation of short term rentals, and to ensure that owners and tenants comply with chapters 6 and 10 of the City Code.

(Ord. No. 443-89, 6-7-89; Ord. No. 53-89, 7-17-89; Ord. 298-14/15, 7-6-2015; Ord. 179-16/17, 3-27-2017; Order 99-18/19, 11-19-2018)

Sec. 6-150.1. Definitions.

The definitions in 6-106 apply to this Article. The following words and phrases, when used in this article, shall have the meanings respectively ascribed to them:

Island Short Term Rental shall mean a short term rental located on one of the following islands in the City of Portland: Peaks Island, Great Diamond Island, Cushing Island, Little Diamond Island, House Island, and/or Cliff Island.

Long Term Rental shall mean the letting of a rental unit in whole or in part for thirty (30) days or more.

Mainland Short Term Rental shall mean a short term rental located within the limits of the City of Portland, but not on Peaks Island, Long Island, Great Diamond Island, Cushing Island, Little Diamond Island, House Island and/or Cliff Island.

Multi-Unit shall mean a single, detached building in common ownership interest containing more than one (1) residential or commercial unit, as determined by the Director of the Permitting

and Inspections Department.

Owner-Occupied shall mean a rental unit owned and occupied by the registrant as his or her primary residence. Accessory dwelling units as defined in Chapter 14 of this Code, are not considered owner-occupied units for purposes of short term rental registration and regulation.

Owner shall mean each individual person or entity including, without limitation, all partners, officers, or trustees of any real estate trust; all members or managers of a limited liability company; and all officers and directors of a corporation; that is the record owner of a building or property.

Primary Residence shall mean the dwelling in which a person resides as his or her legal residence for more than one half of a year and registers as his or her address for tax and government identification purposes.

Registrant shall mean the owner of a rental unit, or a tenant, with permission from the owner, seeking to register a rental unit.

Rental unit is a portion of any residential structure that is rented or available for rent to any individual or individuals for any length of time. Any portion of a Single-Family Home, Condominium, or Apartment that is rented or available to be rented to an individual or individuals who are not the owner or owners shall be considered a *rental unit*. *Dwelling units* and *rooming units* as defined in §6-106 are, without limitation, *rental units*. A Single-Family Home, Condominium, or Apartment that is occupied by the owner or owners, and of which no portion is rented or available for rent, is not a *rental unit*.

Short Term Rental is the letting of a rental unit, in whole or in part, for less than thirty (30) days.

Single Family Home shall mean a detached residential dwelling or a single condominium unit containing one dwelling unit.

Tenant-Occupied shall mean a rental unit in which the registrant is not the record owner of the rental unit, but lawfully occupies the rental unit as his or her primary residence.
(Ord. 179-16/17, 3-27-2017; Order 99-18/19, 11-19-2018)

Sec. 6-151. Registration required.

(a) *Registration of Ownership.*

1. Rental units must be registered in accordance with this article by January 1st of each year; Rental units entering the rental housing market must be registered within fourteen days. Registration must be renewed annually, on or before January 1st, including updating all changes in previously submitted registration information.
2. If a rental unit is rented as both a short term and long term rental, it must be separately registered for each type of rental.
3. Each owner, manager, and person/entity otherwise responsible for the rental unit, such as a property manager, shall be obligated under this article. Any new owner, manager, or responsible person/entity must apply to register within thirty (30) days of purchase of the rental unit or transfer of management or responsibility. New owners or tenants applying to register an existing short term rental unit are considered new applicants and shall be subject to all limitations and regulations in effect at the time of the application.
4. A rental unit shall not be considered registered until all information and fees are provided to the satisfaction of the City's Permitting and Inspections Department or its designee.
5. As a condition of registration, all owners must allow onsite inspections of their property including, without limitation, all rental units.

(b) *Information/Documentation Required.* Registration must be completed on forms supplied by the City's Permitting and Inspections Department or their designee and must provide, at a minimum, the following information:

1. The street address of the building;
2. The unit number of the rental unit;
3. The tax assessor's chart, block and lot of the property on which the building is located;

4. The owner of the property, including the owners' name, address, telephone number, and email address. If the owner is anything other than a natural person, the following information must also be included:
 - a. The name of each individual person that has an ownership interest in any entity that is the record owner. This includes, without limitation, all partners, officers, or trustees of any real estate trusts; any members or managers of a limited liability company; and all officers and directors of a corporation; and
 - b. The residential street address, e-mail address and home phone number of at least one (1) such individual person;
5. The manager of the property or the person or persons responsible for its regular maintenance or repair, as well as a name, address, telephone number, and email address for that person or entity; and
6. The person designated as the agent of the owner or owners for the service of notices and civil process by the city, as well as their name, address, telephone number, and e-mail address. Service of notice and process upon the person so designated shall be deemed conclusive service upon the owner or owners.

(c) *Additional Information Required for Short Term Rentals.* A short term rental shall not be considered registered unless and until the registrant has submitted a complete application together with all information required by this article, paid the fee required by Sec. 6-152, and a registration number has been issued.

In addition to the information required in Section 6-151(b), a Short Term Rental registrant must provide at a minimum the following information and any other information requested by the City's Permitting and Inspections Department or their designee:

1. A short term rental application;
2. Whether the rental unit is owner-occupied, tenant-occupied, or non-owner occupied;
 - a. For Short Term Rental units that are owner-occupied, the owner must provide a notarized

primary residence affidavit, on forms provided by the City. The owner must also produce for review one of the following demonstrating residency at the owner-occupied unit:

- i. Valid driver's license or other state-issued identification;
 - II. Valid motor vehicle registration;
 - iii. Proof of homestead exemption; or
 - iv. Other documentation proving primary residence to the satisfaction of the City's Permitting and Inspections Department.
- b. For Short Term Rental units that are tenant-occupied, the tenant must provide a notarized primary residence affidavit, and a notarized statement of permission by his/her landlord, both on forms supplied by the City. The tenant must also produce for review one of the following demonstrating residency at the tenant-occupied unit:
 - i. Valid driver's license or other state-issued identification;
 - ii. Valid motor vehicle registration; or
 - iii. Other documentation proving primary residence to the satisfaction of the City's Permitting and Inspections Department.
3. The address and tax assessor's chart, block, and lot number of all other short term rentals in the City in which the registrant has an ownership interest;
4. For short term rental units that are within a condominium or homeowner's association, an attestation that use of the unit as a short term rental is allowed under the relevant documents; and
5. If the application is for renewal, the number of nights the unit was rented on a short-term basis and the number of nights the unit was rented on a long-term basis in the previous reporting year. For purposes of reporting this

information, November 1 through October 31 is the reporting period for a renewal of January 1.

(d) Display of Short Term Rental Registration Number Required.

Once registration is approved by the City, each short term rental shall be given a registration number, which must be displayed in the rental unit and in any and all advertisements for the rental unit.

(e) Upon request by the City, at any time, all registrants and/or agents of short term rental units must provide the City with their registration information, rental history, and upcoming reservation information. Failure of short term rental unit owners, tenants, and/or their representatives to adequately respond to inquiries by the City within a forty-eight (48) hour period shall be considered a violation under this ordinance.

(f) Additional Information Required for Covered Units. A Covered Unit, as defined by Section 6-232 of this Chapter, shall not be considered registered unless and until the registrant has submitted the following additional information:

1. The current rent charged at the time of registration;
2. The increase in rent (if any) when compared to the previous registration;
3. Whether the increase (if any) is attributable to: (1) the Allowable Increase Percentage and Tax Rate Rent Adjustment, as defined in Section 6-232; or (2) also includes Banked Rent, as defined in Section 6-232;
4. The amount of Banked Rent, if any, accumulated since the previous registration;
5. The amount of security deposits or other payments demanded in addition to rent for each Covered Unit; and
6. The number of bedrooms, number of bathrooms, and the presence or absence of a kitchen from each Covered Unit.

(g) Registration data made available. The City's Permitting and Inspections Department or its designee is required to make anonymized data from the registration of Covered Units available to the Rent Board at the Board's request. Such data shall not

include the names, or street and unit numbers of any reported units.

(Ord. No. 443-89, 6-7-89; Ord. No. 53-89, 7-17-89; Ord. No. 246-97, 4-9-97; Ord. 298-14/15, 7-6-2015; Ord. 69-15/16, 10/5/2015; Ord. 179-16/17, 3-27-2017; Order 99-18/19, 11-19-2018; By Referendum, 11-3-2020; By Referendum, 11-8-2022)

Sec. 6-152. Registration Fees.

(a) *Annual Registration Fee.* Upon initial registration and by January 1st of each year, registrants shall pay the City a registration fee for each rental unit, in the amounts set forth below. A rental unit shall not be considered registered unless and until this fee is paid in full.

(b) *Long Term Rental Registration Fee.* The registrant of a long term rental shall pay fifty dollars (\$50.00) to the City by January 1st of each year. Regardless of any discount a Landlord may be entitled to under subsection (d) below, thirty dollars (\$30) from each registration fee shall be appropriated to Housing Safety Office to cover the administrative expenses of the Rent Board, including the hiring of additional administrative staff if necessary.

(c) *Short Term Rental Registration Fee Structure.* The registrant of a short term rental shall pay the fee specified in the chart below. All fees will be cumulative and will increase based on the number of total units registered by the owner. The fee total will accumulate first by counting any owner occupied, tenant occupied, and/or island rentals first, and then fees will be attributed at the higher rate for any non-owner occupied mainland units.

Owners and tenants may register more than one owner occupied or tenant occupied unit (bedrooms, separate spaces, etc.) within their primary residence.

Owner Occupied Units, Tenant Occupied Units, Island Short Term Rentals	1 st Unit - \$100 2 nd Unit - \$250 3 rd Unit - \$500 4 th Unit - \$1,000 5 th Unit - \$2,000
Non-Owner Occupied Mainland Units	1 st Unit - \$200 2 nd Unit - \$500 3 rd Unit - \$1,000 4 th Unit - \$2,000 5 th Unit - \$4,000

(d) *Registration and Renewal Fee Discounts.* The following discounts shall apply to the registration and renewal fees:

1. \$10 discount for each rental unit within a fully-sprinkled building as verified by a testing report, maintenance report or a maintenance contract, which shall be provided at the time of registration and upon each registration renewal;
2. \$7.50 discount for each rental unit within a building with a centrally-monitored fire alarm as verified by Fire Department logs or an alarm contract, which shall be provided at the time of registration and upon each registration renewal;
3. \$5.00 for a rental unit that has been subject to and has passed a Housing and Urban Development Housing Quality Standard (HQS) inspection within the preceding year as verified by the HQS inspection report, which shall be provided at the time of registration and upon each registration renewal;
4. \$10.00 for a rental unit that has been subject to and has passed a Housing and Urban Development Uniform Physical Condition Standard (UPCS) inspection within the preceding year as verified by the UPCS inspection

report, which shall be provided at the time of registration and upon each registration renewal;

5. \$2.50 for a rental unit that is subject to a signed lease which prohibits smoking by tenants as verified by a copy of the current lease, which shall be provided at the time of registration and upon each registration renewal. The existence of and enforcement of this provision may be verified through an inspections of each rental unit.

The total amount of discounts from the annual registration or renewal fee as described above shall not exceed \$20.00 per unit.

(e) Registrations that are not received by January 15, or within 14 days after entering the rental housing market, whichever is later, shall be subject to a late fee of \$50 per unit, and registrations that are not received by February 15, or within 45 days after entering the rental housing market, whichever is later, shall be subject to a late fee of \$200 per unit. Registrations shall not be renewed unless and until the registrant pays any applicable late fee. Incomplete or inaccurate registrations may be rejected and subject to all applicable late fees upon resubmission. The Permitting and Inspections Director may waive a late fee upon a showing of both hardship and good cause as to why the renewal was not timely.

(Ord. No. 443-89, 6-7-89; Ord. No. 53-89, 7-17-89; Ord. 298-14/15, 7-6-2015; Ord. 179-16/17, 3-27-2017; Order 99-18/19, 11-19-2018; Ord. No. 244-18/19, 5-30-2019; By Referendum, 11-3-2020; By Referendum, 11-8-2022)

Sec. 6-153. Limitations on Short Term Rental Units.

(a) *Occupancy Limit.* Overnight short term rental guest occupancy in each rental unit will be limited to two (2) guests per bedroom plus no more than two (2) additional guests.

(b) *Limitation on Total Number of Short Term Rentals.* No more than 400 non-owner occupied mainland short term rental units shall be registered in any one calendar year.

A mainland short term rental unit in an owner-occupied multi-unit, where the unit is not the primary residence of the owner,

shall be counted as a non-owner occupied unit.

(c) *Limitations on number of Short Term Rentals an Individual or Entity May Register.* An individual or entity may only register up to five (5) short term rental unit in the City, including owner occupied, non-owner occupied, and island short term rental units, in any one (1) calendar year. For purposes of this section, short term rental units registered by an entity in which the registrant has an ownership interest shall be counted towards this limit.

(d) No individual or entity may register a short term rental in any single family home unless it is owner-occupied; tenant-occupied with permission of the owner; or located on an Island.

(e) The number of short term rental units that may be operated in a multi-unit building are as follows:

Total # of Units in a Building	# of Short Term Rental Units Allowed in a Building	
	Owner Occupied	Non-Owner Occupied
2	1	1
3	2	2
4	3	2
5	4	2
6-9	5	4
10+	5	5

1. Tenant-occupied units, where the tenant is the registrant, shall be counted towards these limits.
2. Owner-occupied units shall be counted towards these limits.

(f) Notwithstanding the requirements of subsections (c) and (e), owners may register up to five (5) owner-occupied units (bedrooms, separate spaces, etc.) within their primary residence. (Ord. No. 443-89, 6-7-89; Ord. No. 53-89, 7-17-89; Ord. 298-14/15, 7-6-2015; Ord. 179-16/17, 3-27-2017; Order 99-18/19, 11-19-2018)

Sec. 6-154. Allocation of Short Term Rentals.

(a) Non-owner occupied mainland short term rental units, which are limited by section 6-153(b), shall be allocated on a first come, first registered basis. Once the total number of units identified in section 6-153(b) has been reached, a waitlist will be formed to help gauge market demand.

(b) Notwithstanding the limitations in section 6-153, current registrations of short term rentals may be renewed each year upon application and payment of the registration fee, so long as the renewal is complete by January 1 of that year.

1. Failure to renew by January 1 shall result in the forfeiture of the right to renew the registration, and any subsequent application shall be treated as a new application for registration.
2. The renewal date for 2019 only shall be February 1, 2019.

(c) No registration under this Article shall be transferrable or assignable.

(Ord. 179-16/17, 3-27-2017; Order 99-18/19, 11-19-2018)

Sec. 6-155. Violations.

Specific violations of this article, subject to the provisions of section 6-1, include, but are not limited to:

(a) Any person, business entity, or other organization failing to timely register a rental unit, including providing all required information and paying the required registration fee;

(b) Any person, business entity, or other organization failing to timely file any required update to the registration;

(c) Any person, business entity, or other organization failing to acquire and/or display the required short term rental registration number;

(d) Any person, business entity, or other organization providing false information with respect to registration. Notwithstanding the provisions of § 6-1, the penalty for such violation shall be \$1,000.00;

(e) Any person, business entity, or other organization renting any rental unit that is not registered under this article, or to permitting the occupancy of such premises without registration;

(f) Failure of short term rental unit owners, tenants, and/or their representatives to adequately respond to inquiries by the City pursuant to 6-152(e) within a forty-eight (48) hour period;
(Ord. 179-16/17, 3-27-2017; Order 99-18/19, 11-19-2018)

Sec. 6-156. Enforcement.

(a) The building authority as defined in section 6-1 or his or her designee is authorized to institute or cause to be instituted by and through the office of the corporation counsel, in the name of the city, any and all actions, legal or equitable, that may be appropriate or necessary for the enforcement of the provisions of this article.

(b) No certificate of occupancy shall be issued for property that is subject to the registration requirements of this article, but is not registered in accordance with this article.

(c) Any short term rental at a property that is designated by the City as a disorderly house and fails to remedy the disorderly house as required by section 6-202, shall, at the discretion of the City Manager or his or her designee, have its registration revoked and be ineligible for registration for a period of twelve (12) months. Any registration after revocation shall be considered a new registration and not a renewal. Upon the second designation of the short term rental property as a disorderly house, the City shall, at the discretion of the City Manager or his or her designee, prohibit the registered owner from operating the property as a short term rental or post the property against occupancy pursuant to section 6-201.

(d) Fines may be attributed to Property Management firms found operating short term rental units in violation of this article. These fines may be in addition to fines levied against owners of property.

(e) Violations of the provisions of this article shall be grounds to deny an application or renewal application for a short term rental registration.

(Ord. 179-16/17, 3-27-2017; Ord. No. 29-17/18, 9-18-2017; Order 99-18/19, 11-19-2018)

Sec. 6-157. Revenue Allocation.

Notwithstanding section 6-1(b), all revenue generated from short term rental registration fees and penalties shall be used to first fund short term rental related administrative costs. Any remaining revenue shall be deposited in the Housing Trust Fund, as defined in Section 14-489.

(Ord. 179-16/17, 3-27-2017)

Sec. 6-158. Reserved.

Office of Corporation Counsel
Michael Goldman, *Corporation Counsel*
Amy McNally, *Associate Corporation Counsel*
Nicole Albert, *Associate Corporation Counsel*
Rachel Millette, *Associate Corporation Counsel*



MEMORANDUM

To: Mayor Mark Dion; Councilor Kate Sykes **MIG**

Cc: Danielle West, City Manager; Dena Libner, Assistant City Manager; Greg Watson, Director of Housing and Economic Development; Jessica Hanscombe, Director of Permitting and Inspections

From: Michael Goldman, Corporation Counsel

Date: May 14, 2024

Subject: Initiatives Impacting Short Term Rental Ordinance

In light of the Housing and Economic Development Committee's potential plans to amend the short-term rental provisions in the City Code, I reviewed recent citizen initiatives to ensure that any ordinance amendments are consistent with the five-year rule in Section 9-46 of the City Code, which provides as follows:

An ordinance enacted by a vote of the people at an initiative or referendum election shall not be repealed or amended for a period of five (5) years from the effective date of the ordinance, except by a vote of the people, unless such ordinance shall otherwise expressly provide. After five (5) years from the effective date of the ordinance, the city council after public hearing may repeal or amend such ordinance by vote of five (5) of its members.

Accordingly, under the five-year rule, the Council is prohibited from amending an ordinance enacted by the citizen initiative process for five years after the effective date of the ordinance, unless such an amendment is approved at an election.

The provisions of the City Code that address short term rentals are included in Chapter 6, Sections 6-150 to 6-157 and 6-236. Although these sections address short and long term rental units, for purposes of this memo, I refer to those sections as the "Short Term Rental Ordinance." In the previous five years, there have been two citizen initiatives passed by

the voters that amended the Short Term Rental Ordinance: (1) An Act To Protect Tenants (2020) (the “2020 Act”) (Attachment 1); and (2) An Act To Protect Tenants In Portland (2022) (the “2022 Act”) (Attachment 2).

The 2020 Act affected the Short Term Rental Ordinance as follows:

- It created Sections 6-151(c) and (d)
- It amended Section 6-152(b)
- It created Sections 6-236(a) and (b)¹

The 2020 Act became effective on or about December 3, 2020, and, therefore, the changes listed above cannot be amended or repealed by the Council without a vote of the people until after December 3, 2025.

The 2022 Act affected the Short Term Rental Ordinance as follows:

- It amended Section 6-151(a)(1)
- It amended Sections 6-151(f)(2) and (4)
- It amended Section 6-152(e)
- It amended Section 6-236(a) and (b)

The 2022 Act became effective on or about December 8, 2022, and, therefore, the changes listed above cannot be amended or repealed by the Council without a vote of the people until after December 8, 2027.

At this time, I do not know what changes the HEDC might propose to the Short Term Rental Ordinance, so it is difficult to say what, if any, impact Section 9-45 might have on the proposed changes. The purpose of this memo is simply to ensure that the HEDC is aware of the restrictions that Section 9-45 place on the Council’s ability to amend or repeal the portions of the Short Term Rental Ordinance that were enacted by the 2020 Act or the 2022 Act. As the Committee works through the process, I will plan to further review the prior initiatives to ensure that we do not run afoul of the five year rule. Please let me know if you have any questions or concerns in the meantime.

¹ In the proposed ordinance drafted by the proponents of the initiative, subsections (a) and (b) were incorrectly referred to as (1) and (2) (see Attachment 1)

**AFFIDAVIT FILED PURSUANT TO §9-36 OF PORTLAND CITY CODE
SEEKING PETITIONS FOR INITIATION OF ORDINANCE**

The undersigned hereby depose and say as follow:

- (1) The undersigned are registered voters of the City of Portland, whose respective addresses appear below next to their names;
- (2) The undersigned file this affidavit for the purpose of initiating an ordinance ("the Ordinance"), the text and a summary of which is annexed to this Affidavit as Exhibit A;
- (3) The undersigned will constitute the Petitioners' Committee and circulate the citizen initiative petition;
- (4) All notices to the Committee are to be sent to DSA the following address:

PO Box 11345 Portland Maine 04104

Dated at Portland, this 15 day of May 20 20.

✓ Crow Norlander

(Print) Name

64 Mabel St. #2 Portland ME 04103

Address

Signature

✓ Nicholas Pellenz

(Print) Name

215 St John St

Address

Signature

✓ Jai Kang

(Print) Name

45 Rustic Ln.

Address

Signature

✓ Jeanne Heil

(Print) Name

45 Rustic Ln

Address

Signature

✓ Jessica Falero

(Print) Name

9 C st

Address

Signature

✓ Arnon Berger

(Print) Name

11 Grant st #6

Address

Signature

✓ Sydney Avitia-Jacques

(Print) Name

180 State St. #301 Portland 04101

Address

Signature

✓ Grayson Lookner

(Print) Name

1275 Westbrook St. #2

Address

Signature

✓ KRYSTIAN BIGOSINSKI

(Print) Name

73 ALBA ST

Address

Signature

✓ Ann Laguerre

(Print) Name

139 Park St.

Address

Signature

Subscribed and sworn to before me this 14 day of May, 20 20.

Jonathan D Torsch

Signature of Notary Public/Attorney-at-law

8/19/2026

Date Commission Expires/Date Entered the Bar

JONATHAN D TORSCH

Printed Name

**AFFIDAVIT FILED PURSUANT TO §9-36 OF PORTLAND CITY CODE
SEEKING PETITIONS FOR INITIATION OF ORDINANCE**

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PO Box 11345 Portland Maine 04104

Dated at Portland, this _____ day of _____ 20____.

Crow Norlander
(Print) Name

64 Mabel St. #2 Portland ME 04103
Address

[Signature]
Signature

Nicholas Pellenz
(Print) Name

215 St John St
Address

[Signature]
Signature

Jai Kang
(Print) Name

45 Rustic Ln.
Address

[Signature]
Signature

Jeanne Heil
(Print) Name

45 Rustic Ln
Address

[Signature]
Signature

Jessica Falero
(Print) Name

9 C st
Address

[Signature]
Signature

Aaron Berger
(Print) Name

11 Grant st #6
Address

[Signature]
Signature

Sydney Avitia-Jacques
(Print) Name

180 State St. #301 Portland ME 04101
Address

[Signature]
Signature

Grayson Lookner
(Print) Name

1275 Westbrook St. #2
Address

[Signature]
Signature

KRYSZIAN BIGOSINSKI
(Print) Name

73 ALBA ST
Address

[Signature]
Signature

Ana Laguerz
(Print) Name

139 Park St.
Address

[Signature]
Signature

Subscribed and sworn to before me this 14 day of May, 2020.

[Signature]
Signature of Notary Public/Attorney-at-law

8/19/2026
Date Commission Expires/Date Entered the Bar

JONATHAN D TORSCH
Printed Name

An Act To Protect Tenants

An Act to Protect Tenants will cap most annual rent increases to the rate of inflation, ban discrimination against tenants with public vouchers, incentivize landlords to provide 90-day notice to tenants they are asking to vacate, and create a tenant/landlord board to permit additional rent increases when individual building circumstances warrant, such as major capital improvements.

1. That the Code of Ordinances, City of Portland, Maine, is hereby amended by adding a section to be numbered Chapter 6, Article XII, which said article reads as follows:

ARTICLE XII. RENT CONTROL AND TENANT PROTECTIONS

Sec. 6-230. Purpose.

The purpose of this Article is to address increasing rental costs within the City of Portland; to promote neighborhood and community stability; to protect the City's tenant population; to limit arbitrary evictions; and to stabilize and make more predictable future rent increases, all while remaining in conformance with Maine law, and ensuring that Landlords within the City receive a fair return on investment.

Sec. 6-231. Applicability.

This Article shall apply to Rental Units in the City limits of Portland, exempting the following:

- (a) Rental Units owned, operated, or otherwise managed by municipal housing authorities, as defined in 30-A M.R.S. §4721(1), as amended;
- (b) Accommodations provided in a hospital, convent, church, religious facility, or extended care facility;
- (c) Dormitories owned and operated by an institution of higher education, or by Portland Public Schools;
- (d) Rental Units within a building containing only two (2), three (3) or four (4) dwelling units, one of which the Landlord currently occupies as his or her principal residence;
- (e) Accommodations where the amount of rent charged is either controlled or subsidized by a federal, state, or local governmental agency; and
- (f) Accessory dwelling units, as defined and understood in Chapter 14 of this Portland City Code.

Sec. 6-232. Definitions.

Allowable increase percentage means the amount that the rent of a Covered Unit may be raised within a Rental Year, unless a Landlord is entitled to additional increases as laid out in Section 6-233 below. The allowable increase percentage shall be determined on September 1 of each year beginning on September 1, 2021, and shall be equal to 100 percent of the change in the Consumer Price Index for Greater Boston Metro Area, as published by the United States Bureau of Labor Statistics or its designee.

Base rent means the initial amount of rent that a Landlord charges for a Covered Unit, as more specifically defined in Section 6-233 of this Article.

Banked rent means the Base Rent for a Covered Unit, plus any increase in rent to which the Landlord was entitled under Sections 6-233 and 6-234 below, but that was not charged to a Tenant during a particular Rental Year.

Constructed means a Rental Unit that has received its final certificate of occupancy from the City's Permitting and Inspections Department, or its designee.

Covered unit means a Rental Unit within the City of Portland that does not fall within a category exempted from this Article by Section 6-231.

Current covered unit means a Covered Unit that is occupied by a Tenant on January 1, 2021.

Discontinued covered unit means a Covered Unit that is not occupied on January 1, 2021 and has not been registered with the City of Portland under Section 6-151 of this Chapter.

Landlord means an owner, manager, managing agent, sublessor, or other person having the right to rent or sell or manage any housing unit or rental property or any agent of these individuals or entities.

Qualified family member means a spouse, parent, grandparent, brother, sister, child or grandchild related by blood, marriage, or adoption.

Rent means the consideration, including any deposit, bonus, benefit, or gratuity demanded or received for, or in consideration with, the use or occupancy of rental units and housing services. Such consideration includes, but is not limited to, monies and fair value of goods and services rendered to or for the benefit of the

Landlord under the Rental Agreement, or in exchange for a Rental Unit, or housing services of any kind.

Rent board means the set of appointed individuals responsible for the administration of this Article, in accordance with the terms set forth below.

Rent stabilization allowances means collectively the Allowable Increase Percentage, the Tax Rate Rent Adjustment, and any additional rent increase exemptions approved by the Rent Board under Section 6-234 of this Article.

Rent stabilization ordinance means Chapter 6, Article XII of the Code of Ordinances, City of Portland, Maine, as amended.

Rental agreement means a written legal contract between a Landlord and a Tenant for the use and/or occupancy of a Rental Unit.

Rental unit means any dwelling unit that is rented or otherwise made available for rent for residential use or occupancy, together with all additional rights, privileges, or services connected with use or occupancy of such a unit, including but not limited to vehicle parking spaces, storage, and commons areas and/or recreational facilities held out for use by the Tenant.

Rental year means a period of twelve (12) consecutive months beginning on January 1, 2021, or the date on which a Covered Unit enters the rental housing market, whichever is earlier.

Tax rate rent adjustment means the additional amount by which a Landlord may increase the rent of a Covered Unit within a given year. The Tax Rate Rent Adjustment may be added to the Allowable Increase Percentage if and only if the City changes the mil rate as compared to the previous Rental Year. In this case, the tax rate rental adjustment is equal to the actual increase in property taxes attributable to the individual Covered Unit.

Tenancy means the right or entitlement of a Tenant to use or occupy a rental unit.

Tenant-Based Rental Assistance means any and all forms of tenant-based rental assistance and vouchers, including but not limited to:

- (a) Tenant-based rental assistance through the Section 8 Housing Choice Voucher Program, 42 U.S.C § 1437f (o)
- (b) Tenant-based rental assistance through the HOME Investment Partnerships Act at title II of the Cranston-Gonzalez

- National Affordable Housing Act, as amended, 42 U.S.C § 12701 et seq.;
- (c) Tenant-based rental assistance under the HOD-Veterans Affairs Supportive Housing (HUD-VASH), authorized by § 8 (o) (19) of the United States Housing Act of 1937, 42 U.S.C. § 1437f (o) (19);
 - (d) Tenant-based rental assistance through the Shelter Plus Care Program authorized by title IV, subtitle F, of the Stewart B McKinney Homeless Assistance Act, 42 U.S.C. §§ 11403-11407b, as amended;
 - (e) Tenant-based rental assistance through the Supportive Housing Program authorized by title IV, subtitle F, of the Stewart B McKinney Homeless Assistance Act, 42 U.S.C. §§ 11381-11389, as amended;
 - (f) Tenant-based rental assistance through the Section 8 Disaster Voucher Program (DVP);
 - (g) Tenant-based rental assistance through the Housing Opportunities for Persons with AIDS (HOPWA) Program, 42 U.S.C. § 12901 -12912 as amended;
 - (h) Tenant-based rental assistance through the Community Block Grant Program, 42 U.S.C. § 5301 et seq. as amended;
 - (i) Tenant-based rental assistance through the Continuum of Care Program authorized by subtitle C of title IV of the McKinney-Vento Homeless Assistance Act, 42 U.S.C. §§ 11381-11389;
 - (j) Tenant-based rental assistance through the Rural Development Voucher Program authorized through § 542 of the Housing Act of 1949, as amended. See 78 Fed. Reg. 49374 (Aug. 14, 2013) (proposed rule);
 - (k) Tenant-based rental assistance through the Maine Bridging Rental Assistance Program, authorized by M.R.S. Title 34-B § 3011;
 - (l) Tenant-based rental assistance through the Maine State Housing Authority Home To Stay Program, M.R.S. Title 30-A § 4771;
 - (m) Tenant-based rental assistance through the Maine State Housing Authority Stability Through Engagement Program, M.R.S. Title 30-A § 4771;
 - (n) Tenant-based rental assistance through the City of Portland's Tennant Based Rental Assistance Program, M.R.S. Title 30-A § 4771;
 - (o) Tenant-based rental assistance through the City of Portland's General Assistance Program, authorized by M.R.S. Title 22 § 4301 et seq.; and
 - (p) Such other Tenant-based rental assistance or rental vouchers or rental coupons as may be authorized under any federal, state, or local program.

Sec. 6-233. Establishment of base rent.

(a) Base Rent for Current Covered Units. Beginning on January 1, 2021, each Covered Unit shall be registered with the City in accordance with Section 6-151(c). Such registration must include proof of the rent charged by the Landlord for each Covered Unit as of June 1, 2020 (i.e., through presentation of a valid Rental Agreement, rent payment receipt, or other acceptable means within the opinion of the City). This amount shall be the Base Rent for purposes of the Rent Stabilization Ordinance.

(b) Base rent for Discontinued Covered Units.

- (i) If a Covered Unit is not registered with the City as of January 1, 2021, but is registered with the City after such date, the Base Rent shall be set by the Landlord.
- (ii) If a Covered Unit is registered with the City as of January 1, 2021, but is removed from the rental housing market, the Base Rent for such a Covered Unit upon reentry to the rental housing market shall be the Banked Rent, as measured from the Rental Year in which the Covered Unit was removed from the rental housing market.
- (iii) If a Covered Unit is registered with the City as of January 1, 2021, but is subsequently removed from the rental housing market for a period of five (5) or more Rental Years, the Base Rent for such a Covered Unit upon reentry into the rental housing market shall be set by the Landlord.

(c) Base rent following renovation or reconfiguration of Covered Units. Upon the renovation or reconfiguration of a Covered Unit, the Landlord may charge no more than the Banked Rent for that unit, or may apply to the Rent Board for determination of the appropriate increase in rent. When determining the appropriate increase in rent, the Rent Board may consider factors including the increase in floor area, the addition or upgrade of amenities, and any other factor determined relevant in the opinion of the Rent Board.

(d) Base rent following consolidation of Covered Units. When two (2) or more Covered Units are consolidated to create a single Covered Unit, the Base Rent for the resulting Covered Unit shall be equal to the Banked Rent of the larger of the two previously-existing Covered Units, increased by a percentage equal to the increase in square footage of the new Covered Unit.

Sec. 6-234. Rent increase limitations.

(a) Beginning on September 1, 2021, and occurring no later than September 1 of each subsequent year, the Housing Safety Office shall establish and publish the Allowable Increase Percentage and the Tax Rate Rent Adjustment for the following calendar year.

(b) A Landlord may only increase the rent charged for a Covered Unit once within a Rental Year, by an amount that conforms to the following specifications:

- (i) Annual Increase Percentage. Unless a Landlord qualifies for an additional increase as further described below, rent for a Covered Unit may not be increased by more than the Allowable Increase Percentage.
- (ii) Tax Rate Rent Adjustment. If the mil rate within the City of Portland is altered for the subsequent fiscal year a Landlord may, in addition to the Allowable Increase Percentage, increase rent by the Tax Rate Rent Adjustment for the subsequent Rental Year.
- (iii) New Tenancy. A landlord may increase the rent on a Covered Unit by five percent (5%) of the base rent in addition to any other allowable increases when a new tenant occupies a unit. This increase may be applied at most once per year, regardless of the number of new tenancies.
- (iv) Banked Rent. If the Landlord has banked additional rent increases, in accordance with Section 6-235 below, this banked amount, in whole or in part, may be added to the increases permitted by subsections (i) and (ii) above.
- (v) Additional Rent Board Approved Increases. In addition to the above rent adjustments, the Rent Board may approve additional rent increases properly demonstrated by the Landlord, attributable to:
 - i. Capital improvement costs, including financing costs;
 - ii. Uninsured repair costs;
 - iii. Increased housing service costs; and
 - iv. Any additional increase, within the opinion of the Rent Board, required to allow the Landlord to receive a fair rate of return.

(c) Under no circumstances may a Landlord raise the rent of a Covered Unit by more than ten (10) percent within a Rental Year. Any rent increases available to a Landlord in excess of ten (10) percent must be banked for use in a subsequent Rental Year.

(d) Before increasing the rent of a Covered Unit, a Landlord must send a signed document to the Tenant(s) no fewer than seventy-five (75) days before the effective date of the rent increase. This document must include the date on which the Tenancy began, the date on which the rent will be increased, and the appropriate justifications for such a rent increase as defined in Section 6-234(b) above. Failure to provide such documentation shall be considered a violation of this Article.

(e) A Tenant who receives notice of a rent increase that they believe does not conform with this Section may file an appeal of said rent increase with the Rent Board. Upon receipt of the appeal, the Rent Board shall schedule a public hearing to be held no more than twenty-one (21) days after the filing of the completed appeal application. At the public hearing, the Board will consider the rent charged under the existing Rental Agreement, the amount of the proposed new rent, and the factors which may or may not allow such an increase in accordance with this Article. Upon consideration of such evidence, the Board will render a decision as to whether the increased rent is allowable. If such an increase is more than is allowed by this Article, the Board may impose such fines as are allowed by this Article.

Sec. 6-235. Process of banking rent increases.

If a Landlord chooses to not impose any rent increases to which they are entitled pursuant to Section 6-234 above, these increases may be banked, in whole or in part. Banked increases may be used to raise the rent of Covered Units in subsequent Rental Years in addition to the Rent Stabilization Allowances established for that year by the Rent Board, provided that the total increase of such rent shall not exceed ten (10) percent within a single Rental Year.

Sec. 6-236. Termination of Tenancies-At-Will

- (1) In order to be terminated by a Landlord, tenancies-at-will must be terminated by providing a minimum of 90 days' written notice to Tenant except as provided below:
 - a. "For Cause" tenancies terminable on 7 days' notice pursuant to 14 M.R.S. § 6002(1) may be terminated in accordance with Section 6002(1);
 - b. Short-term rentals with a term of fewer than 30 days' are exempt from the 90-day notice period outlined herein;
 - c. Holdover tenancies are exempt from the 90 day notice period outlined herein;
 - d. Where a Landlord provides \$500.00 reimbursement to Tenant for the inconvenience of termination, tenancies-at-will

- may be terminated by notice to the Tenant of sixty (60) to eighty-nine (89) days;
- e. Where a Landlord provides \$1000 reimbursement to Tenant for the inconvenience of termination, tenancies-at-will may be terminated by notice to the Tenant of thirty (30) to fifty-nine (59) days.
- (2) Reimbursement amounts outlined in subsections (c) and (d) above are lump-sum amounts payable in a single installment for the collective benefit of all tenants of a unit. Tenants are responsible for allocating the reimbursement amount among themselves.

Sec. 6-237. Discrimination prohibited in sale or rental of housing units.

- (a) A tenant shall have the right to secure a rental housing unit without being refused that right on the basis of discrimination because of race, color, sex, sexual orientation, physical or mental disability, ancestry, national origin, or family status, pursuant to 5 M.R.S. Section 4581-A, et. seq., as amended from time to time.
- (b) A landlord shall not refuse to rent or impose terms of tenancy on any tenant who is a recipient of federal, state or local public assistance, including medical assistance and housing subsidies primarily because of the individual's status as a recipient as described in 5 M.R.S. §4581-A(4), as amended from time to time.
- (c) It shall be prohibited for a landlord to refuse to rent or negotiate for the rental of, or otherwise make unavailable or deny a dwelling to any tenant because of the tenant's source of income or because of the requirements of any program providing the source of income;
- (d) It shall be prohibited for or a landlord to refuse to participate in or comply with any federal, state, or local requirements of a tenant-based rental assistance program, including, but not limited to the following:
1. Refusing to allow inspections of a dwelling by the public housing authority or other entity administering a tenant-based rental assistance program;
 2. Refusing to make reasonable repairs necessary for the dwelling to meet the housing quality standards of the tenant-based rental assistance program; such repairs will be considered reasonable if they do not substantially alter or change the housing unit or do not require repairs substantially different from those that would be required to bring the rental unit into compliance with the Maine Warranty of Habitability Act or local building or housing codes applicable for new construction.

3. Refusing to complete any necessary paperwork, including but not limited to such documents as the Request for Tenancy Approval form, the Housing Assistance Payments Contract, and the Tenancy Addendum or applicable General Assistance forms; and,
4. Refusing to provide information required by the public housing authority or other entity administering the source of income or tenant-based rental assistance program.

Sec. 6-238. Notice of ordinance to tenants.

(a) The Planning Department or its designee shall create and make available on the City's publicly accessible web site a plain language document that explains the rights, responsibilities, and protections created by this Ordinance.

(b) The document referenced above shall be provided by Landlords to all Tenants in Covered Units at the commencement of the rental of the Covered Unit and shall be provided again upon any update to the document made by the City.

(c) An acknowledgement of receipt of the document described above must be signed by all Tenants, and a copy of the acknowledgement kept on file by the Landlord for at least three (3) years and made available for inspection at the request of the City of Portland.

(d) Landlords of buildings shall post a copy of the document referenced above in at least one (1) conspicuous common area within the building housing the Covered Units.

Sec. 6-239. Non-waiver of rights.

No provision of, or right conferred by, this Article may be waived by a Tenant, by agreement or otherwise, and any such waiver shall be void. Any attempt to require, encourage, or induce a Tenant to waive any provision hereof, or right hereby, shall be a violation of this Article. Nothing herein shall be construed to void any term of a Rental Agreement that offers greater rights than those conferred hereby.

Sec. 6-240. Enforcement and remedies.

Any violation of this Article is considered a civil infraction and shall be enforced pursuant to the Portland City Code Chapter 1, §1-15.

Sec. 6-241. Limitation of Liabilities

(a) Nothing in this Article shall be interpreted to contravene the general laws of the State of Maine; and

(b) Nothing in this Article shall be construed to create additional liabilities greater than those already existing under law or to create new private causes of action.

Sec. 6-242. Severability.

The provisions of this Article are severable. If any of its provisions are held invalid by act of a court of competent jurisdiction, all other provisions of this Article shall continue in full force and effect.

Sec. 6-243. - Sec. 6-249. Reserved.

2. That the Code of Ordinances, City of Portland, Maine, is hereby amended by adding a section to be numbered Chapter 6, Article XIII, which said Article reads as follows:

ARTICLE XIII. RENT BOARD

Sec. 6-250. Creation; composition.

There shall be a Rent Board of seven (7) members. Members of the Rent Board shall be residents of the city and shall not be officers or employees of the city or any of its agencies or departments.

Two (2) members shall be appointed to fill at-large seats, and may reside in any part of the city. The remaining five (5) members shall be comprised of one member from each of the five (5) city council wards. Should the number or location of said city council wards be changed, the districts and number of Rent Board members shall change to mirror such changes.

The City shall take reasonable steps, but is not required, to appoint to the Rent Board with no more than three (3) landlords and at least three (3) tenants.

Sec. 6-251. Appointment; terms.

The members of the Rent Board shall be appointed by the City Council for terms of three (3) years. Such members shall serve until their successors are duly appointed and qualified. Such terms

shall be staggered so that the terms of not more than three (3) members shall expire in any calendar year.

Sec. 6-252. Vacancies.

Permanent vacancies on the Rent Board shall be filled by the City Council, in the same manner as other appointments hereunder, for the unexpired term of the former member.

Sec. 6-253. Removal of members.

Any member of the Rent Board may be removed for cause by the City Council at any time; provided, however, that before any such removal, such member shall be given an opportunity to be heard in his or her own defense at a public hearing.

Sec. 6-254. Compensation.

Members of the Rent Board shall serve without compensation.

Sec. 6-255. Chair and vice-chair.

(a) The members of the Rent Board shall annually elect one (1) of their number as chair to preside at all meetings and hearings and to fulfill the customary functions of that office, and another of their number as vice-chair. The chair may administer oaths. The chair shall have the right, upon request, to designate any person or organization as a specially interested party for purposes of offering evidence and conducting cross-examination at hearings.

(b) In the absence of the chair, the vice-chair shall act as chair and shall have all the powers of the chair. The vice-chair shall have such other powers and duties as may from time to time be provided by the rules of the Rent Board.

Sec. 6-256. Staff secretary; minutes, public records.

The Housing Safety Office shall designate a member of its staff to serve as staff secretary of the Rent Board and attend all its proceedings. The staff secretary shall keep the minutes of the proceedings of the Board, showing the vote of each member on every question, or his or her absence or failure to vote, and shall maintain the permanent records and decisions of all board meetings, hearings and proceedings, and all correspondence of the board, as required by statute. Such records shall be public records open to inspection during working hours upon reasonable notice.

Sec. 6-257. Quorum and necessary vote.

As to any matter requiring a hearing, no business shall be transacted by the Rent Board without a quorum, consisting of four (4) members being present. The concurring vote of at least four (4) members shall be necessary to authorize any action by the Board. If less than a quorum is present, the hearing may be adjourned from time to time for a period not exceeding three (3) weeks at any one time. The staff secretary shall notify in writing all members of the date of the adjourned hearing and shall notify such other interested parties as may be directed in the vote of adjournment.

Sec. 6-258. Meetings, hearings, and procedures.

(a) Regular meetings of the Rent Board shall be held at the call of the chair or as provided by the rules of the board. Special meetings shall be called by the chair at the request of any three (3) members of the Board or at the request of the city council. All meetings and hearings of the board shall be open to the public.

(b) The Rent Board shall adopt its own rules of procedure for the conduct of its business not inconsistent with the statutes of the state and this article. Such rules shall be filed with the staff secretary and with the city clerk. Any rule so adopted which relates solely to the conduct of hearings, and which is not required by the statutes of the state or by this article, may be waived by the board upon good cause being shown.

Sec. 6-259. Public hearings.

Public hearings shall be held as required by the various statutes, codes, and ordinances pursuant to which matters are brought before the Rent Board and shall be conducted in accordance with relevant state law, this code, and the rules of the board.

Sec. 6-260. Record and decisions.

(a) The minutes of the staff secretary, and the transcript if one (1) is made, and all exhibits, papers, applications, and requests filed in any proceeding before the Rent Board, and the decision of the Board shall constitute the records.

(b) Every final decision of the Rent Board shall include written findings of fact, and shall specify the reason or reasons for such decision.

(c) The staff secretary shall mail notice of any decision of the Rent Board to the applicant and any designated interested parties within five (5) days of such decision.

Sec. 6-261. Conflicts.

No member of the Rent Board shall participate in the hearing or disposition of any matter in which they have an interest, as defined by 30-A M.R.S.A. § 2604(4), as amended.

Sec. 6-262. Appeals to Superior Court.

An appeal from any final decision of the Rent Board as to any matter over which it has final authority may be taken by any party or by any authorized officer or agent of the City to the Superior Court in accordance with Rule 80B of the Maine Rules of Civil Procedure.

Sec. 6-263. Jurisdiction and authority.

In addition to the jurisdiction conferred on it by other ordinances of the City and in accordance therewith, the Rent Board shall have the following jurisdiction and authority:

(a) To hear, review, and approve or deny Landlord applications for rent increases greater than those allowed by the Rent Stabilization Ordinance;

(b) To hear, review, and approve or deny Landlord applications for increases in Base Rent due to the renovation or reconfiguration of existing Covered Units, as provided for in Section 6-234 above.

(c) To hear, review, and grant or deny appeals from Tenants regarding allegations violations of Maine statute regarding the habitability of residential units.

(d) To hear, review, and approve or deny any requests from Landlords for an extension of time in which to reinstate Tenants temporarily displaced due to the Landlord's performance of necessary capital improvements to the Covered Unit and/or the building in which said unit is housed.

(e) To hear, review, and decide the appropriate outcome of all disputes arising between Landlords and Tenants on matters falling within the scope of Article XII of this Chapter, if both parties consent to such mediation and resolution by submitting the landlord/tenant dispute form, as maintained and edited by the Housing Safety Office, signed by both Landlord and Tenant no later than fourteen (14) days before the date on which such a hearing shall be scheduled.

(f) To impose such fines as are necessary and allowed for violations of the provisions of the Rent Stabilization Ordinance.

(g) To prepare and recommend to the City Council changes and amendments to the City's Rent Stabilization Ordinance.

(h) To prepare an annual report on the state of the City's rental unit availability, which shall be presented to the City Council as part of a regularly-scheduled public hearing. This report shall include a summary of rents within each of the five (5) council wards. Such reporting may or may not be done in conjunction with similar reporting required of the City's Rental Housing Advisory Committee, as established by this Chapter.

(i) To initiate changes and amendments to this Article, as well as to the city's Rent Stabilization Ordinance.

3. That Chapter 6, Section 151, of the Code of Ordinances, City of Portland, Maine, is hereby amended as follows:

Sec. 6-151. Registration required.

...

(c) Additional Information Required for Covered Units. A Covered Unit, as defined by Section 6-232 of this Chapter, shall not be considered registered unless and until the registrant has submitted the following additional information:

1. The current rent charged at the time of registration;
2. The increase in rent (if any) when compared to the previous Rental Year's rent;
3. Whether the increase (if any) is attributable to: (1) the Allowable Increase Percentage and Tax Rate Rent Adjustment, as defined in Section 6-232; or (2) also includes Banked Rent, as defined in Section 6-232;
4. The amount of Banked Rent, if any, accumulated in the previous Rental Year;
5. The amount of security deposits or other payments demanded in addition to rent for each Covered Unit; and
6. The number of bedrooms, number of bathrooms, and the presence or absence of a kitchen from each Covered Unit.

(d) Registration data made available. The City's Permitting and Inspections Department or its designee is required to make anonymized data from the registration of Covered Units available to the Rent Board at the Board's request. Such data shall not include the names, or street and unit numbers of any reported units.

4. That Chapter 6, Section 152, of the Code of Ordinances City of Portland, Maine, is hereby amended as follows:

Sec. 6-152. Registration Fees.

...

(b) Long Term Rental Registration Fee. The registrant of a long term rental shall pay fifty dollars (\$50.00) to the City by January 1st of each year. Regardless of any discount a Landlord may be entitled to under subsection (d) below, thirty dollars (\$30) from each registration fee shall be appropriated to Housing Safety Office to cover the administrative expenses of the Rent Board, including the hiring of additional administrative staff if necessary.

EXHIBIT A

An Act to Protect Tenants in Portland

An Act to Protect Tenants in Portland ensures that tenants receive 90-day notice for lease termination and/or rent increases. It discourages no-cause evictions by limiting the 5% rent increase to voluntary turnovers. It reduces costs to tenants by restricting deposits to one-month rent, prohibiting application fees, and further limiting the amount of standard annual rent increases that landlords are allowed to impose to 70% of CPI. It strengthens protections for tenants who exercise their rights under the ordinance, and provides greater clarity and authority to the rent board to ensure landlords receive a fair return on investment and that tenant complaints receive a fair hearing. It also sets a \$25,000 fee for condominium conversions. The Act also makes various technical changes and corrections to allow the ordinance to better effectuate its originally intended purpose.

BE IT ORDAINED:

1. That Chapter 6, Sections 6-151, 6-152, 6-223, 6-223.1, 6-223.2, 6-231, 6-232, 6-233, 6-234, 6-235, 6-235.1, 6-236, 6-237, 6-240, 6-241, 6-250, 6-251, and 6-263 of the Portland City Code are hereby amended to read as follows:

Sec. 6-151. Registration required.*(a) Registration of Ownership.*

1. Rental units must be registered in accordance with this article by January 1st of each year; Rental units entering the rental housing market must be registered within fourteen days. Registration must be renewed annually, on or before January 1st, including updating all changes in previously submitted registration information.

...

(f) Additional Information Required for Covered Units. A Covered Unit, as defined by Section 6-232 of this Chapter, shall not be considered registered unless and until the registrant has submitted the following additional information:

...

2. The increase in rent (if any) when compared to the previous ~~Rental Year's rent~~ registration;

...

4. The amount of Banked Rent, if any, accumulated ~~in~~ since the previous ~~Rental-Year~~ registration;

...

Sec. 6-152. Registration Fees.

...

(e) Registrations that are not ~~renewed~~ received by ~~February~~ January 15, or within 14 days after entering the rental housing market, whichever is later, shall be subject to a late fee of ~~\$10~~ \$50 per unit, and registrations that are not received by February 15, or within 45 days after entering the rental housing market, whichever is later, shall be subject to a late fee of \$200 per unit. Registrations shall not be renewed unless and until the registrant pays any applicable late fee. Incomplete or inaccurate registrations may be rejected and subject to all applicable late fees upon resubmission. The Permitting and Inspections Director may waive a late fee upon a showing of both hardship and good cause as to why the renewal was not timely.

...

Sec. 6-223. Notification of rent increases.

Notwithstanding 14 M.R.S. Section 6015, a Landlord shall give ~~seventy-five (75)~~ ninety (90) days' written notice of any rent increase to a Tenant.

(Ord. No. 76-16/17, 11-21-2016)

Sec. 6-223.1. Rental applications, generally; application fees ~~restricted prohibited~~.

...

~~(b) Disclosure of Application Fee. Before accepting a rental application fee, a landlord shall disclose in writing to the applicant the rental application fee amount. The applicant shall not be charged more than the disclosed rental application fee for that application.~~

(eb) Availability of Units. Landlords shall only advertise rental housing units, receive applications, and screen applicants, ~~and accept application fees for rental housing units~~

when such rental housing units are actually available and ready for occupancy or are expected to be available for occupancy within a reasonable time period; provided, however, that an applicant may consent to be screened and placed on a waiting list. For purposes of this Section, a rental housing unit is no longer considered available if a different applicant has been screened by the landlord, has been offered the rental housing unit and accepted it, and has placed a deposit on the rental housing unit. A rental housing unit may be considered available if a tenant of a unit has declared they will not be renewing a lease or have otherwise vacated the property. Landlords shall document the date and time that deposits are placed on rental housing units.

(dc) Application Fees. ~~All application fees for rental housing units are prohibited shall not exceed the actual cost of the screening process or thirty dollars (\$30.00), whichever is lower. The actual cost of the screening process includes only the hard costs associated with a background check. Labor costs and other soft costs associated with application process must be excluded. Hard costs may include, including, but not be limited to, any fees or charges to applicants for the following:~~ national, state and local criminal background checks, credit reports, rental history records and/or reference checks, eviction records and/or employment verification. ~~Each adult who intends to reside in a rental housing unit may be charged an application fee.~~

~~(e) Disposition and Use of Application Fee. Within ten (10) days of receipt of an application fee, a landlord must provide an explanation for the disposition and use of the application fee and provide a receipt to the applicant detailing how the application fee was used. An application fee shall be refunded in its entirety if a landlord does not incur hard screening costs. A landlord shall also provide the applicant with any paperwork or copies of electronic correspondence generated as result of the screening process, to the extent permitted by State and Federal law.~~

~~(f) Current Tenants. A current tenant of a rental housing unit shall not be charged an application fee to move to another rental housing unit owned by the same landlord.~~

~~(g) Exemption. The provisions of this Section shall not apply to any landlord who does not charge a rental application fee.~~

Sec. 6-223.2 Maximum deposit.

Notwithstanding 14 M.R.S. Section 6032, a lease or tenancy at will agreement for a dwelling intended for human habitation may not require a security deposit equivalent to more than the rent for one (1) month.

...

Sec. 6-231. Applicability.

...

(d) Rental Units within a building containing only two (2), three (3) or four (4) dwelling units, one of which the Landlord property owner currently occupies as his or her principal residence;

...

Sec. 6-232. Definitions.

Allowable increase percentage means the standard amount that the rent of a Covered Unit may be raised within a the following Calendar ~~Rental~~ Year, unless a Landlord is entitled to additional increases as ~~laid out~~ provided in Sections 6-233 or 6-234 below. The allowable increase percentage shall be determined on September 1 of each year beginning on September 1, 2021, and shall be equal to ~~100~~ 70 percent of the change in the Consumer Price Index (CPI-U) for Greater Boston Metro Area for the preceding twelve months, as published in August by the United States Bureau of Labor Statistics or its designee. For the purposes of this ordinance, the Rent Board shall presume that the Allowable increase percentage is sufficient to allow a reasonably prudent landlord who received a fair return on investment prior to the enactment of this ordinance to continue to maintain a fair net operating income that increases over time at a just and reasonable rate, yielding a fair return on investment under the normal course of doing business.

Base rent means the initial amount of rent that a Landlord charged for a Covered Unit prior to the increases allowed under this ordinance, as more specifically defined in Section 6-233 of this Article. For the purposes of the ordinance, the Rent Board shall presume that the Base Rent was sufficient to have provided the Landlord a fair return on investment prior to the enactment of this ordinance.

Banked rent means the Base Rent for a Covered Unit, plus any

increase in rent to which the Landlord was entitled under Sections 6-233 and 6-234 below, but that was not yet applied to the Rent charged to a Tenant during a particular Rental Year.

...

Fair return on investment means an amount sufficient to allow a just and reasonable rate of return, to encourage the investment of capital in the rental housing market, to fairly compensate investors for the risks they have assumed, and to achieve minimum constitutionally protected standards. For the purposes of this ordinance, a Fair return on investment must be calculated using Maintenance of Net Operating Income methodology, as that term is used in other jurisdictions with similar ordinances, that presumes the net operating income the landlord earned from a Covered unit during calendar year 2019 yielded a fair return on investment, unless the landlord proves that special or peculiar circumstances prevented the landlord from receiving a fair return on investment during that period. The Rent Board may adopt rules or regulations to ensure the fair and consistent application of such methodology.

...

Major renovation or reconfiguration means one or more capital investments or improvements where the total cost of construction or improvement attributable to the Rental unit involved exceeds 20% of the property value, prior to improvement, of the Rental unit involved, as determined by the city's tax assessor.

...

Rent stabilization allowances means collectively the Allowable Increase Percentage, ~~the Tax Rate Rent Adjustment,~~ and any additional rent increase exemptions approved by the Rent Board under Section 6-234 of this Article.

Rent stabilization ordinance means Chapter 6, Articles XII and XIII of the Code of Ordinances, City of Portland, Maine, as amended.

Rental agreement means a ~~written legal~~ contract between a Landlord and a Tenant for the use and/or occupancy of a Rental Unit.

...

~~Tax rate rent adjustment means the additional amount by which a Landlord may increase the rent of a Covered Unit within a given year. The Tax Rate Rent Adjustment may be added to the Allowable Increase Percentage if and only if the City changes the mil rate as compared to the previous Rental Year. In this case, the tax rate rental adjustment is equal to the actual increase in property taxes attributable to the individual Covered Unit.~~

...

Tenants Union means any group, organization, committee, collective, association or entity, whether incorporated or unincorporated, of any kind, whatsoever, in which tenants participate and which exists for the purpose, in whole or in part, of dealing with Landlords concerning rental conditions or any matter related to the Landlord-tenant relationship, including but not limited to the rights and interests of tenants under this Chapter.

Sec. 6-233. Establishment of base rent.

(a) *Base Rent for Current Covered Units.* Beginning on January 1, 2021, each Covered Unit shall be registered with the City in accordance with Section 6-151(e). Such registration must include proof of the rent charged by the Landlord for each Covered Unit as of June 1, 2020 (i.e., through presentation of a valid Rental Agreement, rent payment receipt, or other acceptable means within the opinion of the City). This amount shall be the Base Rent for purposes of the Rent Stabilization Ordinance, except as otherwise provided within this section.

(b) *Base rent for Discontinued Covered Units.*

- (i) If a Covered Unit ~~is~~ was not required to be registered with the City as of January April 1, 2021, but is required to be registered with the City after such date, the Base Rent shall be the amount of Rent charged 120 days prior to the date when the Covered Unit became required to be registered, or if no Rent was charged at such time, the first Rent charged by the Landlord any time thereafter. The Base Rent for any new Covered Unit entering the rental housing market for the first time shall be the Rent charged to the first Tenant, as set by the Landlord.
- (ii) If a Covered Unit ~~is~~ was required to be registered

with the City as of ~~January~~ April 1, 2021, but is removed from the rental housing market, the Base Rent for such a Covered Unit upon reentry to the rental housing market shall be the Banked Rent, as measured from the ~~Rental Year in which time~~ the Covered Unit was removed from the rental housing market.

- (iii) If a Covered Unit ~~is~~ was required to be registered with the City as of ~~January~~ April 1, 2021, but is subsequently removed from the rental housing market for a period of ~~five (5) or more Rental Years~~ at least sixty (60) months, the Base Rent for such a Covered Unit ~~upon reentry into the rental housing market~~ shall be set by the Landlord the Rent charged to the first Tenant upon reentry into the rental housing market, as set by the Landlord.

(c) *Base rent following major renovation or reconfiguration of Covered Units.* Upon ~~the~~ a major renovation or reconfiguration of a Covered Unit, the Landlord may charge no more than the Banked Rent for that unit, or may apply to the Rent Board for determination of the appropriate ~~increased in rent~~ Base Rent. When determining the appropriate ~~increased in rent~~ Base Rent, the Rent Board may consider factors including the increase in floor area, the addition or upgrade of amenities, the amount necessary to ensure a fair return on investment, and any other factor determined relevant in the opinion of the Rent Board; the Rent Board may consider any amount of Banked Rent accrued for that unit, but after determining the appropriate Base Rent, all previously accrued Banked Rent shall be forfeited.

...

Sec. 6-234. Rent increase limitations.

(a) Beginning on September 1, 2021, and occurring no later than September 1 of each subsequent year, the Housing Safety Office shall establish and publish the Allowable Increase Percentage ~~and the Tax Rate Rent Adjustment~~ for the following calendar year, and shall announce and explain the methodology for calculating the Allowable Increase Percentage at the first meeting of the Rent Board following such publication. The Rent Board shall hear public comment after such announcement.

(b) A Landlord may not only increase the rent charged for a Covered Unit ~~once within a Rental Year~~ twelve (12) months

following a previous Rent increase. After twelve (12) months, the Landlord may only increase the rent charged for a Covered Unit, by an amount that conforms to the following specifications:

...

- ~~2. Tax Rate Rent Adjustment. If the mil rate within the City of Portland is altered for the subsequent fiscal year a Landlord may, in addition to the Allowable Increase Percentage, increase rent by the Tax Rate Rent Adjustment for the subsequent Rental Year.~~
32. New Tenancy. A landlord may increase the rent on a Covered Unit by five percent (5%) of the base rent in addition to any other allowable increases when a new tenant occupies a unit, but only if the previous Tenancy was terminated voluntarily by the previous Tenant, without coercion or unreasonable influence from the Landlord. This increase may be applied at most once per year twelve (12) months, regardless of the number of new tenancies. The Housing Safety Office shall investigate any report that the Tenancy was not terminated voluntarily by the Tenant, or that the Tenant was coerced or unreasonably influenced by the Landlord to terminate the Tenancy. Any tenancy in which the property owner served the tenant with a notice to quit or summons and complaint for forcible entry and detainer shall not be deemed to be a situation in which the previous tenant voluntarily terminated the tenancy.
43. Banked Rent. If the Landlord has banked additional rent increases, in accordance with Section 6-235 below, this banked amount, in whole or in part, may be added to the increases permitted by subsections (i) and (ii) above.
54. Additional Rent Board Approved Increases necessary to ensure a fair return on investment. In addition to the above rent adjustments, upon receipt of an application submitted by the Landlord, the Rent Board may approve additional rent increases necessary to ensure a fair return on investment. properly demonstrated by the Landlord, attributable to:

To calculate what amount is necessary to ensure a fair return on investment, the Rent Board shall employ generally acceptable Maintenance of Net Operating Income methodology, and may not consider any valuation-

based or capitalization-based methodology or any calculation or methodology factoring market rent or market value of the Covered Unit.

Rent board approval under this provision is intended to ensure a fair rate of return under abnormal, unexpected, or irregular circumstances, including, but not limited to, capital improvements and minor renovations, uninsured repairs, the provision of new housing services, revaluation for property tax assessment, or other unusual expenses. The Rent Board shall presume that the Allowable Increase Percentage will be sufficient to satisfy all regular increases in operating costs, routine maintenance expenses, and other normal or regular costs or expenses, allowing the Landlord to maintain a fair return on investment.

The Landlord submitting an application for an additional rent increase bears the burden of proof, including the burden of providing all necessary documentation, to demonstrate that the increase is necessary to receive a fair return on investment. Such documentation shall include, but is not limited to: historical net operating income, revenue and expenses; the costs and expenses requiring Rent board approval of an additional increase; and what portion of shared costs and expenses can be fairly attributed to each individual covered unit.

- ~~a. Capital improvement costs, including financing costs;~~
- ~~b. Uninsured repair costs;~~
- ~~c. Increased housing service costs; and~~
- ~~d. Any additional increase, within the opinion of the Rent Board, required to allow the Landlord to receive a fair rate of return.~~

(c) At no time ~~Under no circumstances~~ may a Landlord raise the rent of a Covered Unit by more than ten (10) percent ~~within a Rental Year~~. Any rent increases available to a Landlord in excess of ten percent must be banked for later ~~use in a subsequent Rental Year~~.

(d) Before increasing the rent of a Covered Unit, a Landlord

must send a signed document to the Tenant(s) no fewer than ~~seventy-five (75)~~ninety (90) days before the effective date of the rent increase. This document must include the date on which the Tenancy began, the date on which the rent will be increased, the amount of the increase, any remaining Banked Rent that has not been included in the Rent increase, and the appropriate justifications for such a rent increase as defined in Section 6-234(b) above. Failure to provide such documentation shall be considered a violation of this Article, and any notice not containing all such documentation shall be void.

(e) ~~A~~Tenants, individually or collectively, who receives notice of a rent increase that they believe does not conform with this Section may file ~~an~~ complaint with the Housing Safety office. The Housing Safety office shall promptly investigate such complaint and take appropriate action. If, within fourteen (14) days of filing such a complaint, the notice is not rescinded by the Landlord, an appeal of said rent increase may be filed with the Rent Board. Upon receipt of the appeal, the Rent Board shall schedule a public hearing to be held no more than twenty-one (21) days after the filing of the completed appeal application. At the public hearing, the Board will consider de novo the rent charged under the existing Rental Agreement, the amount of the proposed new rent, and the factors which may or may not allow such an increase in accordance with this Article. Upon consideration of such evidence, the Board will render a decision as to whether the increased rent is allowable. ~~If such a~~An increase is determined by the Board to be more than is allowed by this Article shall be considered a violation, and the Board may impose such fines as are allowed by this Article determine the appropriate penalty for any such violation in a manner consistent with the provisions of this Code. Multiple tenants collectively alleging the same or similar violations against a single Landlord, including but not limited to a Tenants Union or members of or participants in a Tenants Union, may file their complaints or appeals collectively as a single document, and the Rent Board shall hear all such matters together as a single complaint or appeal; but notwithstanding such consolidated hearing the Rent Board may elect to issue separate decisions.

(f) A landlord who is not in substantial compliance with any provision of this chapter, including but not limited to the Rent Stabilization Ordinance, may not demand, accept or retain any rent increase otherwise permitted by this section or any other provision of this Code or Maine statute.

Sec. 6-235. Process of banking rent increases.

If a Landlord chooses to not impose any rent increases to which they are entitled pursuant to Section 6-234 above, these increases may be banked, in whole or in part, with the annual registration required under Sec. 6-151. Banked increases may be used to raise the rent of Covered Units in subsequent Rental Years in addition to the Rent Stabilization Allowances established for that year by the Rent Board, subject to the limitations in Sec. 6-234, including provided that no single the total increase of such rent shall not exceed ten (10) percent within a single Rental Year.

Sec. 6-235.1. Alternative calculation of maximum allowable rent.

At no time shall any Landlord charge Rent on a Covered Unit that exceeds the Base Rent plus any accrued increases allowed under this Ordinance, and any Landlord who charges Rent on a Covered Unit that is greater than such amount is in violation of this Ordinance. This section shall not be construed to retroactively revoke any allowable increases accrued under previous versions of this Ordinance.

Sec. 6-236. Termination of Tenancies-At-Will

(a) In order to be terminated by a Landlord, all tenancies-at-will must be terminated by providing a minimum of 90 days' written notice to Tenant except as provided below:

1. "For Cause" tenancies terminable on 7 days' notice pursuant to 14 M.R.S. § 6002(1) may be terminated in accordance with Section 6002(1);
- a2. Short-term rentals with a term of fewer than 30 days' are exempt from the 90-day notice period outlined herein;
- b. ~~Holdover tenancies are exempt from the 90 day notice period outlined herein;~~
- e3. Where a Landlord provides \$500.00 the amount of one month's Rent as reimbursement to Tenant for the inconvenience of termination, tenancies-at-will may be terminated by notice to the Tenant of sixty (60) to eighty-nine (89) days;
- d4. Where a Landlord provides \$1000 the amount of two

months' Rent as reimbursement to Tenant for the inconvenience of termination, tenancies-at-will may be terminated by notice to the Tenant of thirty (30) to fifty-nine (59) days.

(2b) Reimbursement amounts outlined ~~in~~ under subsections (ea) ~~and (d)~~ above are lump-sum amounts payable in a single installment for the collective benefit of all tenants of a unit. Tenants are responsible for allocating the reimbursement amount among themselves.

...

Sec. 6-237. Discrimination prohibited in sale or rental of housing units.

...

(e) It shall be prohibited for a Landlord to refuse to rent or negotiate for the rental of, otherwise make unavailable or deny a dwelling to a Tenant, retaliate against, or otherwise discriminate against a Tenant because the Tenant, or a Tenants Union on behalf of the Tenant, has complained or initiated a complaint or appeal to assert the Tenant's rights or interests under this Ordinance, or because the Tenant is a member of or participates in a Tenants Union. There is a rebuttable presumption that any adverse action by the Landlord, including but not limited to forcible entry and detainer, was commenced in retaliation against the Tenant if, within 6 months prior to the commencement of the adverse action the Tenant, or a Tenants Union on behalf of the Tenant, complained or initiated a complaint or appeal to assert the Tenant's rights or interests under this Ordinance.

...

Sec. 6-240. Enforcement and remedies.

Any violation of this Article is considered a civil infraction; all such violations, including any penalty determined to be appropriate by the Rent Board, and shall be enforced pursuant to the Portland City Code Chapter 1, §1-15. Violations of this Article, including enforcement of penalties for all such violations, shall be given the highest enforcement priority by the City.

Sec. 6-241. Limitation of Liabilities

...

~~(b) Nothing in this Article shall be construed to create additional liabilities greater than those already existing under law or to create new private causes of action.~~

...

Sec. 6-243. Tenant Unions

(a) Any Tenants Union shall have standing as a party to assert the rights or interests of any Tenants, individually or collectively, under this Chapter in any complaint, appeal, or other proceeding brought before the Housing Safety Office, the Rent Board, or the Superior Court in an appeal from any final decision under this Chapter in accordance with Rule 80B of the Maine Rules of Civil Procedure.

(b) The Housing Safety Office shall create a registration form, and accept the registration of Tenants Unions representing Tenants with rights and interests under this Chapter. Such registration shall include the name, telephone number, and e-mail address of a principal contact for the Tenants Union. The Housing Safety Office shall maintain and publish a list of Tenants Unions registered under this section, including contact information, for use by Tenants wishing to join or contact a Tenants Union. Nothing in this Section shall be construed to require a Tenants Union to register with the City. The City shall be prohibited from requesting, collecting, maintaining or publishing the names of individual Tenant members of any Tenants Union.

...

Sec. 6-250. Creation; composition.

There shall be a Rent Board of seven (7) members. Members of the Rent Board shall be residents of the city and shall not be officers or employees of the city or any of its agencies or departments.

Two (2) members shall be appointed to fill at-large seats, and may reside in any part of the city. The remaining five (5) members shall be comprised of one member from each of the five (5) city council ~~wards~~ districts with the highest concentration of Rental units. Should the ~~number or~~ location of said city council ~~wards~~ districts be changed, the districts and ~~number of~~ Rent Board members shall change to mirror such changes.

...

Sec. 6-251. Appointment; terms.

The members of the Rent Board shall be appointed by the Mayor, subject to the approval of the City Council for terms of three (3) years. Such members shall serve until their successors are duly appointed and qualified. Such terms shall be staggered so that the terms of not more than three (3) members shall expire in any calendar year.

...

Sec. 6-263. Jurisdiction and authority.

In addition to the jurisdiction conferred on it by other ordinances of the City and in accordance therewith, the Rent Board shall have the following jurisdiction and authority:

(a) To hear, review, and approve or deny Landlord applications for rent increases greater than the Allowable Increase Percentage, as provided for in Section 6-234 above~~those allowed by the Rent Stabilization Ordinance;~~

(b) To hear, review, and approve or deny Landlord applications for increases in Base Rent due to the major renovation or reconfiguration of existing Covered Units, as provided for in Section 6-2334 above;

(c) To hear, review, and grant or deny complaints or appeals from Tenants, individually or collectively, regarding Rent charges or Rent increases not in compliance with the Rent Stabilization Ordinance, or other matters falling within the scope of the Rent Stabilization Ordinance, or allegations violations of Maine statute regarding the habitability of residential units; such appeals shall be heard and decided de novo;

...

(e) ~~To hear, review, and mediate decide the appropriate outcome of any disputes arising between Landlords and Tenants on matters falling within the scope of Article XII of this Chapter, if where both parties request consent to such mediation and resolution by submitting the landlord/tenant dispute mediation form, as maintained and edited by the Housing Safety Office,~~

signed by both Landlord and Tenant no later than fourteen (14) days before the date on which such a hearing shall be scheduled; all parties to such mediation must agree and shall be required to mediate in good faith; such authority to mediate disputes shall not be construed to limit the Rent Board's authority to hear, review or decide any tenant complaint or appeal without the consent of the Landlord; the Board may appoint one or more of its members, in lieu of the full Board, to mediate disputes on a rotating basis, and such mediation may be conducted outside of a public hearing, and a quorum of the Rent Board shall not be required for such mediation;

(f) To ~~impose such fines as are necessary and allowed~~ determine, in a manner consistent with the provisions of this Code, what penalties are appropriate for violations of the provisions of the Rent Stabilization Ordinance that are determined by the Board;

...

(h) To prepare an annual report on the state of the City's rental unit availability, which shall be presented to the City Council as part of a regularly-scheduled public hearing. This report shall include a summary of rents within each of the five council wards district. Such reporting may or may not be done in conjunction with similar reporting required of the City's Rental Housing Advisory Committee, as established by this Chapter; and

(i) To adopt or amend, subject to approval by the City Council, such rules and regulations as are necessary to implement, or to allow for the efficient and consistent application of, the provisions of the Rent Stabilization Ordinance, including but not limited to rules and regulations governing the proceedings of the Rent Board's hearing of Landlord applications or of Tenant complaints or appeals and rules and regulations providing standard procedures and methodology for calculating the amount of rent necessary to allow the Maintenance of Net Operating Income and yield a Fair Return on Investment under various circumstances; the Board may adopt, subject to approval by the City Council, rules and regulations, including methodology, allowing the Housing Safety Office or a hearing officer to review Landlord applications and to complete standard calculations in order to provide for or facilitate an expeditious process and efficient consideration by the Rent Board; Rules and Regulations adopted pursuant to this authority, and any amendments thereto, shall become effective only when approved by the City Council, and shall be kept on file in the Housing Safety Office;

(4j) To initiate changes and amendments to ~~this Article, as well as to~~ the city's Rent Stabilization Ordinance.

2. That Chapter 14, Section 14-18.4.5 of the Portland City Code is hereby amended to read as follows:

Sec. 14-18.4.5 Conversion permit

Before conveying or offering to convey a converted unit, the developer shall obtain a conversion permit from the Building Authority. The permit shall issue only upon receipt of a completed application therefore in a form to be devised for that purpose, a fee as established by the City Council of \$25,000 per converted unit, to be adjusted annually in the same way as the fee under Chapter 14, Subsection 18.1.8 of this Code, at least \$1,000 of which shall be appropriated to the Housing Safety Office for the administration and enforcement of the Rent Stabilization Ordinance, Chapter 6, Articles XII and XIII of this Code, and the remainder of which shall be paid into the Jill C. Duson Housing Trust Fund, and a finding, upon inspection, that each unit, together with any common areas and facilities appurtenant thereto, is in full compliance with all applicable provisions of Chapter 6, Articles II, III, and V and Chapter 10, Article II of the City of Portland Code of Ordinances, and the Life Safety Code as adopted by the state. The developer shall post a copy of the permit in a conspicuous place in each unit and shall make copies available to prospective purchasers.

3. That, except as specified herein below, all such amendments shall take effect thirty (30) calendar days after the official canvass of the return of the election at which this ordinance is approved, provided that:

(a) Notwithstanding any notice given prior to such effective date, all rent increases taking effect on or after January 1, 2023 must comply with the amendments to sections 6-223 and 6-234(d), such that any tenant charged such rent increase must receive at least 90 days notice, and such notice must include all newly required information, before any such increase may be implemented;

(b) Notwithstanding any Tax Rate Rent Adjustment announced by the Housing Safety Office prior to such effective date or any notice given prior to such effective date, all rent increases taking effect on or after January 1, 2023 must comply with the

amendments to Sections 6-232 and 6-234 repealing the Tax Rate Rent Adjustment, such that no Tax Rate Rent Adjustment may be included in any rent increase taking effect on or after such date;

(c) Amendments to Sections 6-232 and 6-234(a) changing the calculation of the Allowable Increase Percentage shall take effect for the Allowable Increase Percentage established and published by the Housing Safety Office on or before September 1, 2023, applicable to all rent increases taking effect on or after January 1, 2024; and

(d) Amendments to Sections 6-232 and 6-234(b) changing the requirements for Additional Rent Board Approved Increases shall be applicable for all landlord applications submitted to the Rent Board on or after March 1, 2023. For all landlord applications submitted prior to March 1, 2023, the Rent Board may continue to apply the previous version of this ordinance and to approve increases allowable pursuant to such previous version.

City of Portland | Office of the Mayor and City Council
Kate Sykes, Councilor (District 5)



To: Pious Ali, Chair and members of the HEDC
From: Kate Sykes, Councilor
Date: June 28, 2024
Re: Second Draft Short Term Rental Ordinance Amendments

Councilors,

Thank you for your comments and questions at last week's meeting. A second discussion, with public comment and vote on proposed changes to our Short Term Rental ordinance is scheduled for July 2, 2024.

I submit this revised second draft for deliberation by the Housing and Economic Development Committee, recommendation to the Council, and placement on the ballot for the November 2024 election.

A summary of the revised proposed changes, background and supporting data follows.

STR Ordinance Amendment Goals and Summary of Changes

Background:

Portland faces a severe housing affordability crisis. We have approximately 19,000 registered long-term rental units in the City and the rental vacancy rate is around 2.5% according to the most recent US Census Bureau's American Community Survey. It's estimated that 70% of Portland residents are rent burdened. It is further estimated that we are 9,000 units of housing short of what we need to adequately house our workforce.

Our parks, schools, libraries, tax base, and local workforce all depend on the availability of affordable long-term housing. Short term rentals take hundreds of units of housing away from Portland's already low housing stock and can undermine the residential character of neighborhoods and buildings. Under our current ordinance, the Islands bear a

disproportionate number of Short Term Rental Licenses relative to the mainland communities. Many of the homes on the islands are seasonal, leaving few housing options for year-round residents and workers. The Peaks Island school, businesses and labor markets are particularly vulnerable to disruption when long-term housing stock is lost to vacation rentals.

Policy Goals:

- Restore and/or preserve Portland's existing long-term housing stock
- Give law-abiding citizens the option use their primary residence as a short term rental
- Limit the number of non-owner occupied short-term rentals, in proportion to the amount of rental housing stock/vacancy rate
- Ensure that speculators do not buy up single family homes, including condominiums, to turn them into pseudo hotels
- Prevent rental arbitrage from eroding long term rental housing stock
- Protect the year-round community, labor force, and economy on Peaks Island by preserving their existing year-round housing stock
- Prevent the disruption of the residential character of neighborhoods and buildings
- Leverage legal precedent that has been set by other communities in requiring booking services to verify registration with the City before charging for services
- Decrease the threat or harm to public health, safety, or general welfare that results from unlawful vacation rentals
- Provide greater public transparency into Short Term rental registrations
- Create a clear public complaint process that aids enforcement

Summary of Substantive Amendments:

Sec. 6-150.1. Definitions.

Adds definitions for Accessory Dwelling Units, Booking Service, Non-Owner Occupied, Outer Island, and Seasonal rental unit

Revises definition of Owner Occupied unit to meet new registration standards and clarifies that an owner must live in the unit (not just the building) to qualify for owner occupancy.

Sec. 6-151. Registration required.

Requires proof of Homestead Exemption (as documented through the City Tax Assessor's office) and a photo ID to qualify for an owner-occupied license.

Removes discretionary use of other qualifying documents for owner occupancy

Requires Peaks Island short term rental registrants to provide information about whether the unit is season or year round

Require hosts of units in a condominium or other homeowners association to provide an attestation by an authorized representative of the association that short term rentals are allowed

Requires the City to list all registered short term rentals and their addresses on the City Website

Requires Booking Services to list the registration number of a short term rental in all advertisements/listings before collecting fees or charging for services

Requires Booking Services to provide information to the City upon request and in a timely manner. Removes tenants from this requirement.

Removes short term rentals from the registration requirements of rent controlled long-term rentals (an unintended consequence of the rent control ordinance).

Sec. 6-152. Registration Fees.

Adds seasonal Peaks Island Units, and Outer Island Units into the fee schedule for Owner-Occupied units.

Removes Mainland qualifier from the fee schedule for Non Owner-Occupied units

Sec. 6-153. Limitations on Short Term Rental Units.

Keeps current cap on mainland Non-Owner Occupied registrations the same for 2025.

Beginning in 2026, limits the number of Non-Owner Occupied mainland short term rentals to no more than 2% of the total number of registered long-term rental units on the mainland in the prior year. To be determined annually on September 1.

Exempts current license holders from this cap going forward provided they comply with the terms of the article.

Exempts Accessory Dwelling Units constructed within 5 years of the date registered as a non-owner occupied short term rental from this cap

Adds that Accessory Dwelling Units where the unit is not the primary residence of the owner are not considered owner-occupied

Limits non-owner occupied Peaks Island short term rentals to no more than 40 registered units in any one calendar year, provided those properties are year-round residences.

Established that there shall be no limits on owner-occupied Peaks Island short term rentals, or Peaks Island seasonal properties.

Limits Peaks Island short term rentals to 1 per single family home.

Establishes a ban on Peaks Island short term rentals in multi-unit properties of 4 or more units

Exempts Peaks Island short term rentals from the Mainland band on short term rentals in single family homes and condominiums.

Limits the total number of Mainland short term rental units that may be operated in a multi-unit building to no more than half the total units in the building, up to 5 units maximum.

FAQ and Data

What is a short term rental?

Portland's current ordinance defines a short term rental as a housing unit rented for less than thirty days. Anything rented for 30 days or more is a long term rental and subject to rent control.

How do we currently enforce our short term rental ordinance?

The City contracts with a company called Host Compliance to monitor our Short Term Rentals online. They search the web for unregistered units in the City. The Permitting and Inspections office starts the enforcement process in April of each year. Over the years they have received comments that there are hundreds of non-compliant units in Portland. They investigate all complaints received, or that Host Compliance uncovers.

How many violations of the short term rental ordinance have we found?

2021 - 47 violations
2022 - 80 violations
2023 - 185 violations
2024 - 74 violations

Do short term rentals take housing off the market?

Portland currently bans mainland non-owner occupied short term rentals in *single family homes* and *condominiums* in order to prevent speculators from buying up properties and turning them into pseudo hotels.

Non-owner occupied short term rental licenses for apartments are capped at 400. This represents more than 2% of the total number of long term rentals in the City.

How many long term rentals do we have in Portland?

The City currently has 19,328 long term rentals registered

2% of 19328 = 387

1.5% 19328 = 290

1% of 19328 = 193

What is Portland's vacancy rate?

According to Maine State Housing,, which publishes housing statistics for Portland on its [website](#), we currently have a 2.2% vacancy rate. A healthy vacancy rate is considered to be about 5%.

How many short term rentals registrations do we have right now?

Total = 857

Non Owner Occupied = 400

Owner Occupied = 301

Tenant Occupied = 34

Total Island Rentals (including Peaks) = 122

Peaks Island = 98

How hard is it to get a license for a non owner occupied short term rental?

The permitting and inspections office maintains a waitlist. Every year, 20-30 licenses turn over. As of March 20, 2024, *31 units had been taken off the waitlist* and issued a Non Owner Occupied License. There are currently *69 units on the waitlist*. Some of the reasons licenses open up are: change of ownership; conversion to a long term rental; no longer a short term rental; failure to register by the deadline.

What does the short term rental market look like on Peaks Island?

At least 58% are year-round properties. 49% have out-of-state owners. 65% have been purchased in the last 10 years. 31% have been purchased in the last 5 years.

Comparatively, there are only 22 registered long term rentals on Peaks, many of which are rented monthly in the winter and rented weekly in the summer and shoulder season.

How many hosts have more than 1 short term rental license?

666 hosts have only 1 unit registered.

127 hosts have 2 units registered

38 hosts have 3 units registered

20 hosts have 4 units registered

6 hosts have 5 units registered

How many properties have more than 1 short term rental in them?

5 short term rentals - 0 properties

4 short term rentals - 7 properties

3 short term rentals - 17 properties

2 short term rentals - 118 properties



Staff Memo To:

Housing & Economic Development Committee
Councilor Pious Ali, Chair

DATE

July 2, 2024

AGENDA ITEM

Agenda Item #3 – Proposed Amendments to the Short Term Rental Ordinance

PURPOSE

This memo is intended to share staff feedback related to the administration of the proposed changes to the short term rental (STR) ordinance.

COMMITTEE WORK PLAN ALIGNMENT

The Committee's 2024 work plan includes an evaluation of the current short term rental ordinance.

BACKGROUND/ANALYSIS

After reviewing the proposals, staff request that the Committee consider several changes that may improve administrative efficiency:

- **Sec. 6-153(b):** Require the 2% limit on STR licenses be established every five (5) years, rather than annually.
- **Sec. 6-152(e):** Currently, a \$50 late fee is assessed for applications submitted after January 15. A \$200 late fee is assessed for applications submitted after February 15. We recommend simplifying the late fee structure by eliminating one of the late fees (and associated deadline).

We believe these changes could prevent new administrative complexity without sacrificing policy goals (as described in Councilor Sykes' June 7, 2024 memo). Reducing administrative complexity will help facilitate initial and ongoing implementation, as well as improve stakeholder's understanding of and adherence to new regulations.

Thank you for your consideration.

FISCAL IMPACT

After a review of the proposed changes, staff determined that they would not result in a meaningful increase to the cost of the program's implementation.

CONCLUSIONS(S)

N/A

PRIOR COMMITTEE REVIEW

- June 25, 2024: Committee's conceptual discussion of the proposed policy changes.

PREPARED BY

Dena Libner
Assistant City Manager
Executive Department

ATTACHMENTS

N/A

**AMENDMENT TO ORDER 23-24/25
PREPARED BY CORPORATION COUNSEL
FOR COUNCILOR KATE SYKES
RE: SHORT TERM RENTAL PROVISIONS**

* * *

Sec. 6-151. Registration required.

* * *

(c) *Additional Information Required for Short Term Rentals.*
A short term rental shall not be considered registered unless and until the registrant has submitted a complete application together with all information required by this article, paid the fee required by Sec. 6-152, and a registration number has been issued.

In addition to the information required in Section 6-151(b), a Short Term Rental registrant must provide at a minimum the following information and any other information requested by the City's Permitting and Inspections Department or their designee:

1. A short term rental application;
2. Whether the rental unit is owner-occupied, tenant-occupied, or non-owner occupied;
 - a. For Short Term Rental units that are owner-occupied, the owner must provide a notarized primary residence affidavit, on forms provided by the City. The owner must also produce for review the following demonstrating primary residency at the owner-occupied unit:
 - i. Valid driver's license, other state-issued identification, or passport; and
 - ii. ~~Proof of homestead exemption verified through the City Assessor's records, or, if the legal owner of the property is not eligible for the homestead exemption, a A~~

copy of the owner's most recent federal tax
return with financial information redacted.

MEMORANDUM
City Council Agenda Item

FROM:

DATE: July 10, 2024

SUBJECT: Order 25-24/25 Setting Election Date on an Amendment to Chapter 33 of the Portland City Code RE: an Act to Increase Portland's Minimum Wage - Sponsored by Councilor Regina Phillips, Councilor Anna Trevorow, Councilor Kate Sykes

SPONSOR: Councilor Regina Phillips, Councilor Ann Trevorow, Councilor Kate Sykes
(If sponsored by a Council committee, include the date the committee met and the results of the vote.)

COUNCIL MEETING DATE ACTION IS REQUESTED:
1st Reading 7/15/2024

Final
Action 8/19/2024

Can action be taken at a later date: No If action cannot be taken at a later date, please explain why. Do NOT write yes or no; that will be automatically generated by the checkbox.

Does this item involve a new contract with the City: No

PRESENTATION: Councilors Phillips, Trevorow, and Sykes /3 Minutes

I. SUMMARY

If passed by the Council, this referendum question will appear on the November 5, 2024 ballot and will be made effective January 1, 2025.

II. AGENDA DESCRIPTION

The minimum wage in Portland was raised by citizen referendum in 2020 and cannot be amended for 5 years, except by referendum.

This item must be read on two separate days. It received its first reading on July 15. Five affirmative votes are required for passage after public comment.

III. BACKGROUND

The current minimum wage in Portland is \$15/hour. If passed by voters, this referendum will increase the minimum wage to \$20/hour by 2028.

IV. INTENDED RESULT AND/OR COUNCIL GOAL ADDRESSED

The intended result is for Portland City Council to place this question before voters on November 5, 2024. Raising the minimum wage in Portland will advance the equity goals of the Council.

V. FINANCIAL IMPACT

The proposed wage increases would have little impact to the City's FY24-25 budget, but in the following budget year, the increase from \$16.50/hr in 2025 to \$18/hr in 2026 result in a 9.1% wage increase. Finance Department staff have not yet had an opportunity to prepare a detailed analysis of the financial impact of the proposed amendments beyond FY24-25 but they will share that analysis with the Council in time for the August 19 public hearing on this order.

VI. STAFF ANALYSIS AND BACKGROUND

Staff Analysis that will not appear in the Agenda Description.

VII. RECOMMENDATION

VIII. LIST ATTACHMENTS

1. Order 25 - Ch 33 Increasing Minimum Wage
2. Portland-2022-Minimum-Wage-Initiative-analysis
3. Housing Needs Assessment - Portland City
4. Memo Min Wage_Sub Min Wage
5. Portland Minimum Wage 2024 revised
6. \$20 Minimum Wage Proposal - Fiscal Impact Statement
7. 08.19.24 Order 25 Public Comment

Prepared by:

Date: 07/10/2024

MARK DION (MAYOR)
PIOUS ALI (A/L)
APRIL D. FOURNIER(A/L)
ROBERTO RODRÍGUEZ (A/L)

CITY OF PORTLAND
IN THE CITY COUNCIL

ANNA TREVORROW (1)
VICTORIA L. PELLETIER (2)
REGINA L. PHILLIPS (3)
ANNA BULLETT (4)
KATE SYKES (5)

**ORDER SETTING ELECTION DATE ON AN AMENDMENT TO CHAPTER 33
OF THE PORTLAND CITY CODE
RE: AN ACT TO INCREASE PORTLAND’S MINIMUM WAGE**

ORDERED, that the amendment to the Portland City Code called An Act to Increase Portland’s Minimum Wage, a copy of which is attached to and made a part of this Order, shall be submitted to the voters of the City, on a ballot with the below summary only as determined necessary by the City Clerk, at the municipal election on November 5, 2024; and

BE IT FURTHER ORDERED, that notwithstanding the limitation on the repeal or amendment of ordinances set forth in Portland City Code Chapter 9 Section 9-46, the City Council may, without a vote of the people, amend or repeal the ordinance set forth below at any time; and

BE IT FURTHER ORDERED, that the Portland City Clerk is hereby authorized to place the following question and summary of An Act to Increase Portland’s Minimum Wage on the ballot:

Do you favor the change in the city ordinance proposed by City Councilors as summarized below?

An Act to Increase Portland’s Minimum Wage

An Act to Increase Portland’s Minimum Wage will increase Portland’s minimum wage to \$20/hour by 2028. This amendment will be effective beginning January 1, 2025.

EXHIBIT A

An act to Increase Portland's Minimum Wage

An Act to Increase Portland's Minimum Wage will increase Portland's minimum wage to \$20/hour by 2028. This amendment will be effective beginning January 1, 2025.

BE IT ORDAINED:

That Sections 33.7 and 33.9 of the Portland City Code Chapter 33 are hereby amended effective as of January 1, 2025 to read as set forth below. Notwithstanding the limitation on the repeal or amendment of ordinances set forth in Portland City Code Chapter 9 Section 9-46, the City Council may, without a vote of the people, amend or repeal the ordinance set forth below at any time.

Section 33.7. Minimum Wage.*

* * *

(b) Minimum Wage rate:

- (i) Beginning on January 1, ~~2025~~2022, the regular Minimum Wage for all Employees, including, but not limited to, Service Employees, shall be raised to \$16.50 ~~\$13.00~~ per hour;
- (ii) Beginning on January 1, ~~2026~~2023, the regular Minimum Wage for all Employees, including, but not limited to, Service Employees, shall be raised to \$18.00 ~~\$14.00~~ per hour; and
- (iii) ~~Beginning on January 1, 2027~~2024, the regular Minimum Wage for all Employees, including, but not limited to, Service Employees, shall be raised to \$19.00 ~~\$15.00~~ per hour; and
- (iv) Beginning on January 1, 2028, the regular Minimum Wage for all Employees, including, but not

limited to, service employees, shall be raised to \$20.00 per hour; and

(~~vii~~)—On January 1, ~~2029~~2025 and each January 1st thereafter, the minimum hourly wage then in effect must be increased by the increase, if any, in the cost of living. The increase in the cost of living must be measured by the percentage increase, if any, as of August of the previous year over the level as of August of the year preceding that year in the Consumer Price Index for All Urban Consumers, CPI-U, for the Northeast Region, or its successor index, as published by the United States Department of Labor, Bureau of Labor Statistics or its successor agency, with the amount of the minimum wage increase rounded to the nearest multiple of 5¢. If the state minimum wage established by 26 M.R.S. § 664 is increased in excess of the minimum wage in effect under this ordinance, the minimum wage under this ordinance is increased to the same amount, effective on the same date as the increase in the state minimum wage, and must be increased in accordance with this ordinance thereafter.

* * *

ARTICLE V. ENFORCEMENT AND VIOLATIONS

Sec. 33.9. Enforcement and Violations.

* * *

(a) Complaint Process.

* * *

(iii) If the City Manager finds that a violation of this chapter has occurred, they ~~he or she~~ may order any and all appropriate relief including, but not limited to, the payment of

any back wages withheld and/or the payment of not less than \$100.00 as a penalty for each day that a violation of this chapter has occurred, per Employee. A violation of this Ordinance may also be considered a civil violation subject to the general penalty provisions of section 1-15 of this Code.

**Note: The amendments set forth above will be effective as of January 1, 2025. Notwithstanding the limitation on the repeal or amendment of ordinances set forth in Portland City Code Chapter 9 Section 9-46, the City Council may, without a vote of the people, amend or repeal the ordinance set forth below at any time.*



Portland 2022 Minimum Wage Initiative Analysis

James Myall, Economic Policy Analyst

Overview: Analysis of the likely impacts of an initiative proposed by Maine DSA to increase the minimum wage in Portland to \$18 an hour by 2025; to phase out the tipped minimum wage by 2025; and to remove certain occupation-based exemptions to the city's minimum wage law.

This analysis includes a summary of some of the major impacted groups and likely effects. A methodology and a detailed set of statistics is provided at the end.

Proposed initiative

The schedules for increasing the minimum wage and eliminating the separate tipped minimum wage in the initiative are as follows. Unless otherwise noted, the statistics presented in this analysis are based on the situation in 2025, when the law is fully phased in.

	Full Minimum Wage		Tipped Minimum Wage	
	Status Quo	Proposed	Status Quo	Proposed
2022	\$13.00	\$13.00	\$6.50	\$6.50
2023	\$14.00	\$15.00	\$7.00	\$10.00
2024	\$15.00	\$16.50	\$7.50	\$14.00
2025	\$15.35*	\$18.00	\$7.68	\$18.00

Note: Status quo wage for 2025 assumes CPI inflation of 2.3 percent in 2024, following the latest forecast from the Congressional Budget Office.

Of the approximately 63,500 private-sector workers in Portland, approximately just over one quarter (17,800) would be directly impacted by the proposed initiative by 2025. These workers are projected to earn less than \$18 per hour by 2025. Another small number of workers (4,800, or 8 percent) would be indirectly impacted. These workers earn slightly above the new minimum wage (up to \$20.70 per hour) and would see a small increase in wages as employers voluntarily raise their wages to remain competitive with the new minimum wage.

The total proportion of workers impacted, 36 percent, is slightly higher than estimated share of workers impacted by the 2016 statewide minimum wage increase (33 percent).¹

A key measure of the impact of a minimum wage increase on an economy is the ratio between the minimum wage and the median hourly wage for full-time, year-round employees. This measure is known as the Kaitz Index. MECEP projects that the median hourly wage for full-time, year-round employees in Portland in 2025 will be \$30.61 per hour. The proposed \$18 per hour would be 59 percent of this. Research has shown that a minimum wage at this level would have little to no negative impact on employment.² However, as noted below, the impacts of a rapid phase-out of the tipped minimum wage are less clear.

Demographics of impacted population

The increased minimum wage will help to close existing pay disparities, as women and workers of color are more likely than men and white workers to be paid wages below \$18 per hour. 42 percent of women working in Portland will see a wage increase, compared to 30 percent of men.

While 34 percent of white, non-Hispanic workers in Portland will receive a pay raise from the initiative, the same is true for 56 percent of Black workers, 51 percent of Asian workers, and 51 percent of Indigenous workers in Portland. Latino workers benefit at a slightly higher rate (39 percent) than white-non-Hispanic workers.³

The new minimum wage would particularly help workers who are either younger (under 25) or older (65 and older). These workers are generally more likely to be lower earners because they are not in their prime earning years. Nearly all workers under 20 would see a wage increase under the new ordinance, as would three quarters of those between 20 and 24, and a little less than half of workers aged 65 or older.

Similarly, the initiative would especially boost the wages of lower-educated workers, with three quarters of workers with less than a high school education seeing a wage increase, as well as almost half of those with a high school diploma or some college credits but no degree.

Sectoral and occupational impacts

While the minimum wage increase will benefit significant numbers of workers in all occupations and industries, those in low-wage service sectors would see the biggest improvement in wages. Two-thirds of leisure and hospitality workers would get a raise, and more than half of retail and social service workers would see an increase in wages.

Similarly, workers in low-wage service occupations would benefit most from the proposed increase. 80 percent of workers in food and drink preparation and serving would see an increase, as more than would three quarters of personal service workers (this includes hairdressers, beauticians and childcare workers). Almost two thirds of workers in cleaning occupations would benefit from a minimum wage increase, as would almost two thirds of health care support workers (this category includes home health and nursing home aides). Other occupations which would particularly benefit are transportation workers, and sales workers (including store cashiers).

Effects of the tipped minimum wage phase-out

The proposed initiative would phase out the current system of allowing workers who receive tips to be paid half the city's minimum wage as a base rate, as long as they receive enough tips to make up the difference. For example, a restaurant server can currently be paid \$6.50 an hour by their employer, as long as they receive enough customer tips over the course of their pay period to earn a total wage equivalent to \$13 per hour.

Under the initiative, the base wage paid by the employer would increase in stages until it equals the full minimum wage in 2025.

Research on the tipped minimum wage system shows that it is generally harmful to the workers covered by it. Although the law requires that employers make up any difference between the base wage and the full minimum wage which is not covered by tips, there's plenty of evidence that this does not always happen, and plenty of tipped workers receive less than the statutory minimum wage after accounting for tips.⁴ The tipped minimum wage system makes many tipped workers reliant on their tips to make ends meet, which means that customers have an unhealthy amount of power of these workers. Research shows that the size of tips received is often dependent on a worker's gender,⁵ race,⁶ and perceived physical attractiveness.⁷ Paying people based on these qualities would be illegal for an

employer but is permissible and pervasive for customers leaving tips. What's more, tipped workers find themselves vulnerable to physical and verbal abuse, and even sexual assault and unable to report it for fear of losing income or their jobs.⁸

It's important to note that ending the tipped minimum wage system will not mean the end of tipping by customers. Data from wireless payment systems shows that customers in states without a tipped minimum wage still leave tips at similar frequencies and amounts to those in other states.⁹ As a result, workers earning the full minimum wage plus tips are better off than those earning a lower minimum wage plus tips.

While the end of the tipped minimum wage system would likely be beneficial to workers, there is some uncertainty about the short-term effects due to phasing the credit out on such a rapid timeline.

Seven states currently do not have a separate tipped minimum wage. However, no state or city has recently eliminated the tipped minimum wage to provide recent data on the potential impact.

The timing of the phase-out in the initiative is significantly more aggressive than most minimum wage initiatives seen in the United States. The base hourly wage for tipped workers will increase from \$6.50 in 2022 to \$18.00 in 2025. This would create a considerable new cost for employers with a short period of time in which to adjust. Employers will certainly be able to take steps to offset this increased cost (for example increasing prices) but will have to undertake these changes quickly.

1011

Demographics of tipped minimum wage workers

It is difficult to identify which workers are paid below the minimum wage using the current tip credit because public datasets provide only limited information about occupation and earnings and does not distinguish between total wages paid before or after tips.

This analysis approximates the population of workers subject to the current tipped credit system by focusing on workers certain occupations and employment sectors – primarily personal care workers (e.g. hair stylists) and food service workers (e.g. wait staff).¹²

Using this methodology, approximately 1,500 Portland workers are currently employed using the tip credit system and would see their base wage rise under the initiative.

Women are much more likely to be paid under the tip credit system. Approximately 70 percent of Portland's tipped workers are women. This is consistent with other analysis at the state and national level.¹³

There is insufficient data to allow for a racial impact analysis specific to Portland, but previous MECEP analysis has found that Black, Latino and Asian Mainers are more likely to work in these tipped occupations statewide.¹⁴

Occupations and industries newly covered by the minimum wage law

The ordinance mostly preserves the current practice of aligning Portland's minimum wage exceptions with those in state law (26 MRS 663(3)). However, it does ensure that some new groups are **newly covered**.

The language on drivers and delivery service includes taxicab drivers who are explicitly exempt under state law, as well as drivers who work for app-based services who may or may not be covered by current minimum wage legislation depending on whether they are classified as employees. The language in the initiative would provide clarity that these workers are employees for minimum wage purposes.

It's not clear how many workers in Portland would be impacted by this language.

Table 2: Detailed Estimates of the Impacted Workforce in 2025

		Total workers in this group	Impacted workers in this group
Total workforce		63,400	22,600
Age	16-19	2,800	2,800
	20-24	5,800	4,300
	25-34	14,000	5,300
	35-44	11,800	2,800
	45-54	13,300	3,000
	55-64	11,900	3,000
	65+	3,900	1,600

Education	No high school diploma	3,300	2,300
	High school or some college	27,900	13,200
	Associate degree	6,800	2,000
	Bachelor's degree	17,200	3,900
	Graduate degree	8,200	1,000
Gender	Men	31,600	9,300
	Women	31,900	13,200
Race and Ethnicity	White, non-Hispanic alone	57,800	19,900
	Hispanic (any race)	1,300	590
	Black alone or in combination	1,800	970
	American Indian alone or in combination	790	350
	Asian alone or in combination	1,500	650
Occupation	Administration	7,400	3,100
	Managers	6,900	920
	Sales	6,300	3,000
	Medicinal practitioners	4,600	680
	Education	4,300	1,500
	Transportation & warehousing	4,200	2,400
	Eating & drinking	3,800	3,100
	Production	3,700	1,100
	Construction	2,800	900
	Business	2,500	290
	Healthcare assistance	2,300	1,500
	Repair & maintenance	2,000	440
	Computing	2,000	200
	Cleaning	1,700	1,000
	Engineering	1,500	50
	Finance	1,300	80
	Social services	1,300	400
	Protective services	1,100	200
	Entertainment	1,000	300
Industry	Health care	9,200	2,700
	Retail	8,200	4,600
	Manufacturing	7,200	1,100
	Education	6,700	2,400
	Professional services	6,000	1,600
	Leisure and hospitality	6,000	4,100

	Finance	5,200	930
	Construction	3,100	960
	Public administration	2,300	300
	Other services	2,100	920
	Social services	1,900	1,100
	Transportation & warehousing	1,800	700
	Wholesale trade	1,400	370
	Information	1,500	400

Source: MECEP analysis of US Census Bureau, American Community Survey, 2016-2020 5-year estimates, public use microdata; US Bureau of Labor Statistics, Quarterly Census of Employment and Wages, Q4 2021.

Note: Estimates reflect combined direct and indirect impact by 2025.

Methodology

The primary source for these estimates is the public use microdata for the US Census Bureau's American Community Survey. The ACS does not explicitly measure hourly wages, so these were estimated by taking individuals' total wage income and dividing it by the number of weeks worked last year and the number of hours usually worked each week.

These 2020 hourly wage estimates were extrapolated to produce an estimate of hourly wages in 2025, using historic inflation data and, using congressional budget office projections, assuming wages will rise in line with inflation at an annual rate of 4.7 percent in 2023, 2.7 percent in 2024, and 2.3 percent in 2025.

Hourly estimates were generated for Mainers who listed their place of work as Public Use Microdata Area 23790, which includes Portland, Westbrook, and South Portland. This PUMA includes just under 239,000 workers. Numerical estimates were scaled to reflect Portland's workforce of 66,150, according to the Q4 2021 Quarterly Census of Employment and Wages.

Notes

¹ Maine Center for Economic Policy, “Restoring the Value of Work,” August 2016. https://www.mecep.org/wp-content/uploads/2016/08/Minimum-wage-brief_final_08-17-16.pdf

² Arindrajit Dube and Attila S. Linder, “City Limits: What Do Local-Area Minimum Wages Do?” *National Bureau of Economic Research*, Nov 2020. https://www.nber.org/system/files/working_papers/w27928/w27928.pdf

³ Here, white non-Hispanic includes people identifying with this race/ethnicity combination alone. All others represent race and ethnicity alone or in combination with another identity. No analysis of Native Hawaiian and Pacific Islander residents was conducted, due to a small sample size.

⁴ David Cooper and Teresa Kroeger, “Employers steal billions from workers’ paychecks each year,” *Economic Policy Institute*, May 10, 2017. <https://www.epi.org/publication/employers-steal-billions-from-workers-paychecks-each-year/>

⁵ Drew McGraw, “Unequally Gracious: Gender Discrimination In Restaurant Tipping,” *Render* June 20 2014. <http://www.renderfoodmag.com/blog/2014/6/18/unequally-gracious-gender-discrimination-in-restaurant-tipping>

⁶ Michael Lynn et al., “Consumer Racial Discrimination in Tipping: A Replication and Extension,” 2008. <https://www.wagehourlitigation.com/wp-content/uploads/sites/215/2015/10/cornell.pdf>

⁷ Tom Jacobs, “Attractive Servers Get Bigger Tips,” *Pacific Standard*, Jun 14, 2017. <https://psmag.com/economics/attractive-servers-get-bigger-tips>

⁸ Restaurant Opportunities Center United, “Take Us Off the Menu: The Impact of Sexual Harassment in the Restaurant Industry,” May 2018. <https://rocunited.org/wp-content/uploads/sites/7/2020/02/TakeUsOffTheMenuReport.pdf> and Becky Sullivan, “Tips And ‘Service With A Smile’ Rules Fuel Sex Harassment In Restaurants, Study Says,” *National Public Radio*, July 22, 2021. <https://www.npr.org/2021/07/22/1019017172/tips-and-service-with-a-smile-drive-sexual-harassment-in-restaurants-study-find>

⁹ James Myall, “A Higher Minimum Wage is Good for Tipped Workers,” *Maine Center for Economic Policy*, Apr 4, 2017. <https://www.mecep.org/blog/a-higher-minimum-wage-is-good-for-tipped-workers/>

¹⁰ San Francisco Office of Labor Standards Enforcement, *Historical San Francisco Minimum Wages*, <https://sfgov.org/olse/historical-wage-rates-definition-government-supported-employee>

¹¹ Oregon Bureau of Labor and Industries, *Oregon Minimum Wage*. <https://www.oregon.gov/boli/workers/pages/minimum-wage.aspx>

¹² For a list of occupations see <https://www.epi.org/publication/minimum-wage-simulation-model-technical-methodology/>

¹³ National Women’s Law Center, *Tipped Workers by State*, Feb 2021. <https://nwlc.org/wp-content/uploads/2021/02/Women-Tipped-Workers-State-by-State-2021-v3.pdf>

¹⁴ James Myall, “State of Working Maine 2020,” *Maine Center for Economic Policy*, Nov 9, 2020. <https://www.mecep.org/maines-economy/report-state-of-working-maine-2020/>



Housing Needs Assessment

Portland city



Housing Needs Assessment

Portland city

Introduction

The Housing Needs Assessment reviews demographic, economic, housing market, and affordability trends in Portland city to help identify trends and challenges in the local housing market and inform local housing priorities and policies.

Housing priorities should be informed by both a community's values and the conditions in its housing market. An analysis of housing market conditions can identify where a housing market is failing to meet the needs of community members. After this is completed, a community's values then determine which failures in the housing market a community should prioritize.

The following assessment utilizes data from a variety of sources, each listed at the bottom of the chart, graph, or map. For more information on these sources, please see the "Sources" Section of the document.

Population Trends

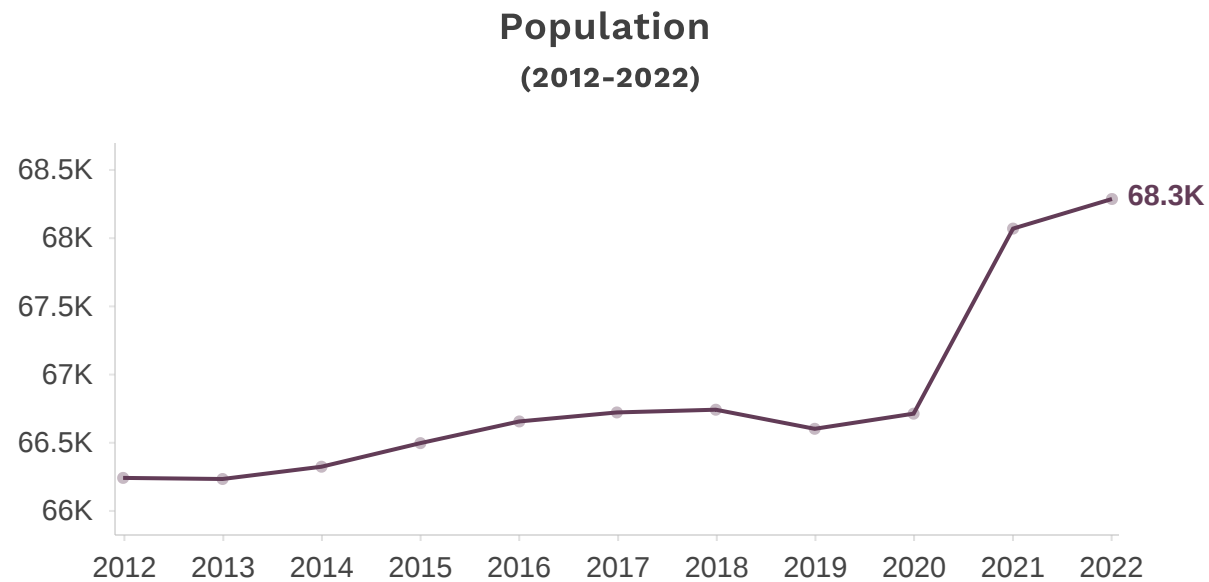
Portland city

Population Trends

To assess current and future housing needs, it is important to understand a region's demographic trends. Changes in total population, household size, and age distribution impact the amount and type of housing needed, and an understanding of economic and racial disparities within the region can highlight which groups are likely to face inequitable access to affordable, quality homes.

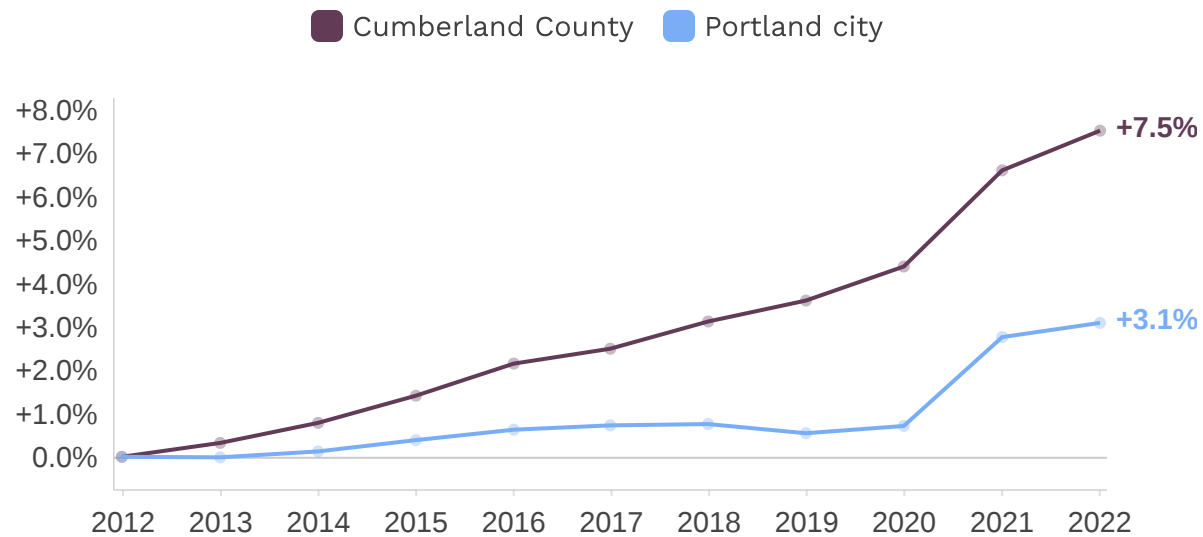
Population

From 2012 to 2022, Portland city's population increased by 3.1% while Cumberland County's population increased by 7.5%.



Source: American Community Survey (ACS), US Census Bureau

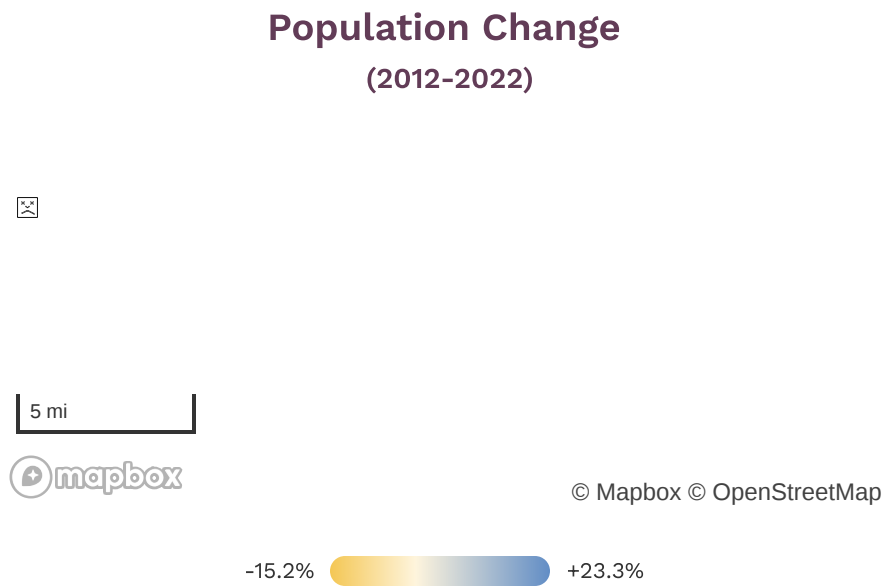
Comparative Population Change (2012-2022)



Source: American Community Survey (ACS), US Census Bureau

Population Growth and Density

On average, there were 3,170 people per square mile in Portland city in 2022.



Where shown, pre-2020 tract-level data has been mapped onto 2020 vintage census tracts using a tract-to-tract crosswalk.

Source: American Community Survey (ACS), US Census Bureau

Regional Population Density Comparison (2022)



5 mi



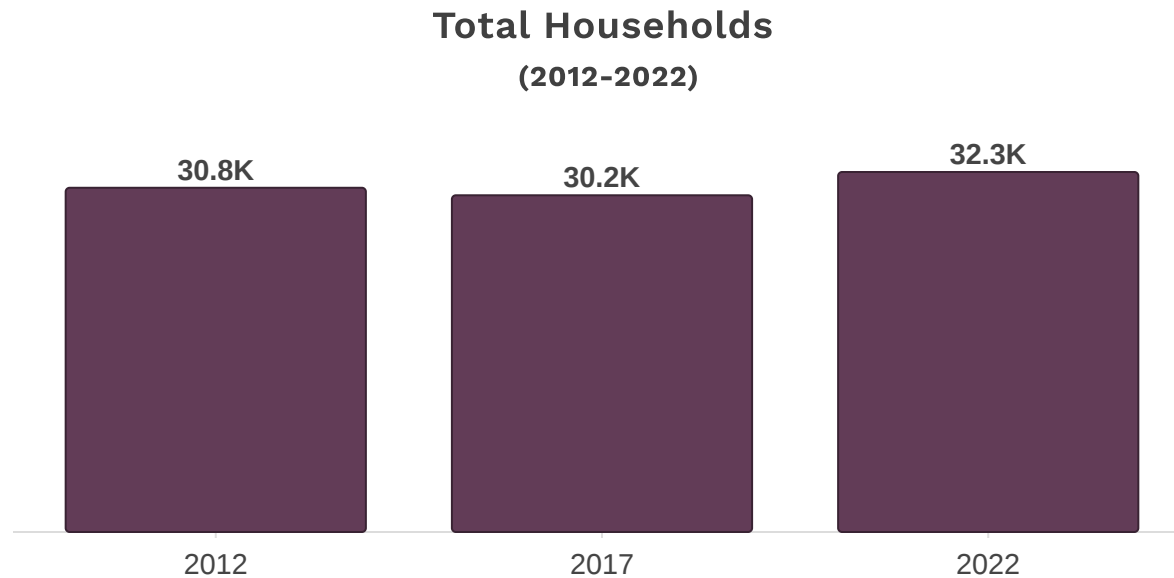
© Mapbox © OpenStreetMap

283 22,645

Source: American Community Survey (ACS), US Census Bureau

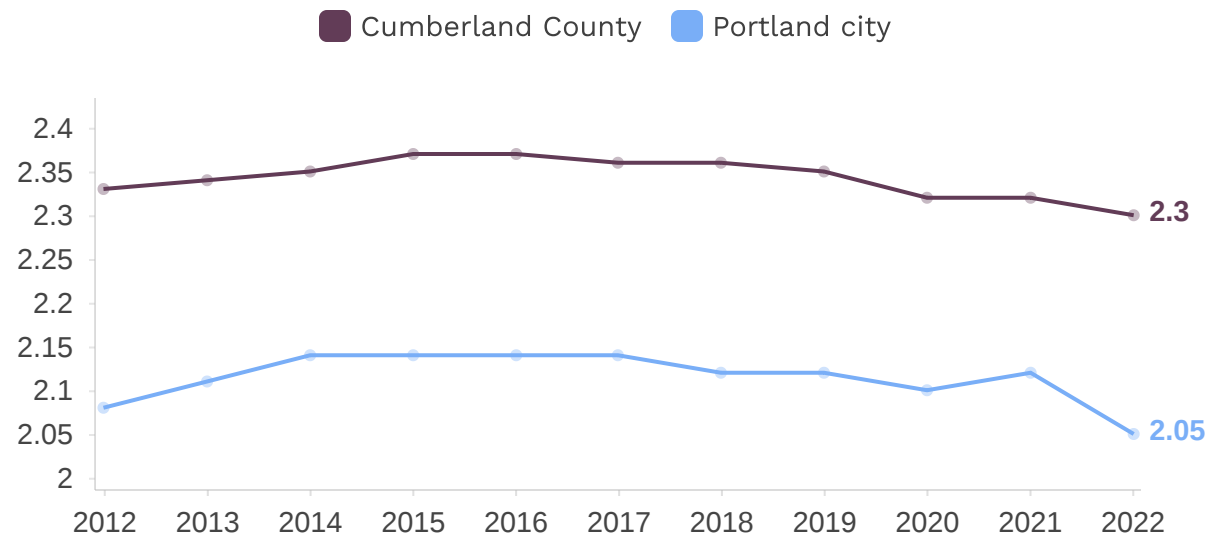
Households and Household Size

In 2022, there were 32,253 households in Portland city. From 2012 to 2022, the total number of households increased by 4.6%. 35.7% of all households were 2 person households.



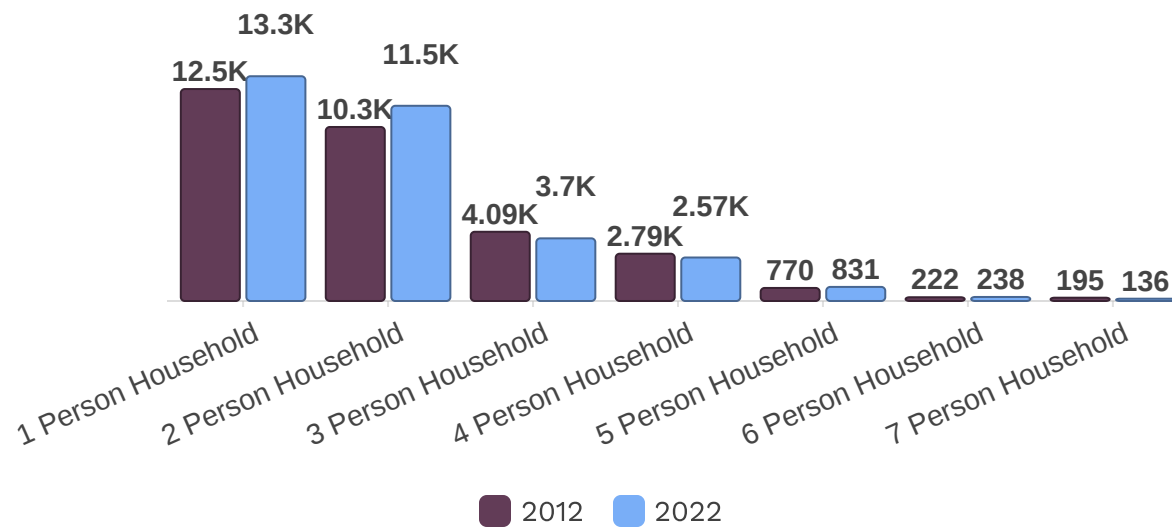
Source: American Community Survey (ACS), US Census Bureau

Average Household Size (2012-2022)



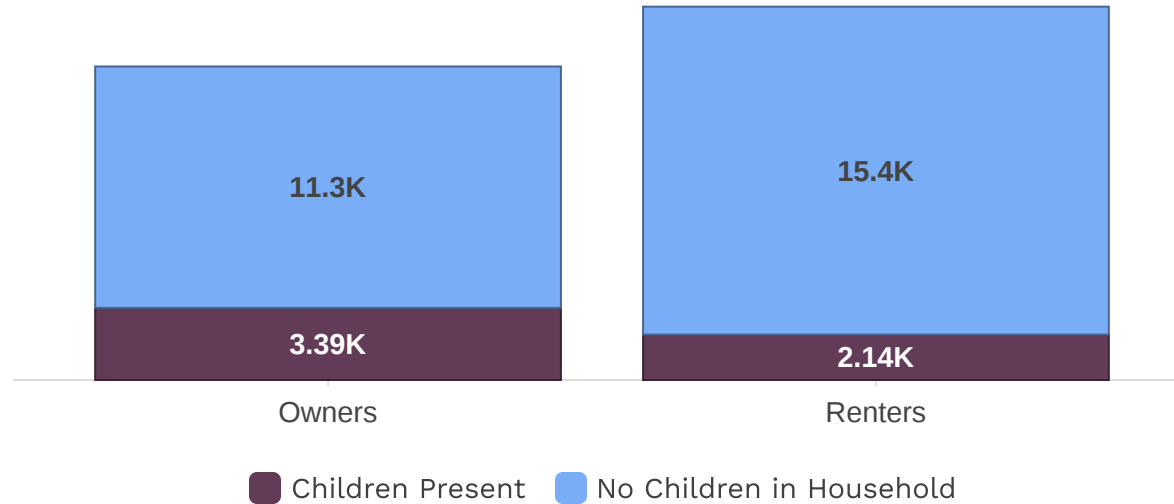
Source: American Community Survey (ACS), US Census Bureau

Distribution of Household Size



Source: American Community Survey (ACS), US Census Bureau

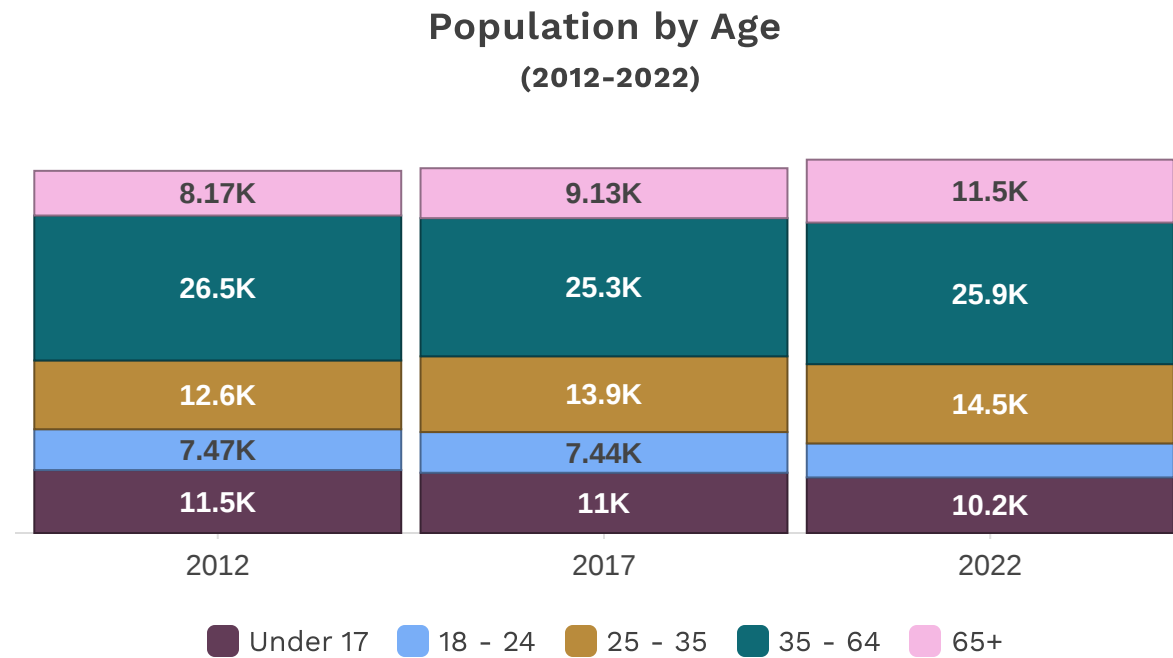
Households by Tenure and Presence of Children (2022)



Source: American Community Survey (ACS), US Census Bureau

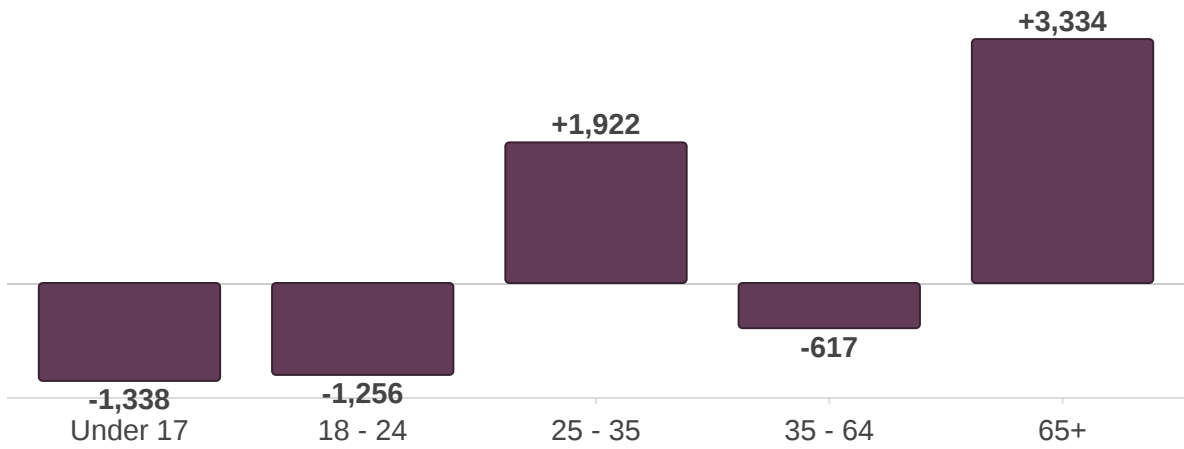
Age

37.9% of residents in Portland city were between the ages of 35 - 64 in 2022, the largest share of all age groups. 16.8% of residents in Portland city were 65 years or older, up from 15.3% in 2021.



Source: American Community Survey (ACS), US Census Bureau

**Change in Age Distribution
(2012-2022)**

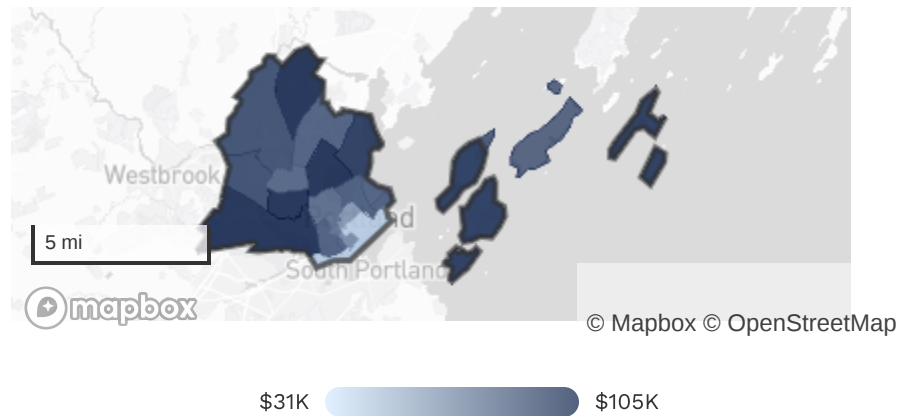


Source: American Community Survey (ACS), US Census Bureau

Median Income

Portland city's median household income increased more than Cumberland County between 2012 and 2022. Portland city's median household income increased by \$27,011 (60.7%), while Cumberland County's median household income increased by \$30,551 (53.4%).

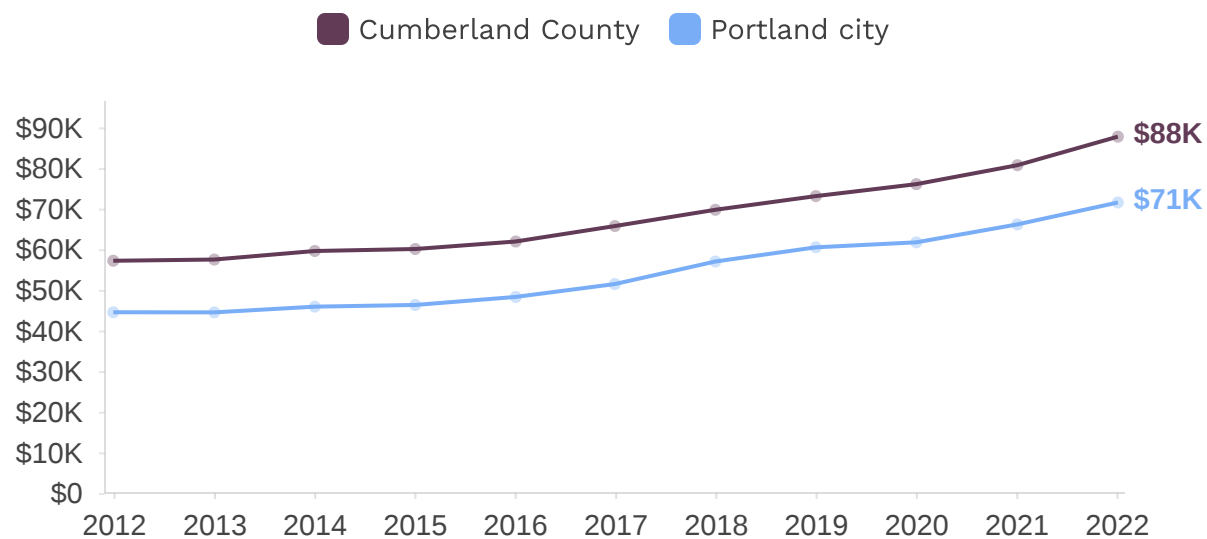
Regional Median Household Income Comparison (2022)



Dollar values are nominal.

Source: American Community Survey (ACS), US Census Bureau

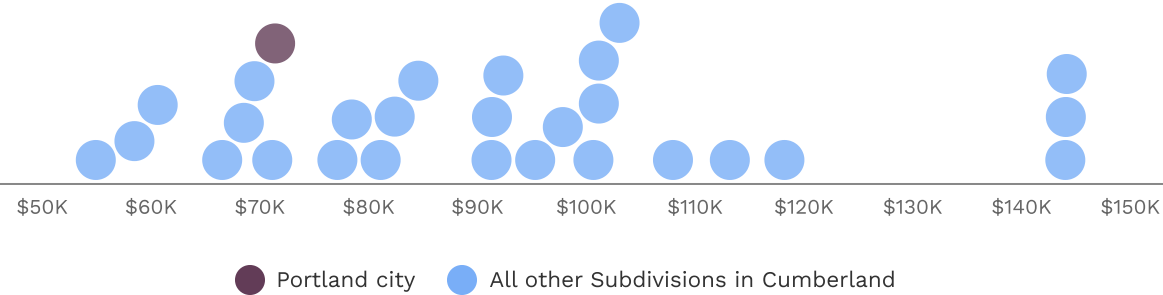
Median Household Income Over Time



Source: American Community Survey (ACS), US Census Bureau

Dollar values are nominal.

Median Household Income Comparison (2022)

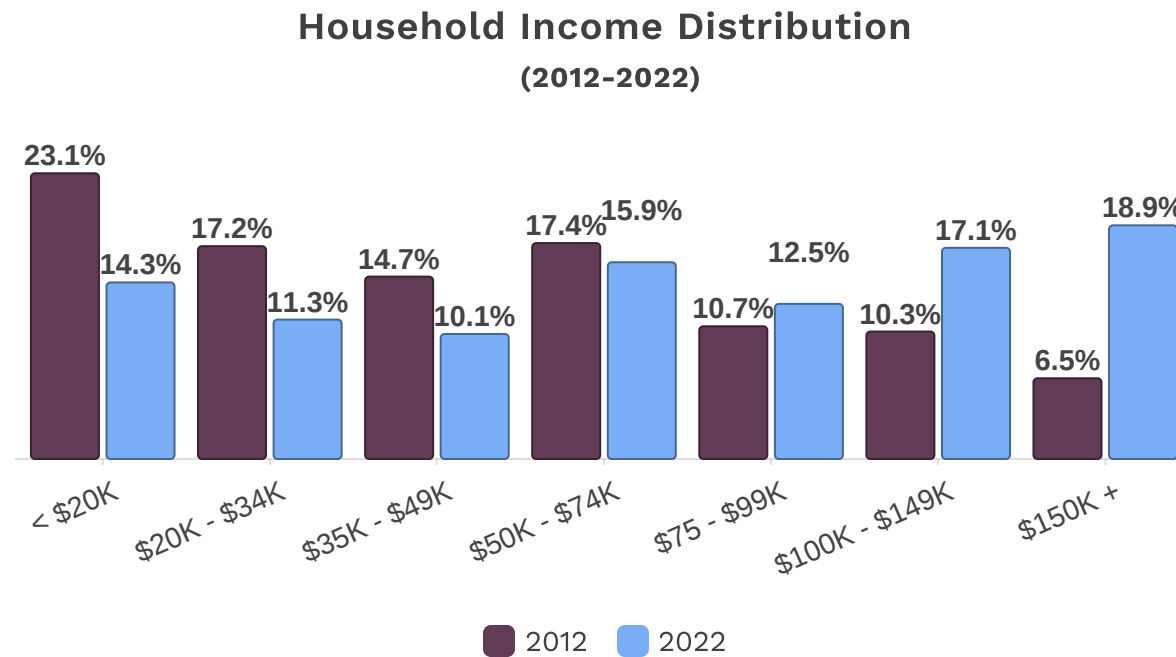


Dollar values are nominal.

Source: American Community Survey (ACS), US Census Bureau

Income Distribution

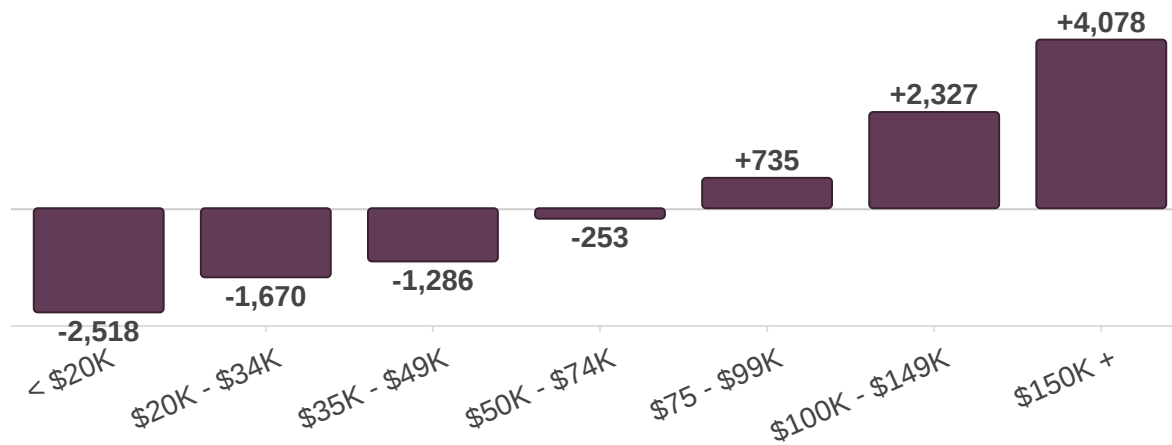
The number of Portland city households earning \$150K + increased by 4,078 households (202.8%) from 2012 to 2022. The number of Portland city households earning below < \$20K decreased by 2,518 households (35.4%).



Source: American Community Survey (ACS), US Census Bureau

Dollar values are nominal.

Change in Households by Income Group (2012-2022)

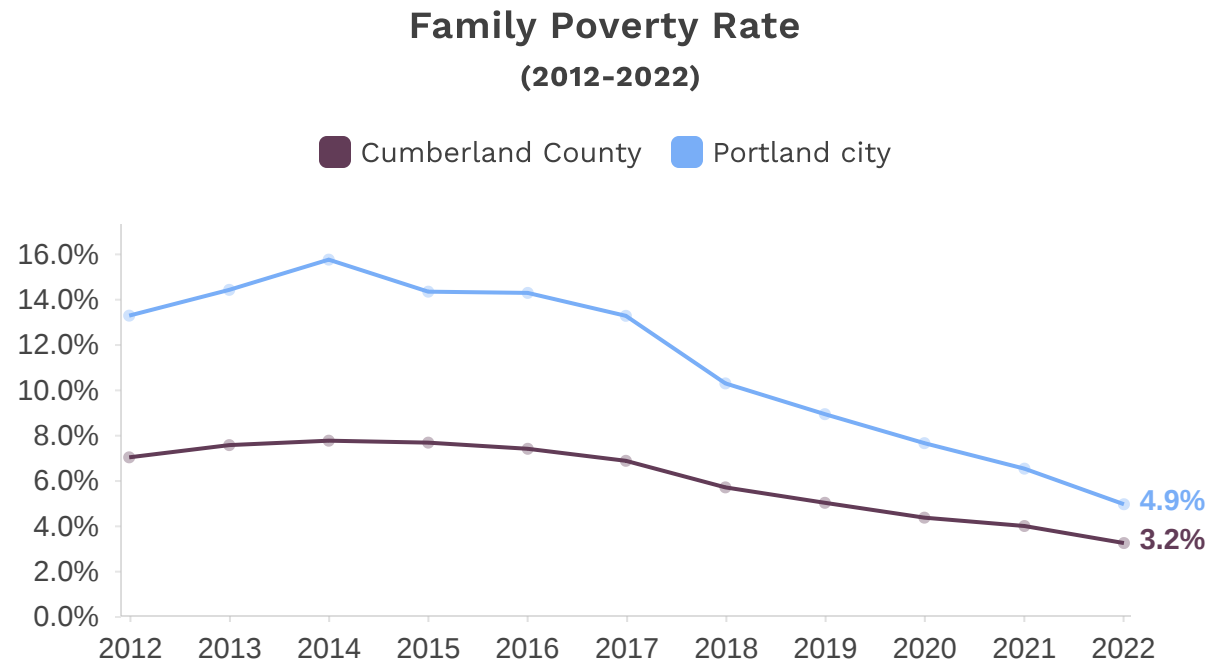


Source: American Community Survey (ACS), US Census Bureau

Dollar values are nominal.

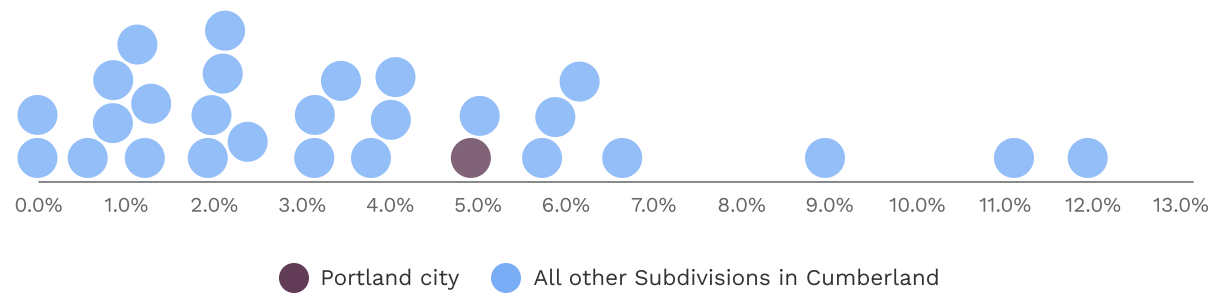
Family Poverty Rate

In 2022, 4.9% of families in Portland city lived below the poverty line, down 8.3% from 2012.



Source: American Community Survey (ACS), US Census Bureau

Family Poverty Rate Compared to Peer Regions (2022)

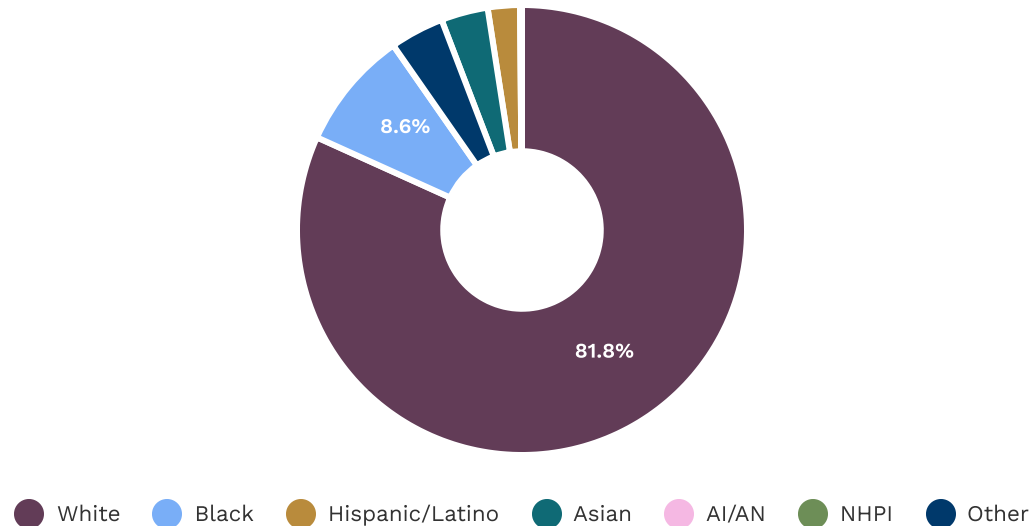


Source: American Community Survey (ACS), US Census Bureau

Racial and Ethnic Composition

In 2022, the racial/ethnic composition of households in Portland city was 85.9% white, 6.1% Black, 2.8% Asian, and 1.8% Hispanic / Latino. White households were the largest racial group (85.9%) within Portland city. The share of Black households changed from 4.3% in 2012 to 6.1% in 2022.

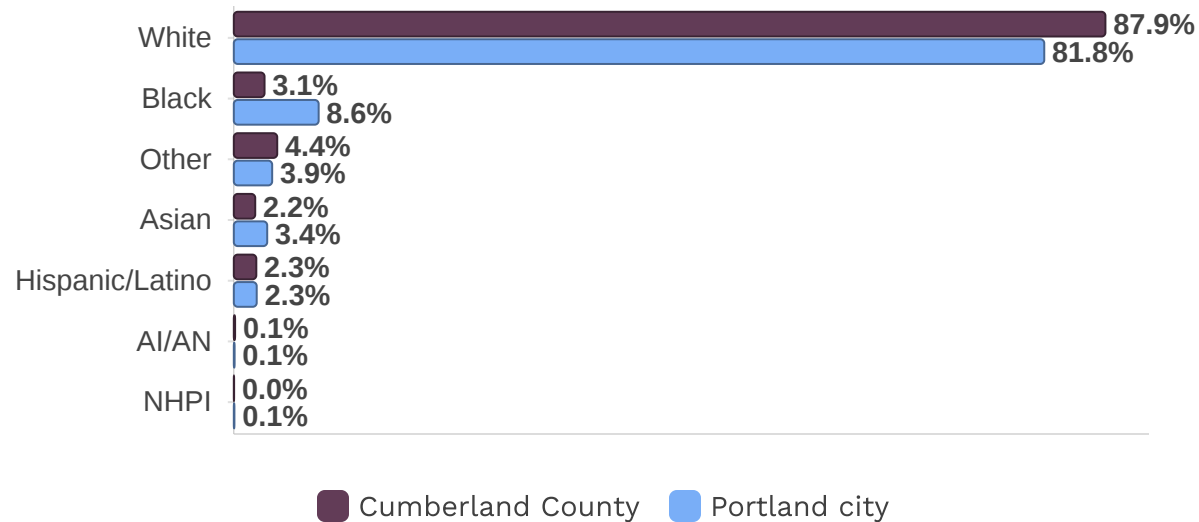
Racial and Ethnic Distribution (Population)
(2022)



Hispanic/Latino refers to those of any race whose ethnicity is Hispanic or Latino. All other groups include non-Hispanic individuals only. AI/AN - American Indian and Alaska Native. NHPI - Native Hawaiian and Other Pacific Islander. Other - Some Other Race or Two or More Races.

Source: American Community Survey (ACS), US Census Bureau

Racial and Ethnic Comparison (Population) (2022)



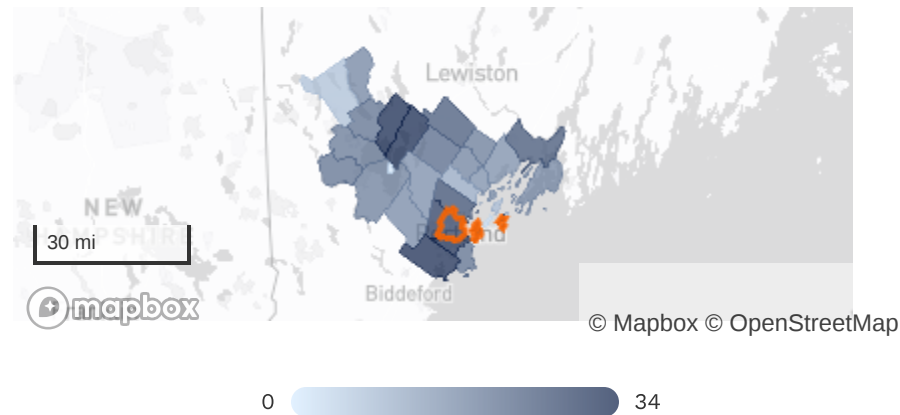
Source: American Community Survey (ACS), US Census Bureau

Hispanic/Latino refers to those of any race whose ethnicity is Hispanic or Latino. All other groups include non-Hispanic individuals only. AI/AN - American Indian and Alaska Native. NHPI - Native Hawaiian and Other Pacific Islander. Other - Some Other Race or Two or More Races.

Dissimilarity Index (Measure of Racial Segregation)

The dissimilarity index demonstrates the degree of racial segregation within specific geographic regions. A dissimilarity index of 0 demonstrates an environment of integration under which groups (in this case racial or ethnic groups) are distributed in the same proportions across all neighborhoods. A dissimilarity index of 100 indicates total segregation such that the members of one group are located in completely different neighborhoods than the second group.

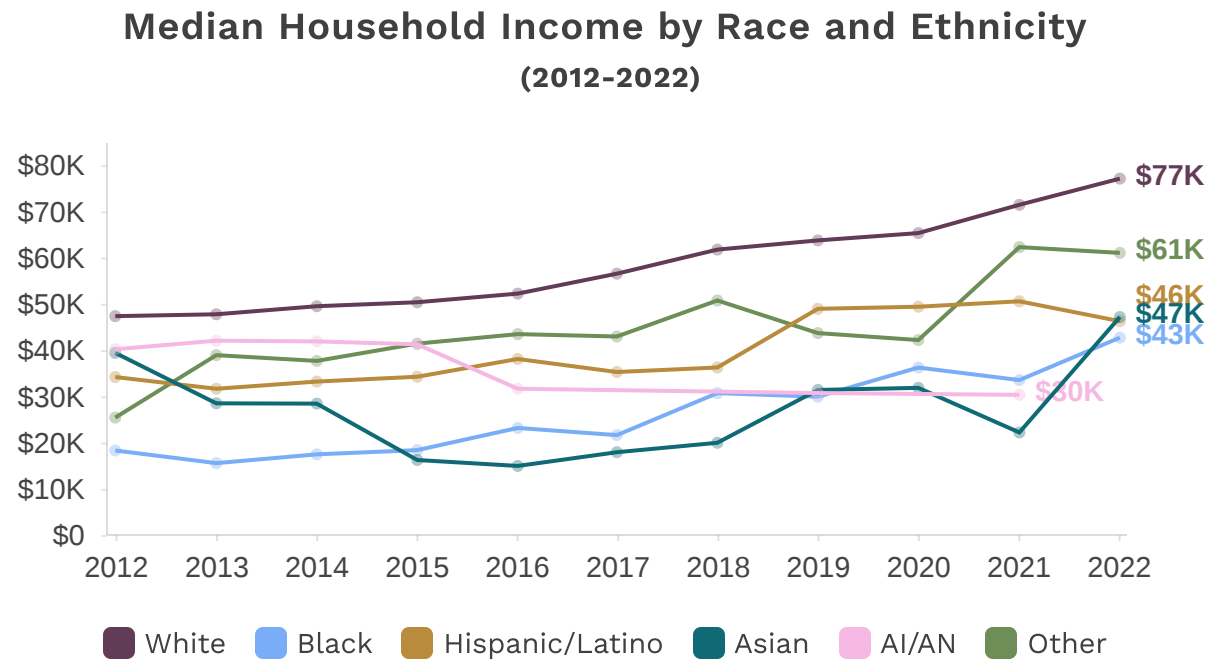
Racial Dissimilarity Index (2022)



Source: American Community Survey (ACS), US Census Bureau, and TIGER/Line Shapefiles

Income by Race and Ethnicity

The income difference in 2022 between the median Black and white household was \$34,394.

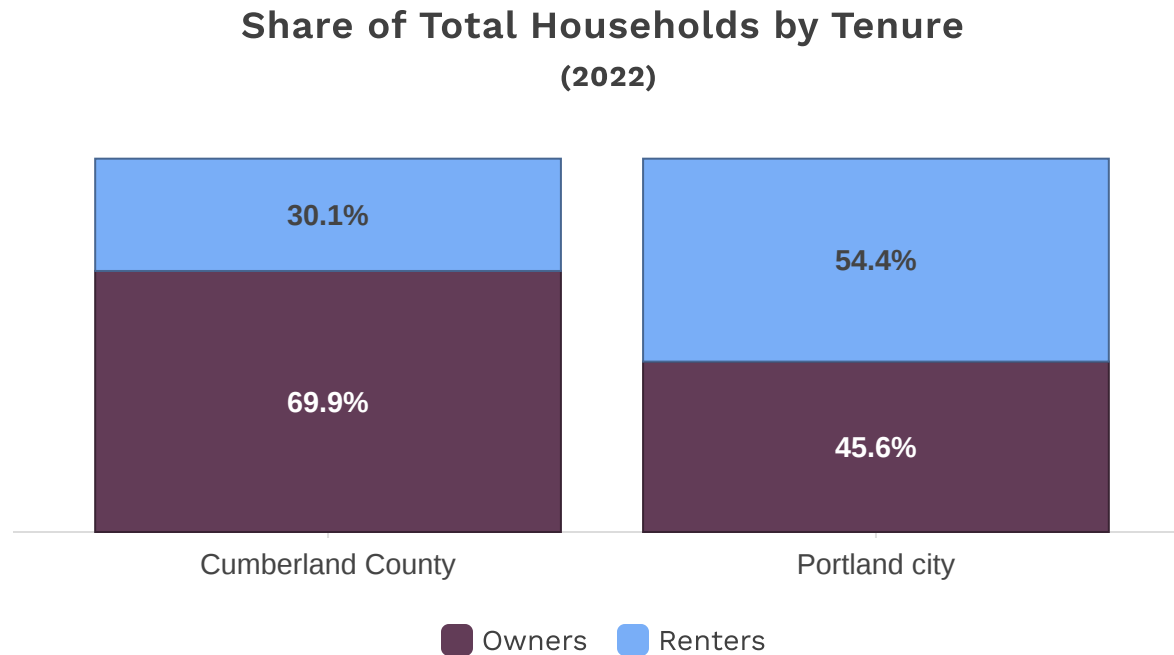


Source: American Community Survey (ACS), US Census Bureau

Dollar values are nominal. Values may not be accurate for smaller geographies or geographies with very few households of a specific race or ethnicity. Race and ethnicity is provided for the head of household only. White refers to non-Hispanic White heads of household only. Hispanic/Latino refers to those of any race whose ethnicity is Hispanic or Latino. All other groups include both Hispanic and non-Hispanic individuals. AI/AN - American Indian or Alaska Native; NHPI - Native Hawaiian or Pacific Islander; Other - Some Other Race and Two or More Races.

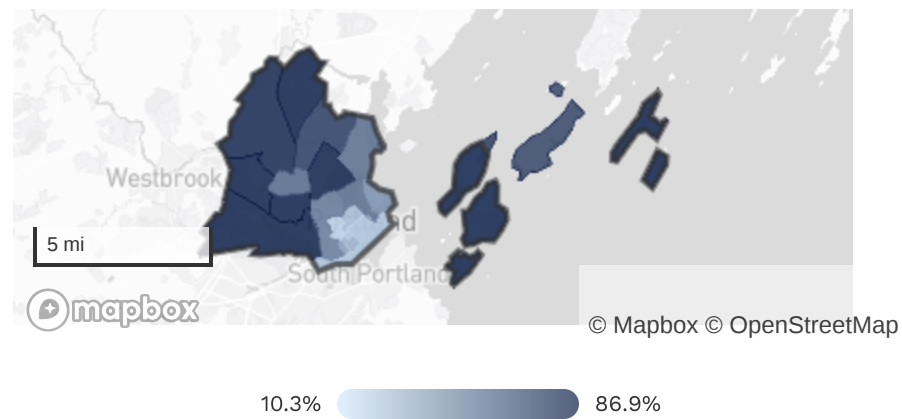
Tenure

In 2022, 54.4% of households in Portland city were renters, compared with 30.1% in Cumberland County.



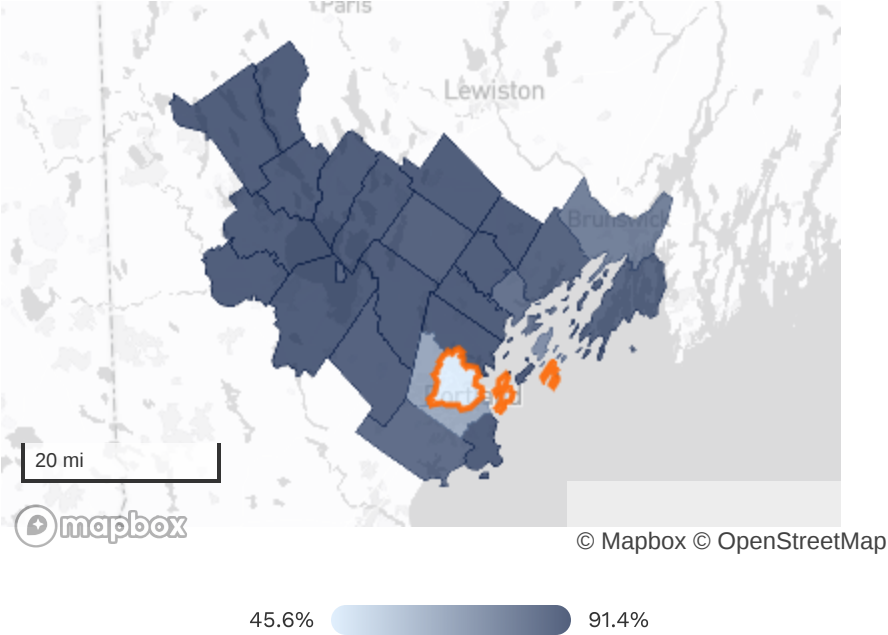
Source: American Community Survey (ACS), US Census Bureau

Homeownership Rate (2022)



Source: American Community Survey (ACS), US Census Bureau

Homeownership Rates by Peer Regions
(2022)

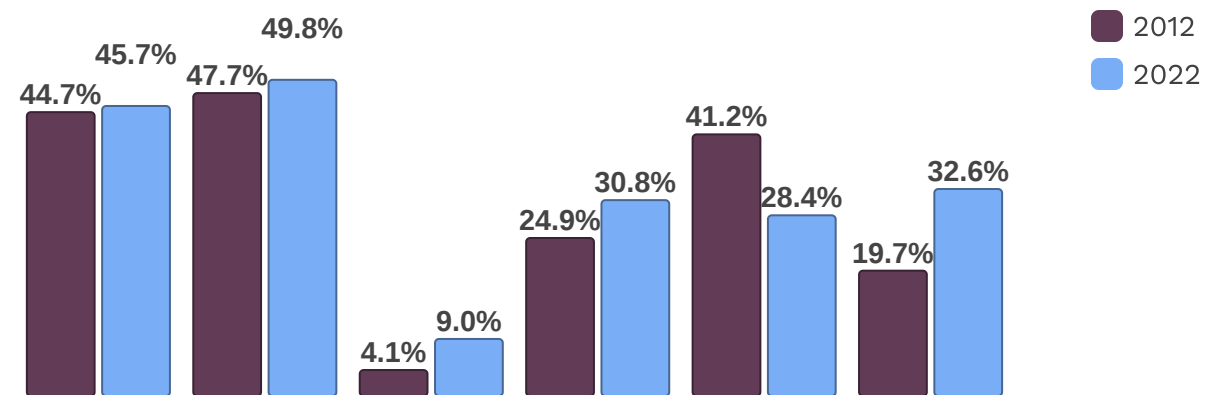


Source: American Community Survey (ACS), US Census Bureau

Homeownership by Race and Ethnicity

Between 2012 and 2022, the rate of homeownership in Portland city increased by 2.2%. In Cumberland County, the homeownership rate rose by 2.6%. For Black households in Portland city, homeownership rates were -40.8% less than white households in 2022.

**Homeownership Rate by Householder Race and Ethnicity
(2012-2022)**

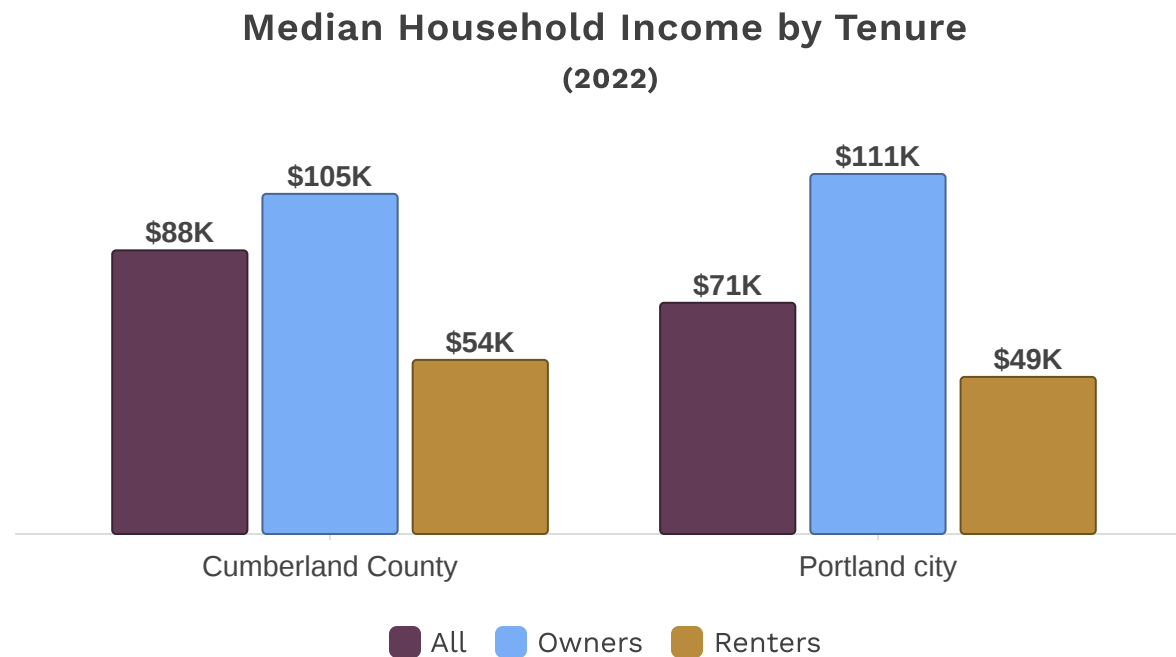


Source: American Community Survey (ACS), US Census Bureau

Values may not be accurate for smaller geographies or geographies with very few households of a specific race or ethnicity. White refers to non-Hispanic White heads of household only. Hispanic/Latino refers to those of any race whose ethnicity is Hispanic or Latino. All other groups include both Hispanic and non-Hispanic individuals. AI/AN - American Indian or Alaska Native; NHPI - Native Hawaiian or Pacific Islander; Other - Some Other Race and Two or More Races.

Median Income and Tenure

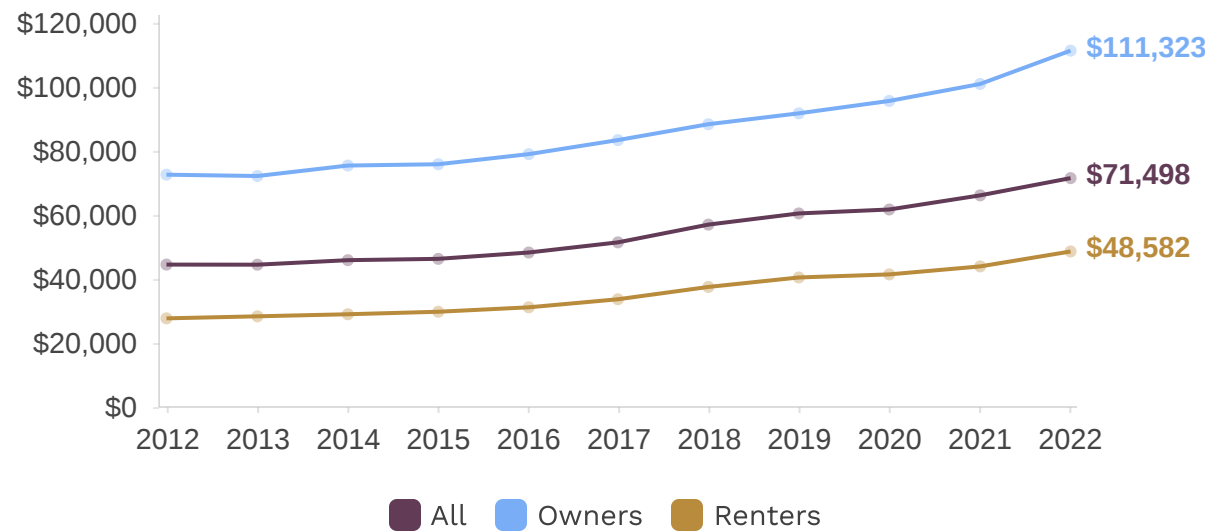
In 2022, median income for owner households was \$62,741 more than renter households in Portland city. For Cumberland County, the difference between owner and renter households was \$51,343.



Source: American Community Survey (ACS), US Census Bureau

Dollar values are nominal.

Median Household Income Over Time by Tenure (2012-2022)

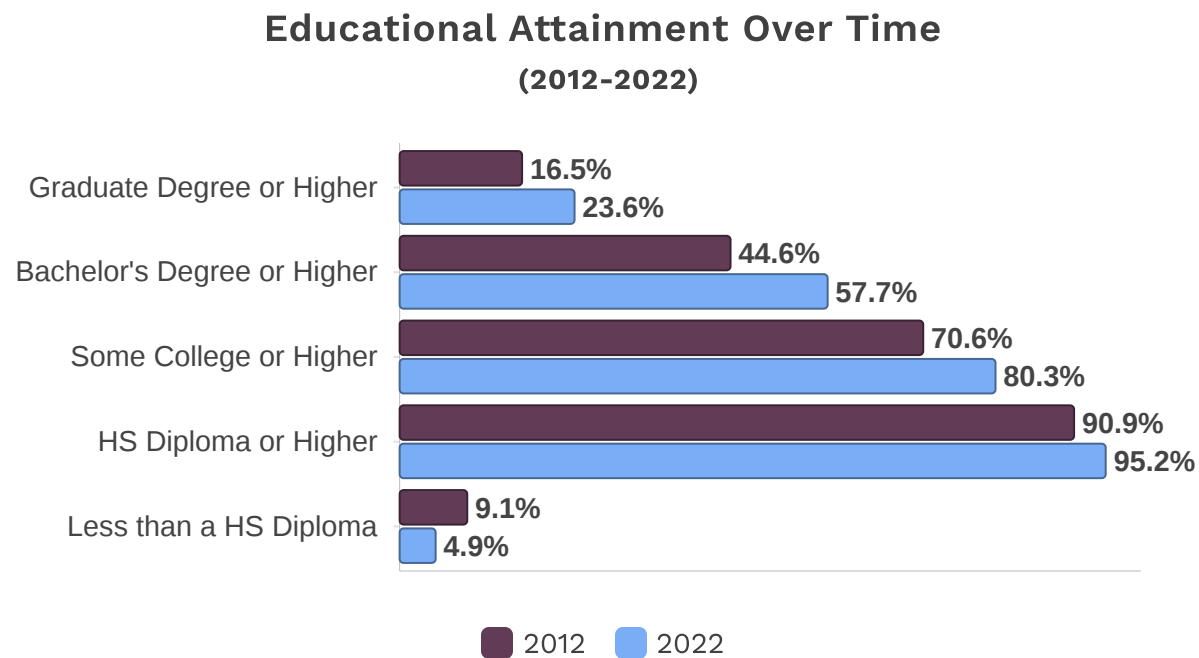


Source: American Community Survey (ACS), US Census Bureau

Dollar values are nominal.

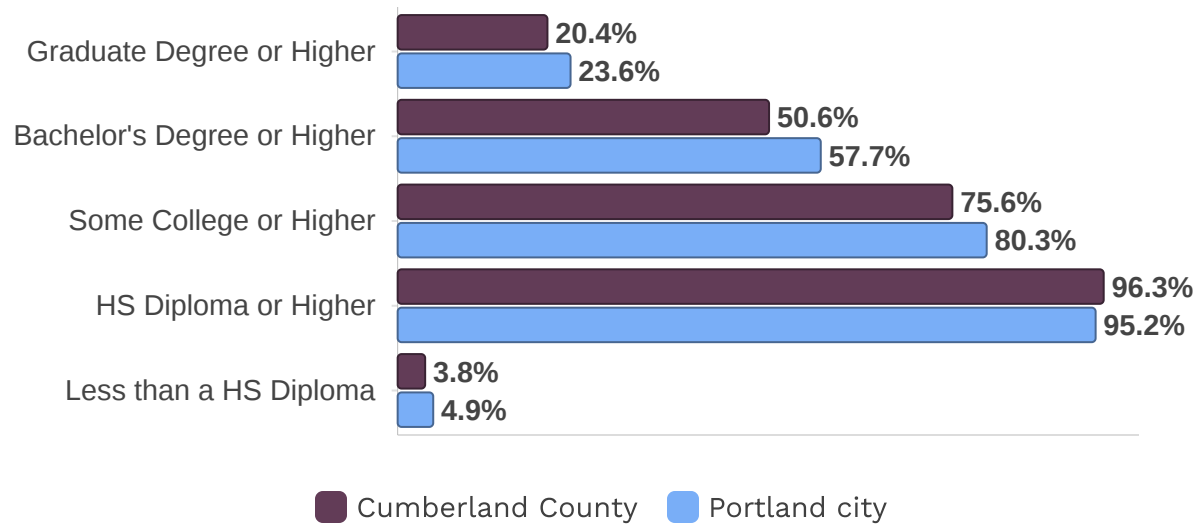
Education

57.7% of the population in Portland city had at least a college degree in 2022, up 13.1% from 2012. 95.2% of the population had a high school diploma, up 4.3% from 2012.



Source: American Community Survey (ACS), US Census Bureau

Comparative Educational Attainment (2022)



Source: American Community Survey (ACS), US Census Bureau

Median Earnings by Educational Attainment

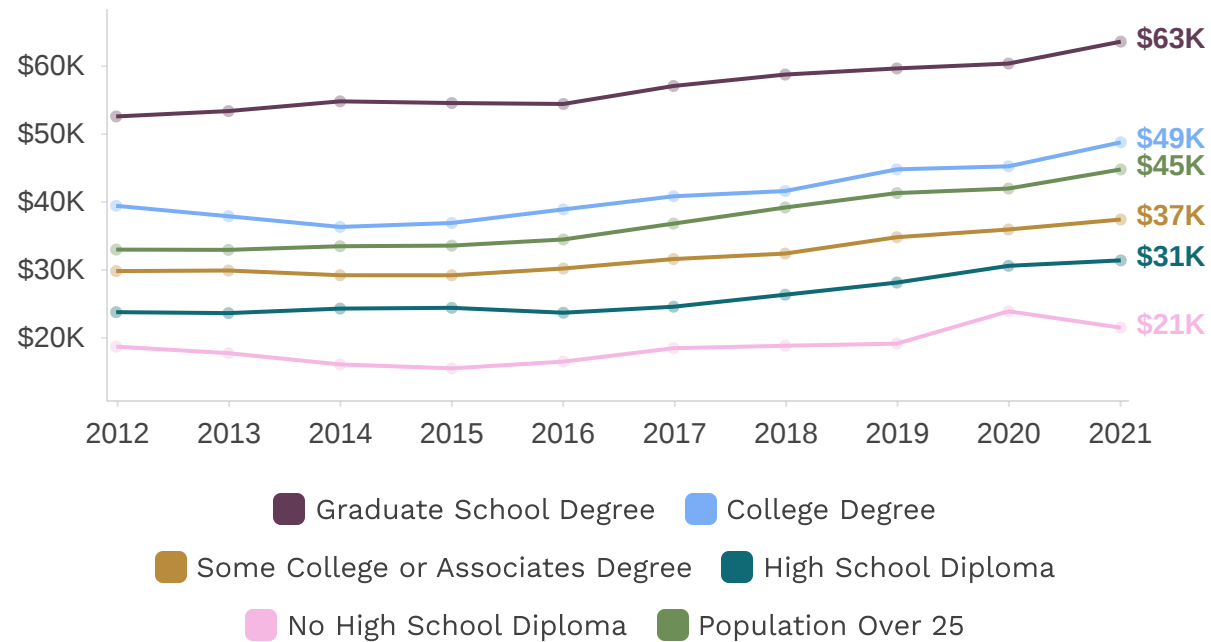
In 2022, residents with a college degree earned on average \$17,115 more than residents with only a high school diploma.

Median Individual Income by Educational Attainment (2022)

Education Level ▲	Cumberland County	Portland city
No High School Diploma	\$30,226	\$20,326
High School Diploma	\$39,336	\$34,002
Some College	\$46,458	\$41,436
College Degree	\$58,206	\$51,117
Graduate Degree	\$76,244	\$68,212
Population Over 25	\$53,078	\$48,760

Source: American Community Survey (ACS), US Census Bureau

Median Income Over Time by Educational Attainment (2012-2022)

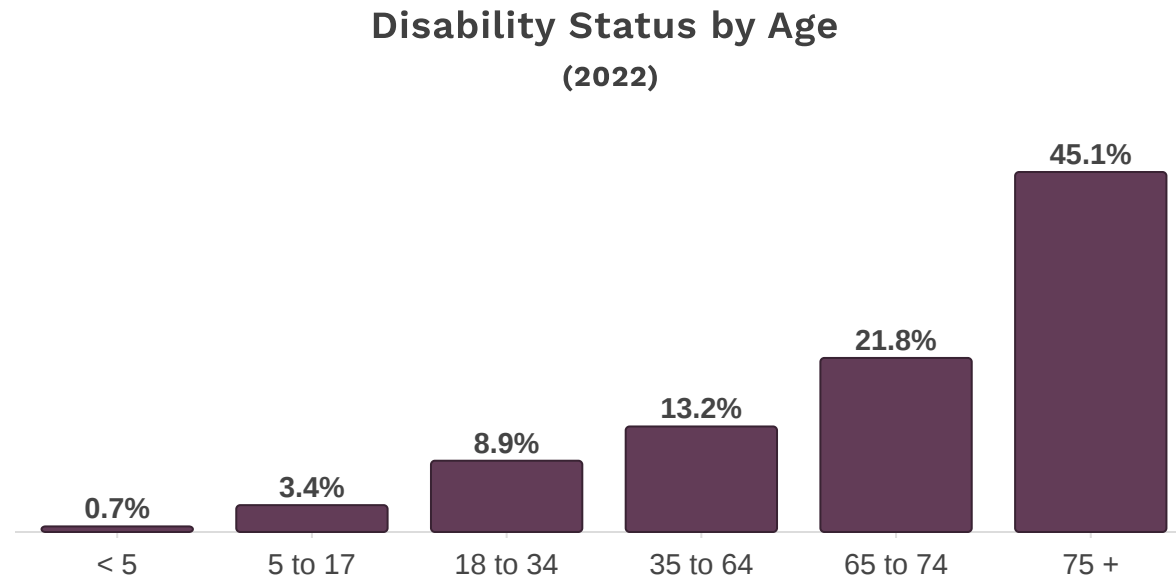


Source: American Community Survey (ACS), US Census Bureau

Dollar values are nominal.

Disability

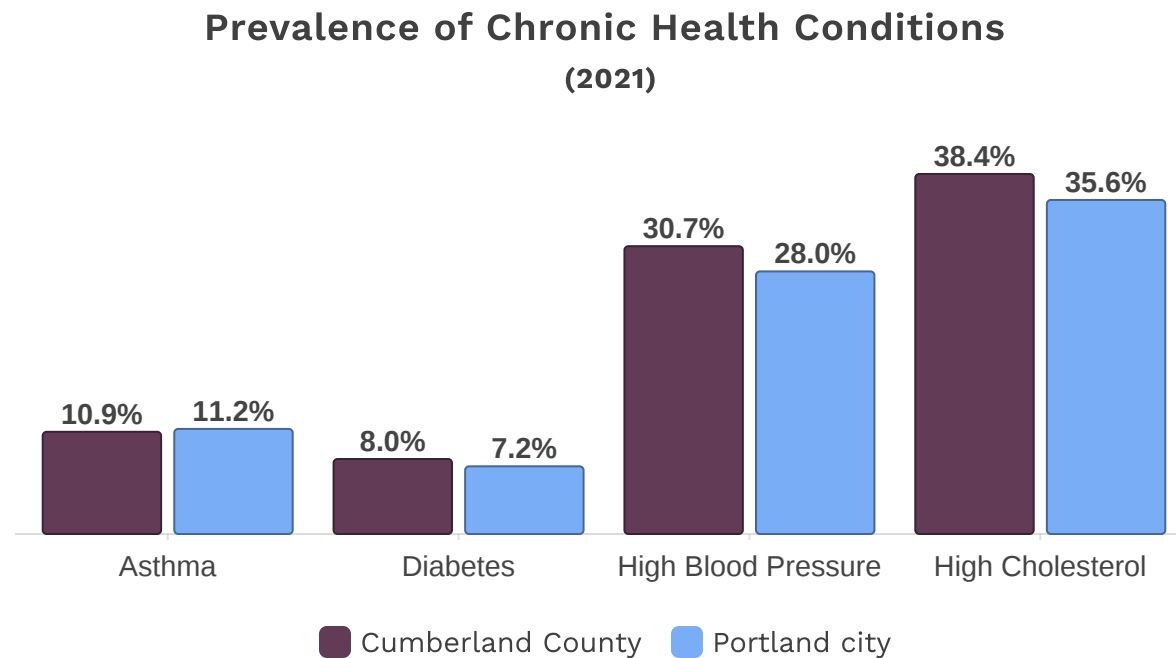
In 2022, 45.1% of people aged 75 and older had a disability in Portland city. The share of all residents with a disability increased by 0.9% between 2012 and 2022, more than in Cumberland County overall.



Source: American Community Survey (ACS), US Census Bureau

Health Outcomes

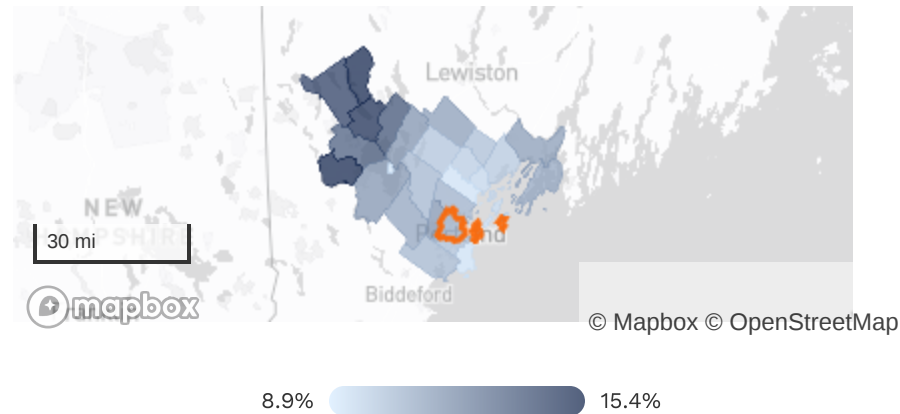
In 2021, 10.8% of the population over 18 years old in Portland city had poor or fair health, as defined by the American Community Survey.



Source: PLACES, US Centers for Disease Control and Prevention (CDC)

Note: The latest year of this dataset is 2021.

Regional Rates of Poor or Fair Health Comparison (2021)



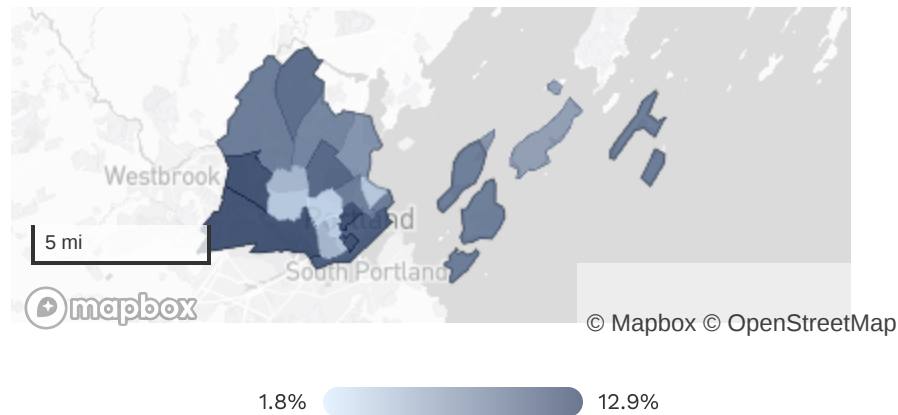
Note: The latest year of this dataset is 2021.

Source: PLACES, US Centers for Disease Control and Prevention (CDC)

Internet Access

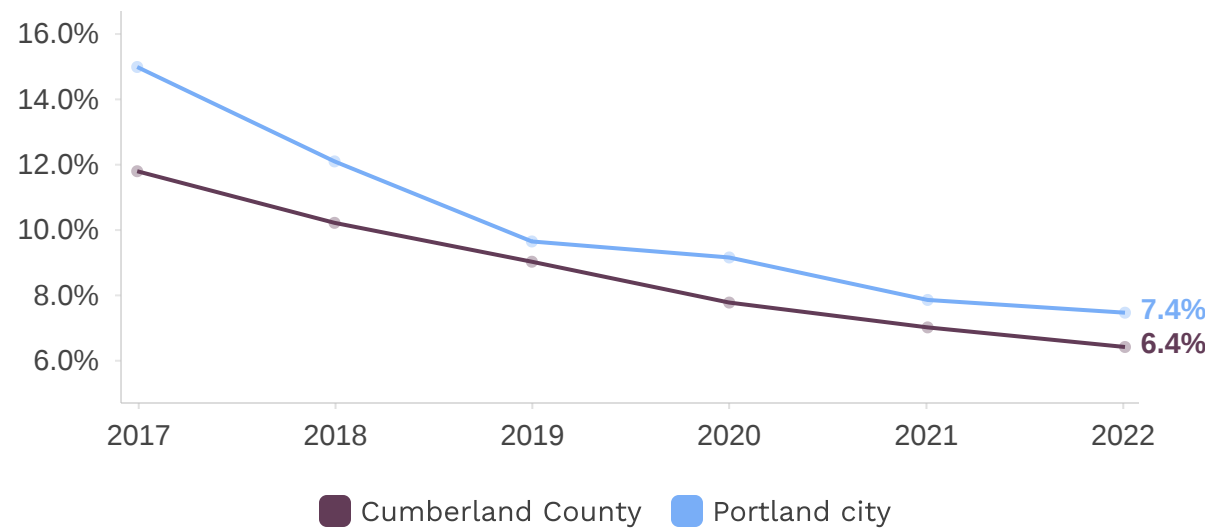
In 2022, 2,399 households in Portland city did not have internet access in their home (7.4% of all households). Internet access refers to whether or not a household uses or connects to the internet, regardless of whether or not they pay for the service to do so.

Share of All Households Without Internet Access (2022)



Source: American Community Survey (ACS), US Census Bureau

Share of All Households Without Internet Access Over Time (2017-2022)



Source: American Community Survey (ACS), US Census Bureau

Economic Trends

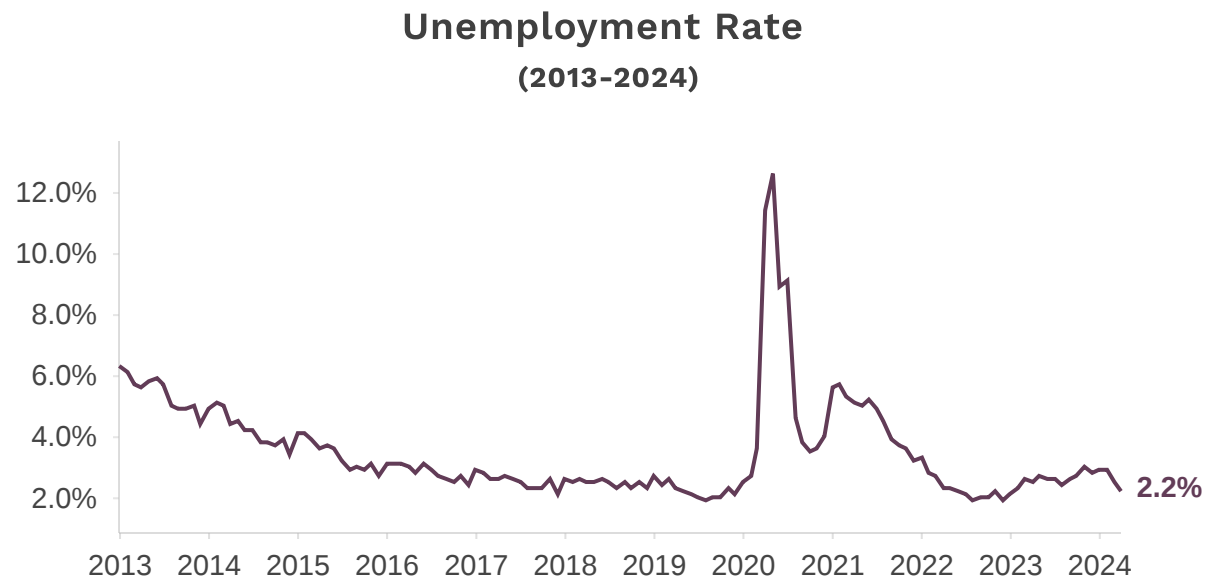
Portland city

Economic Trends

Economic trends in a region, including changes in employment, industries and locations of jobs, impact current and future housing needs. Information about economic trends offers insight into where new housing may be needed and what households can afford to pay for housing based on wages.

Employment

Between 2013 to 2023, the unemployment rate decreased from 5.4% to 2.6% in Portland city.



Source: Local Area Unemployment Statistics (LAUS), US Bureau of Labor Statistics (BLS), except for data for the US overall, which comes from the Current Population Survey (CPS) Labor Force Statistics, US BLS.

Top Occupations and Their Wages

The occupations in Portland-South Portland CBSA, ME with the largest number of employees in 2023 were:

- 1. Retail Salespersons (6,150 workers; \$35,780 median annual wage);
- 2. Home Health and Personal Care Aides (6,060 workers; \$36,520); and,
- 3. General and Operations Managers (5,390 workers; \$99,860).

Note that this data is shown for Portland-South Portland CBSA, ME. Metropolitan areas are the lowest geographic level for data from the Occupational Employment and Wage Statistics (OEWS).

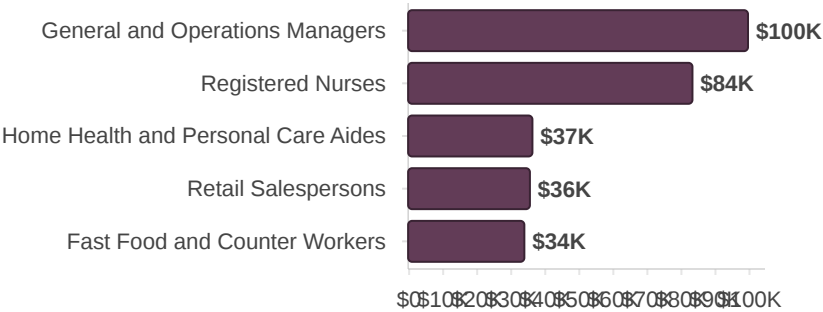
Top 5 Occupations by Total Employment
(2023)



Source: Occupational Employment and Wage Statistics (OEWS), US Bureau of Labor Statistics (BLS)

Employment data are shown for the 5 detailed occupations in Portland-South Portland CBSA, ME with the largest total employment across all industries.

Median Annual Wages in 5 Largest
Occupations by Total Employment
(2023)



Source: Occupational Employment and Wage Statistics (OEWS), US Bureau of Labor Statistics (BLS)

Median annual wages are shown for the 5 detailed occupations in Portland-South Portland CBSA, ME with the largest total employment across all industries.

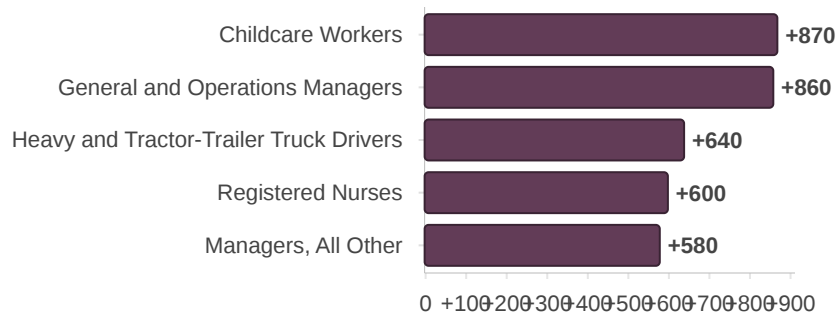
Occupations with the Largest Job Growth

The occupations in Portland-South Portland CBSA, ME that saw the largest net increase in the number of employees between 2018 and 2023 were:

1. Childcare Workers (+870 workers; \$34,340 median annual wage in 2023);
2. General and Operations Managers (+860 workers; \$99,860); and,
3. Heavy and Tractor-Trailer Truck Drivers (+640 workers; \$51,880).

Note that this data is shown for Portland-South Portland CBSA, ME. Metropolitan areas are the lowest geographic level for data from the Occupational Employment and Wage Statistics (OEWS).

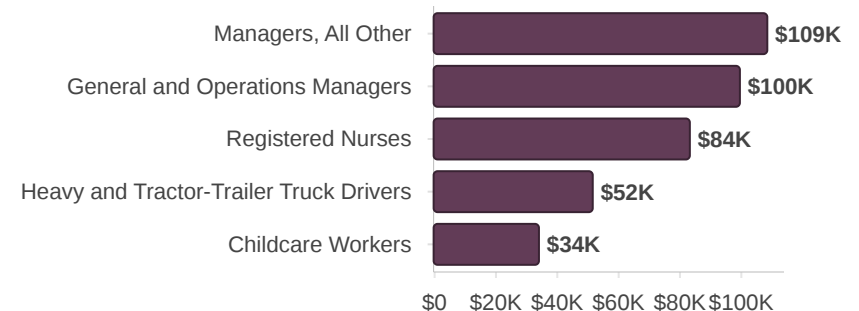
Occupations with the Largest 5-Year Job Growth (2018-2023)



Source: Occupational Employment and Wage Statistics (OEWS, US Bureau of Labor Statistics (BLS))

Job growth data are shown for the 5 detailed occupations in Portland-South Portland CBSA, ME with the largest net increase in employment across all industries.

Median Annual Wages (2023) in Occupations with the Largest 5-Year Job Growth (2018-2023)

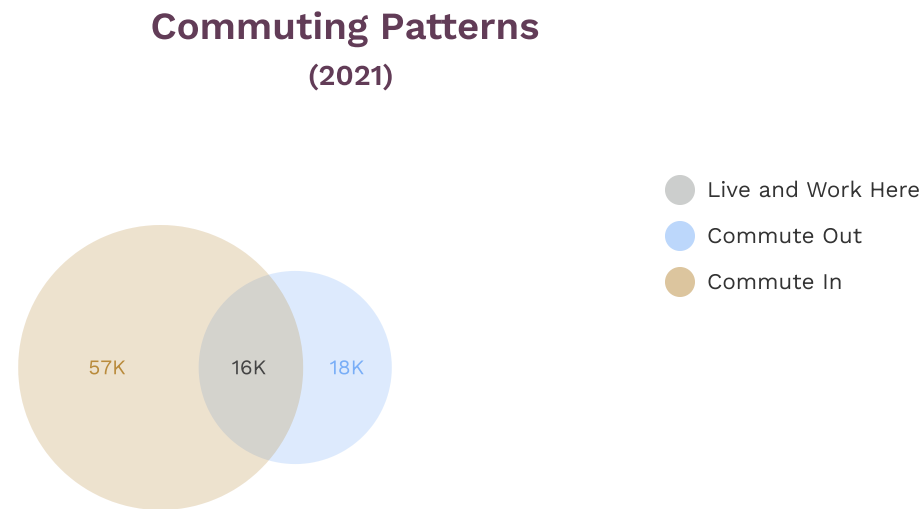


Source: Occupational Employment and Wage Statistics (OEWS, US Bureau of Labor Statistics (BLS))

Median annual wages from 2023 are shown for the 5 detailed occupations in Portland-South Portland CBSA, ME with the largest net increase in employment across all industries.

Commuting Patterns

Among the employed residents of Portland city, 47.7% (16,024 workers) both live and work in Portland city, while 52.3% (17,567 workers) commute out for work. An additional 57,102 workers come to Portland city for work but live elsewhere, meaning 78.1% of the people who work in Portland city do not live in Portland city.



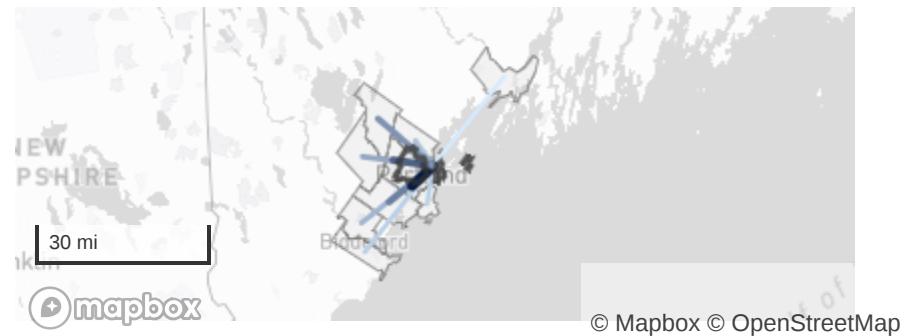
Note: The latest year of this dataset is 2021.

Source: U.S. Census Bureau, Longitudinal Employer-Household Dynamics (LEHD) Origin-Destination Employment Statistics (LODES), Origin-Destination Files

Commuter Inflow

The main points of origin of commuter households into Portland city in 2021 were South Portland city (4,867 commuters), Westbrook city (3,457 commuters), Scarborough town (2,986 commuters), and Windham town (2,659 commuters).

Top Commuter Origins (2021)



1.3K 4.9K

Note: The latest year of this dataset is 2021.

Source: U.S. Census Bureau, LEHD Origin-Destination Employment Statistics (LODES)

Total Commuters by Origin (2021)

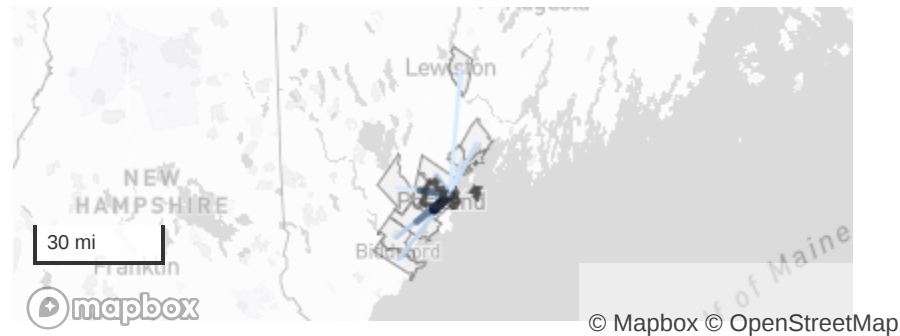
Origin	2021 ▲
Brunswick town	1,319
Cape Elizabeth town	1,712
Biddeford city	1,737
Falmouth town	1,950
Saco city	2,132
Gorham town	2,352
Windham town	2,659
Scarborough town	2,986
Westbrook city	3,457
South Portland city	4,867

Source: U.S. Census Bureau, LEHD Origin-Destination Employment Statistics (LODES)

Commuter Outflow

The main destinations of commuting households out of Portland city in 2021 were South Portland city (3,267 commuters), Westbrook city (1,982 commuters), Scarborough town (1,748 commuters), and Falmouth town (880 commuters).

Top Commuter Destinations (2021)



411 3.3K

Note: The latest year of this dataset is 2021.

Source: U.S. Census Bureau, LEHD Origin-Destination Employment Statistics (LODES)

Total Commuters by Destinations (2021)

Destination	2021 ▲
Lewiston city	411
Gorham town	412
Yarmouth town	472
Freeport town	545
Biddeford city	660
Saco city	747
Falmouth town	880
Scarborough town	1,748
Westbrook city	1,982
South Portland city	3,267

Source: U.S. Census Bureau, LEHD Origin-Destination Employment Statistics (LODES)



Housing Supply Trends

Portland city

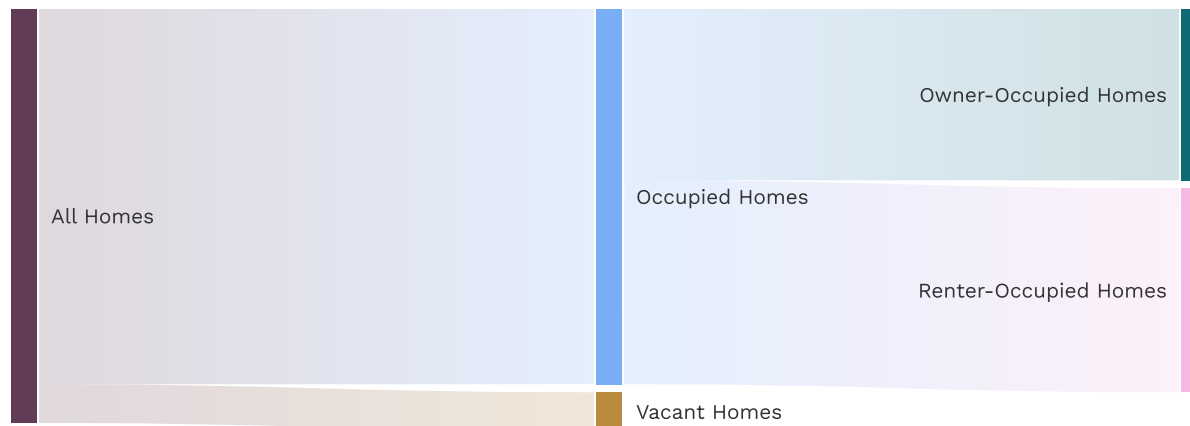
Housing Supply Introduction

This section explores overall housing supply— the total number of homes in a region, as well as their type, tenure, quality, and cost. The overall availability of housing for rent and for sale is an important indicator of a housing market’s ability to welcome new households and support housing choice for existing residents. Housing availability and affordability are closely linked; the Affordable Housing Supply section focuses on affordability trends and the supply of both naturally occurring and publicly subsidized affordable homes for lower income households.

Total Housing Stock

Of the total 32,253 occupied homes in Portland city in 2022, 45.6% were owner-occupied homes and 54.4% were renter-occupied homes. Out of all homes, 9.4% of homes were vacant.

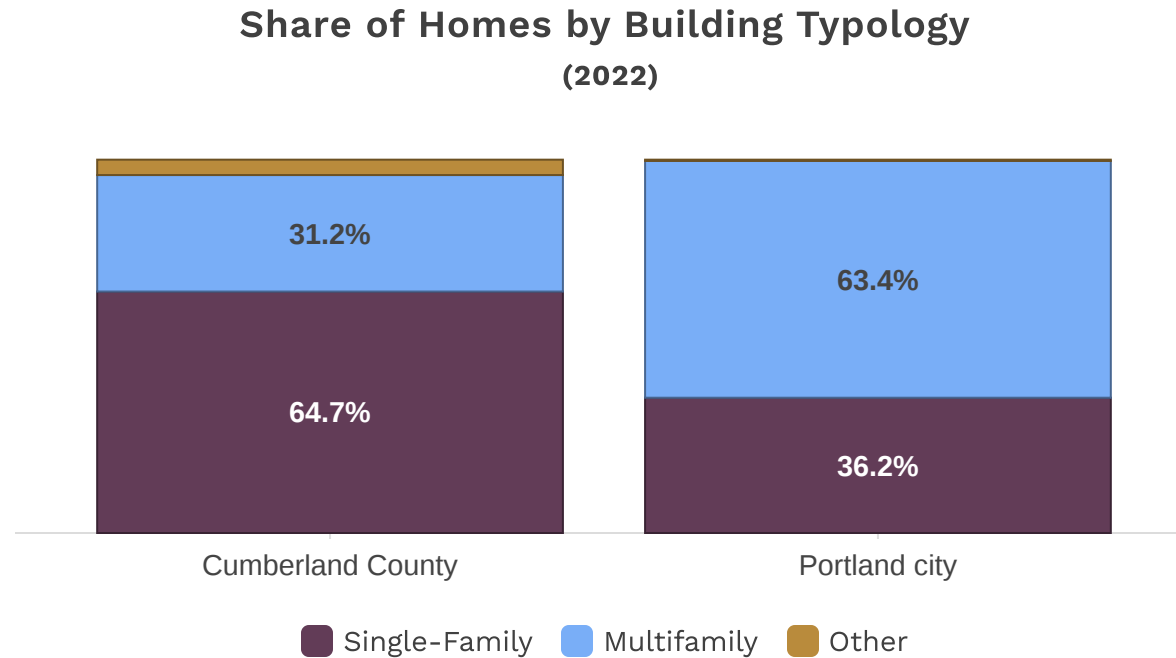
Renter and Owner Occupied Housing Stock (2022)



Source: American Community Survey (ACS), US Census Bureau

Homes by Typology

Multifamily housing made up the largest share of housing in Portland city in 2022 (63.4%, or 22,568 homes). Single family housing was next with 12,897 homes (36.2%). The number of homes in multifamily buildings (2+ units) increased by 1,897 homes between 2012 and 2022.

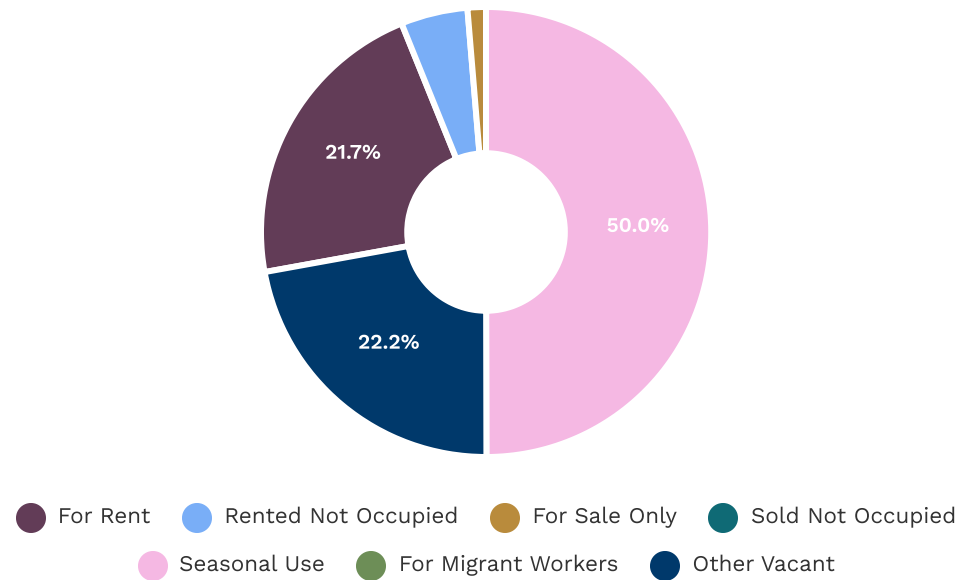


Source: American Community Survey (ACS), US Census Bureau

Vacancy Trends

When determining the share of housing stock available for new renters and owners, only homes that are 'for rent' and 'for sale only' can be occupied by new renters and owners. So while 3,332 of homes were vacant in Portland city in 2022, only 21.7% of these homes were vacant and for rent, and 1.3% were vacant and for sale. 50.0% of all vacant homes were for seasonal use, in which the home is unoccupied most of the year.

Status of Vacant Homes
(2022)



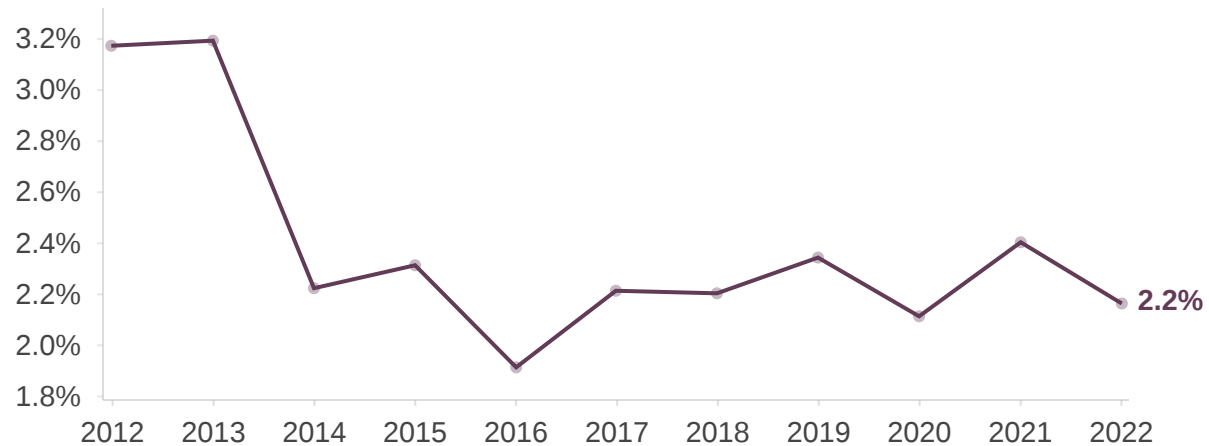
"Other Vacant" may include homes foreclosed on, in need of repair, or if the status is vacant and reason unknown.

Source: American Community Survey (ACS), US Census Bureau

Vacancy Indicators

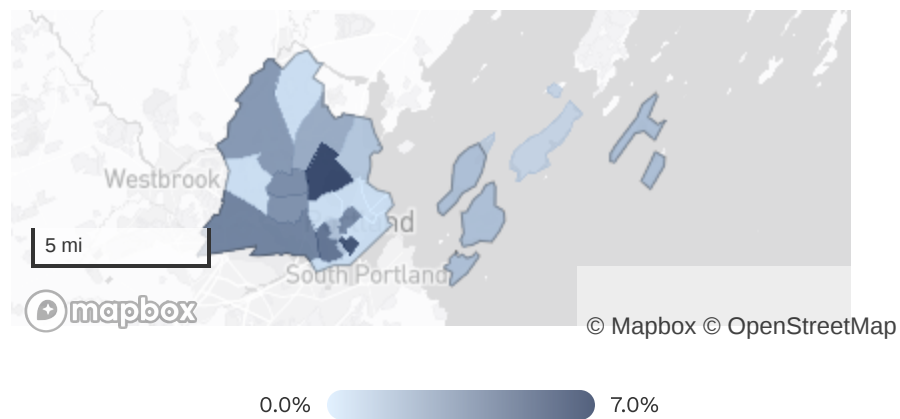
The share of vacant and available homes in Portland city decreased by 1.0%, or by 309 homes, between 2012 to 2022. This indicates that the housing market was more constrained in 2022 compared to 2012.

**Share of Homes That Are Vacant and Available Over Time
(2012-2022)**



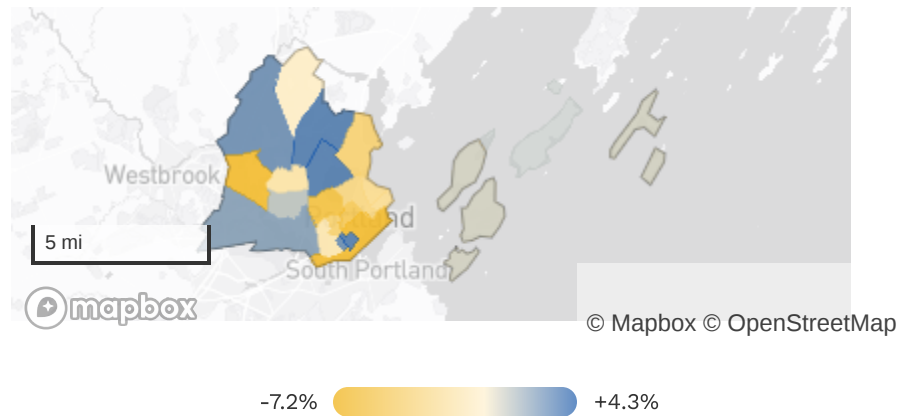
Source: American Community Survey (ACS), US Census Bureau

Share of Homes That Are Vacant and Available (2022)



Source: American Community Survey (ACS), US Census Bureau

Change in Share of Homes That Are Vacant and Available (2012-2022)

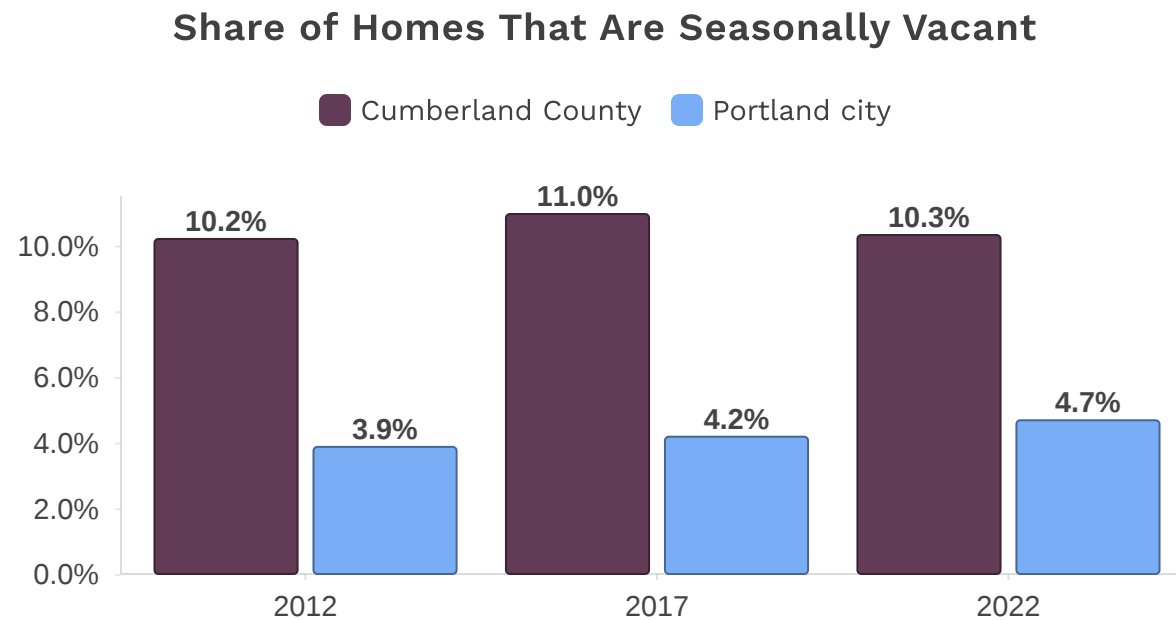


Where shown, pre-2020 tract-level data has been mapped onto 2020 vintage census tracts using a tract-to-tract crosswalk.

Source: American Community Survey (ACS), US Census Bureau

Seasonal Vacancies

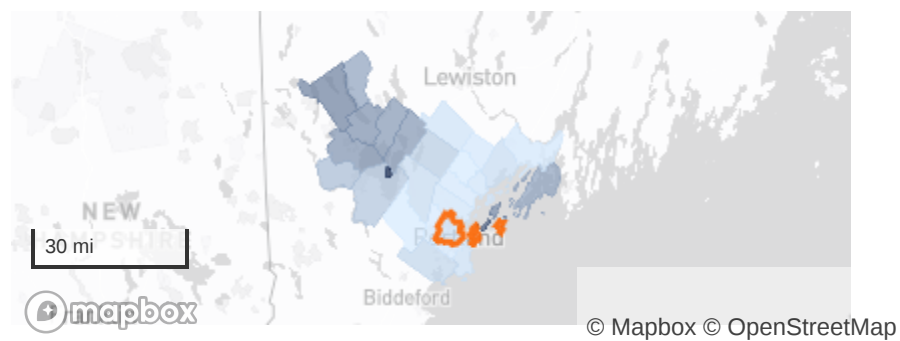
Housing that is seasonally vacant can make up a substantial part of some markets, particularly in vacation destinations. In Portland city, 4.7% of all homes in 2022 were seasonally vacant—that is, they were reported as being vacant for seasonal, recreational, or occasional use, or for migrant workers. The seasonal vacancy rate has increased since 2012, when 3.9% of homes were seasonally vacant.



Source: American Community Survey (ACS), US Census Bureau

Seasonal vacancies include homes that are used "for seasonal, recreational, or occasional use" and "for migrant workers."

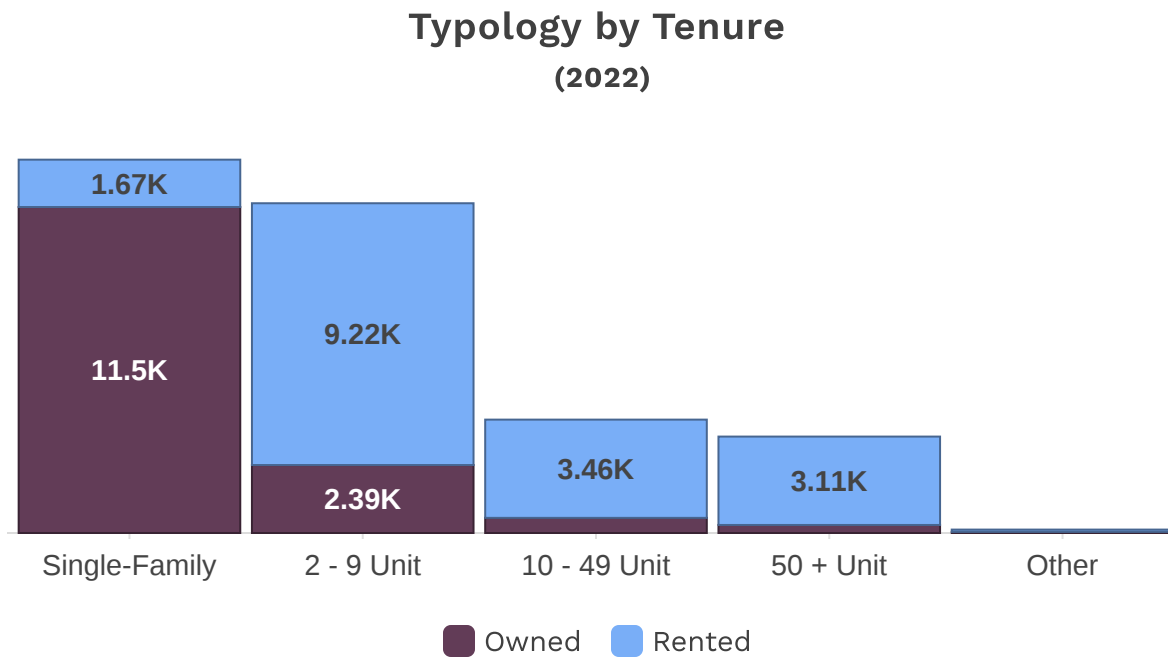
Regional Comparison of the Seasonal Vacancy Rate (2022)



Source: American Community Survey (ACS), US Census Bureau

Typology by Tenure

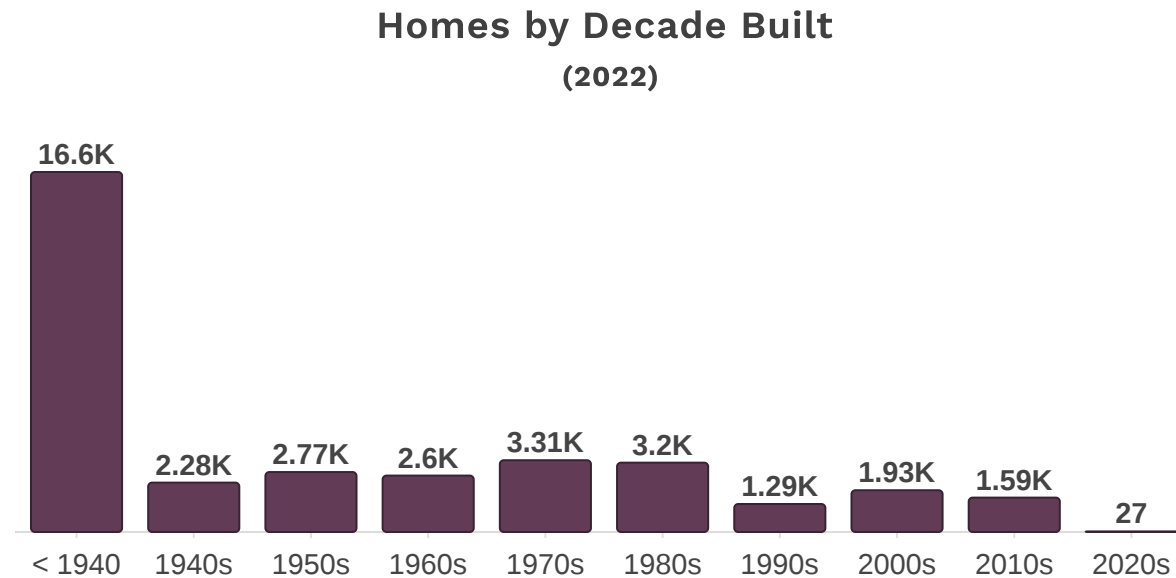
In 2022, 1,667 single family homes in Portland city were occupied by renters. For homes occupied by owners, the majority were single family, with 11,474 homes.



Source: American Community Survey (ACS), US Census Bureau

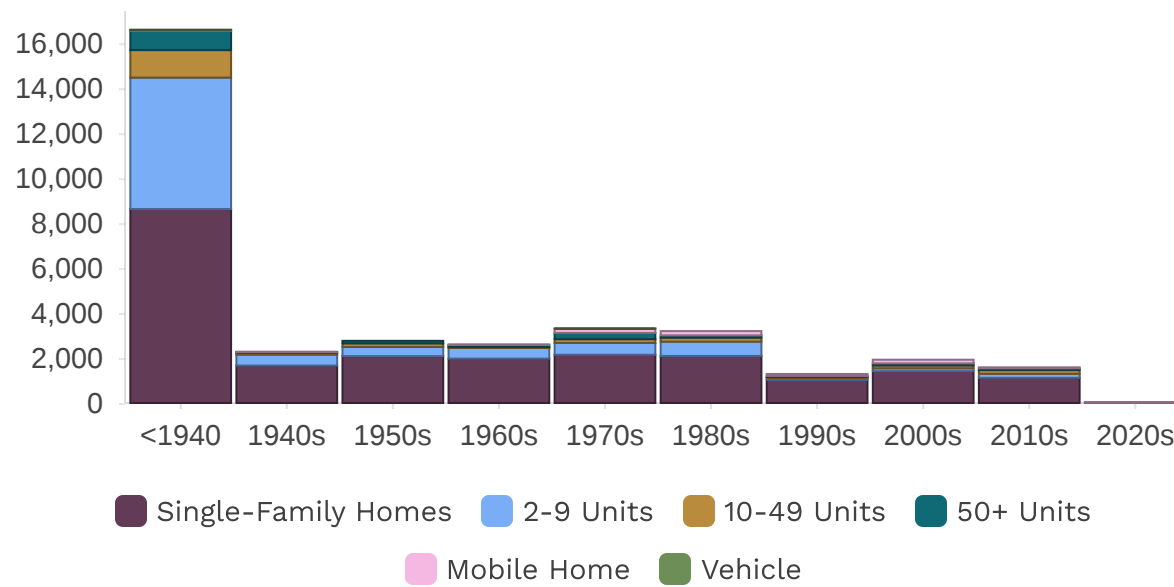
Homes by Decade Built

Of the 35,585 homes in Portland city, 1,586 homes (4.5%) were built between 2010 and 2019. This was less than between 2000 and 2009, when 1,926 homes (5.4%) were built.



Source: American Community Survey (ACS), US Census Bureau

Homes by Decade Built and Typology (2022)

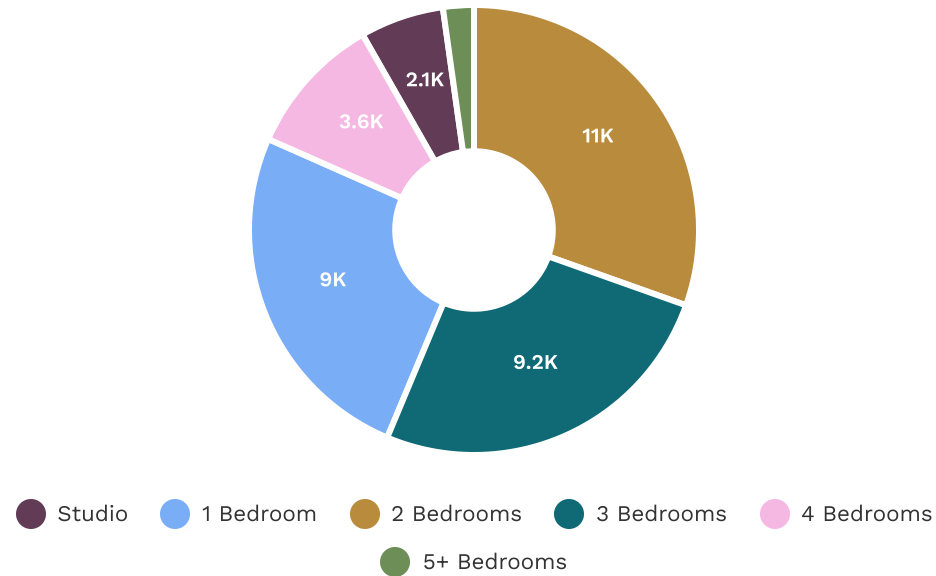


Source: Public Use Microdata Sample (PUMS), US Census Bureau

Vehicle refers to house boats, RVs, camper vans, and other homes.

Homes by Number of Bedrooms

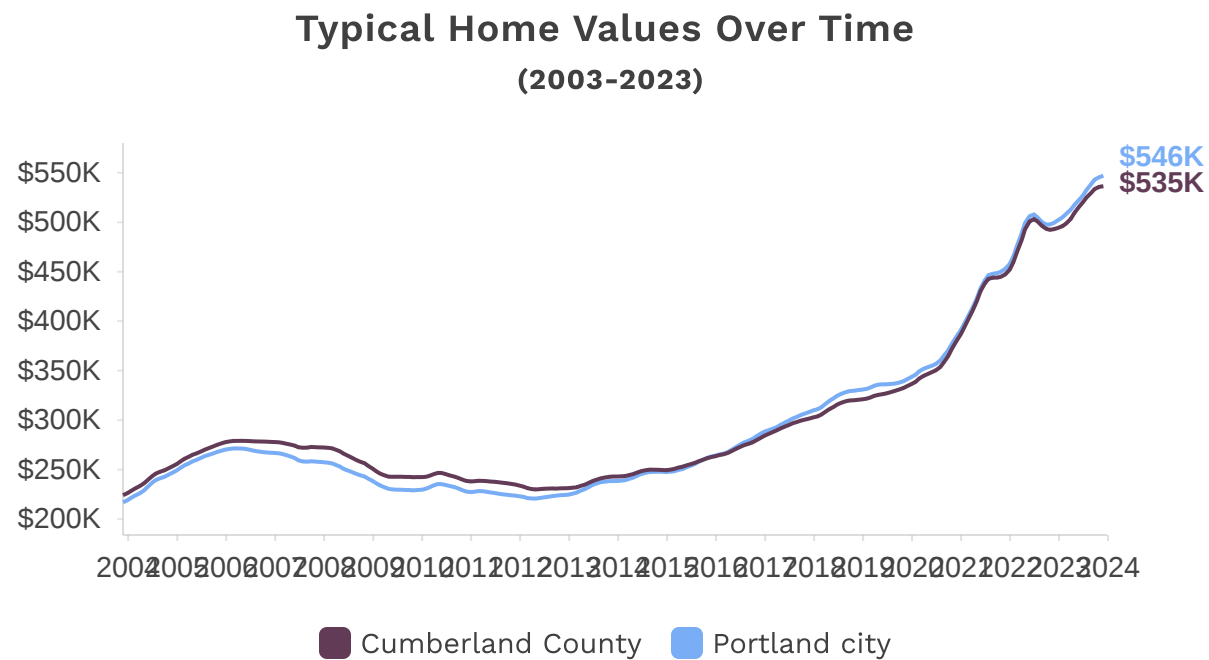
Homes by Number of Bedrooms
(2022)



Source: American Community Survey (ACS), US Census Bureau

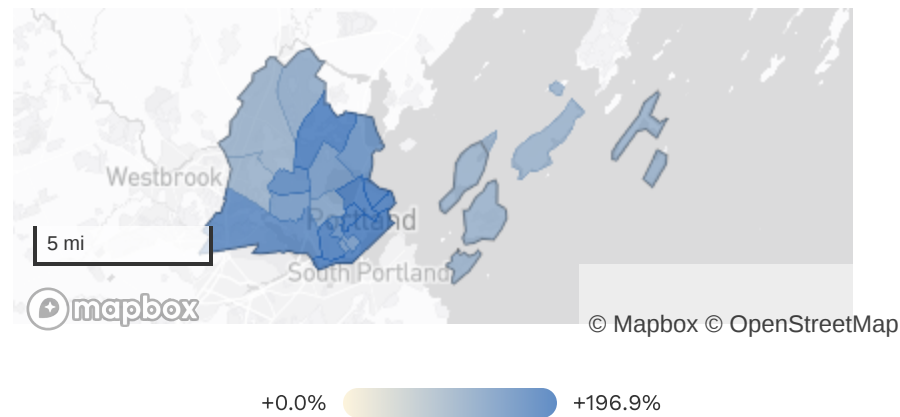
Home Values

Home values in Portland city increased by 129.9% from 2013 to 2023, compared to home values across Cumberland County, which increased by 121.2%.



Source: Zillow Research, Zillow Home Value Index, All Homes Time Series

Change in Median Home Values (2012-2022)

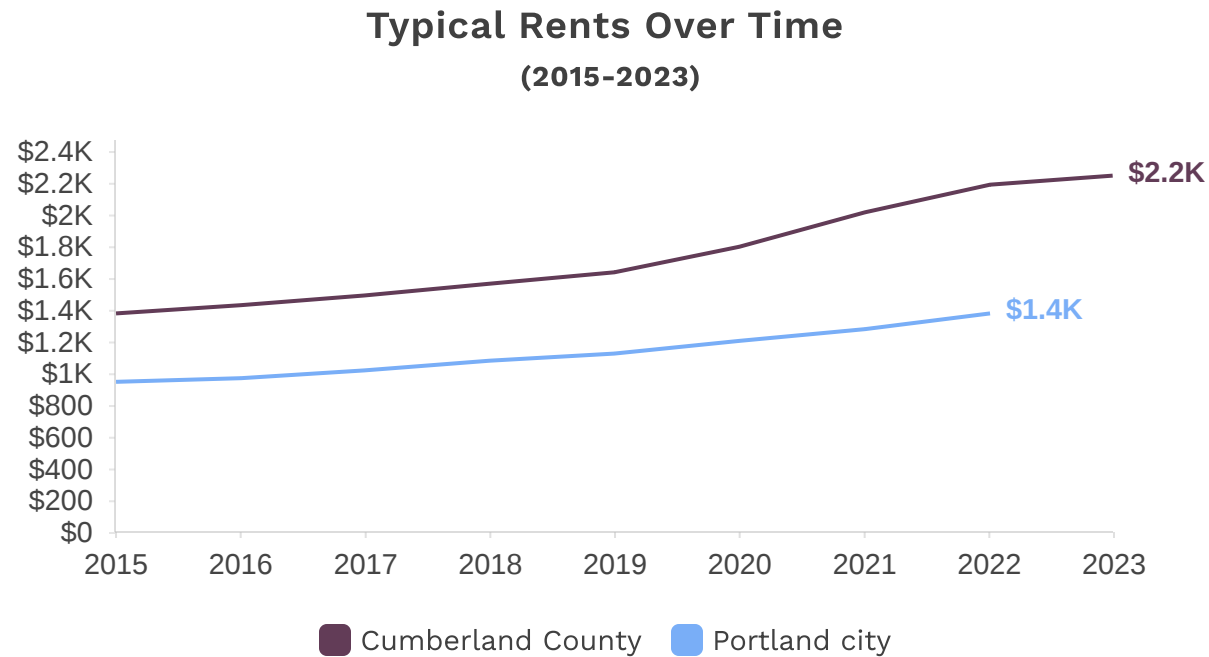


Where shown, pre-2020 tract-level data has been mapped onto 2020 vintage census tracts using a tract-to-tract crosswalk, using the number of owner-occupied homes as weights. Dollar values are nominal.

Source: American Community Survey (ACS), US Census Bureau

Rents

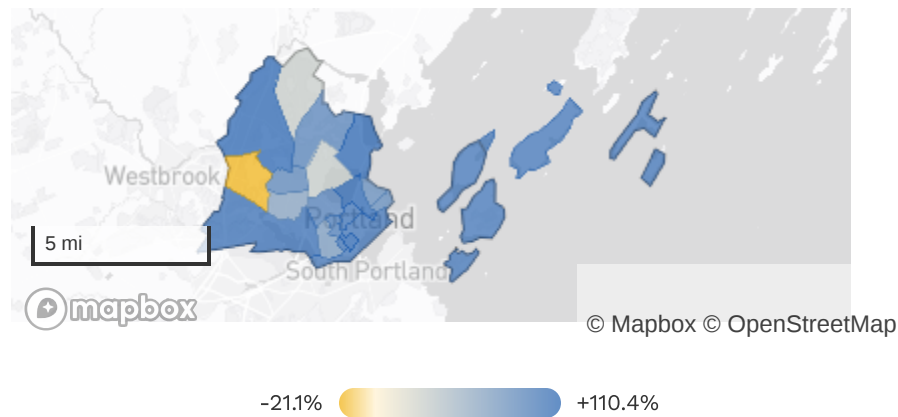
According to the ACS, the median gross rent in Portland city was \$1,377 in 2023. Rent increased by \$431 (45.6%) from 2015 to 2023.



Source: Depending on data availability, rent data comes from Zillow where available, or else from the American Community Survey (ACS).

Data for Portland city comes from the ACS. Data for Cumberland County comes from Zillow. Dollar values are nominal. Where shown, Zillow rents reflect December typical rent values only.

Change in Median Rents (2012-2022)



Where shown, pre-2020 tract-level data has been mapped onto 2020 vintage census tracts using a tract-to-tract crosswalk, using the number of renter-occupied homes as weights. Dollar values are nominal.

Source: American Community Survey (ACS), US Census Bureau, and HUD-USPS Census Tract Crosswalk File



Affordable Housing Supply

Portland city

Affordable Housing Introduction

Based on a decades-old [standard](#) set by Congress and implemented in U.S. Department of Housing and Urban Developing (HUD) programs, housing is considered affordable when housing and utility costs combined are less than 30% of a household's income.

Households that pay more than 30% of income towards these costs are considered “cost-burdened.” The more a household spends on housing costs, the less residual income it has available for other basic household needs such as food and childcare. Even in healthy housing markets, some households will require assistance to afford market-rate rents because they do not have incomes or their incomes are too low.

This section examines two different types of housing that can be considered affordable: deed-restricted affordable homes, many of which receive subsidy, and unrestricted affordable homes, which are often referred to as “Naturally Occurring Affordable Housing” or “NOAH.”

Area Median Income

AMI stands for Area Median Income, which is a measure of the median income of a specific geographic area (known as Fair Market Rent (FMR) Areas) calculated by HUD to determine eligibility for housing assistance programs. 100% AMI reflects the median income for a given household size.

HUD calculates AMI annually for each metropolitan area and non-metropolitan county in the United States. The calculation is based on the income levels of all households in the area, regardless of their tenure status (i.e., whether they own or rent their homes). The AMI for a specific area is then used as a benchmark for determining eligibility for various housing assistance programs.

This report displays 2022 AMI data to align with the latest demographic and housing unit data from the US Census Bureau, but additional years of data are available through [HUD](#).

Area Median Income by Household Size (2022)

AMI ▲	1	2	3	4	5	6
30% AMI	\$23,460	\$26,820	\$30,180	\$33,510	\$36,210	\$38,8...
50% AMI	\$39,100	\$44,700	\$50,300	\$55,850	\$60,350	\$64,8...
60% AMI	\$46,920	\$53,640	\$60,360	\$67,020	\$72,420	\$77,760
80% AMI	\$62,560	\$71,520	\$80,4...	\$89,360	\$96,560	\$103,6...
Area Median Income (100% AMI)	\$78,200	\$89,4...	\$100,...	\$111,700	\$120,7...	\$129,6...

Source: US Department of Housing and Urban Development (HUD)

Source Notes

Data shown for Portland city come from the Portland, ME HUD Metro FMR Area. Census geographies may not directly align with HUD FMR Areas. To find another HUD FMR Area, explore the [HUD FMR Areas map](#) and access AMI data for other HUD FMR Areas from [HUD's data portal](#).

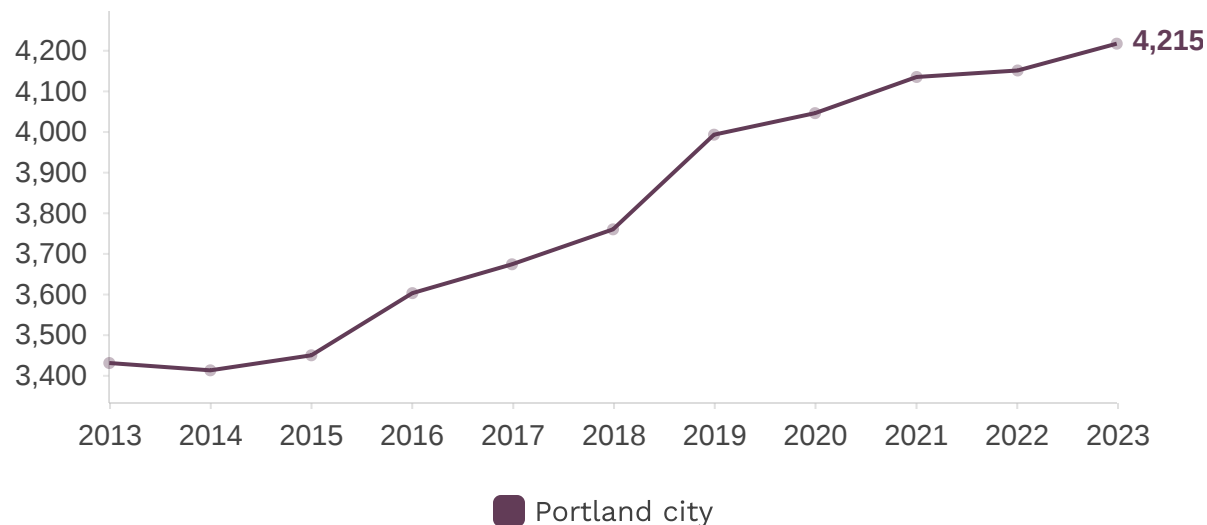
Source: US Department of Housing and Urban Development (HUD)

Deed-Restricted Affordable Homes

Deed-restricted homes commonly receive government subsidy to provide affordable rents and typically have some form of covenant that restricts rent growth. Throughout this report, “deed-restricted affordable housing” refers to state- and federally-assisted rental housing inventoried in the [National Housing Preservation Database \(NHPD\)](#). Deed-restricted homes that receive no public assistance, like some restricted by local statutes or in community land trusts, and those that only receive local government subsidy, such as New York City’s 421-a local tax incentive, are not captured in this dataset.

In Portland city in 2022, 47.4% of the rental homes affordable below 60% of AMI were deed-restricted affordable homes, compared to Cumberland County at 36.9%.

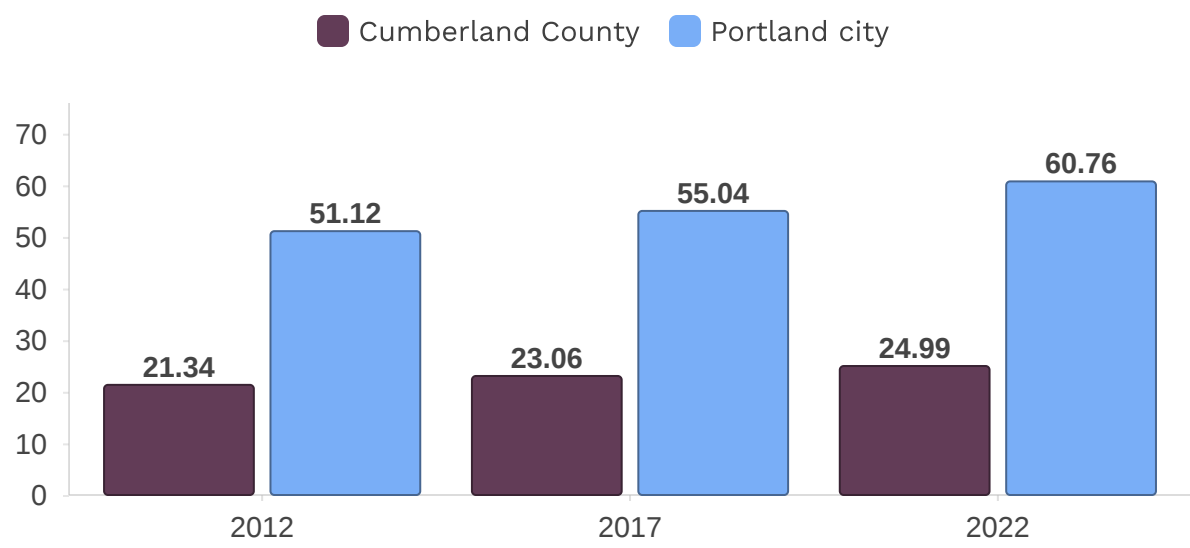
**Total Supply of Deed-Restricted Affordable Homes by Year
(2013-2023)**



Source: National Housing Preservation Database (NHPD)

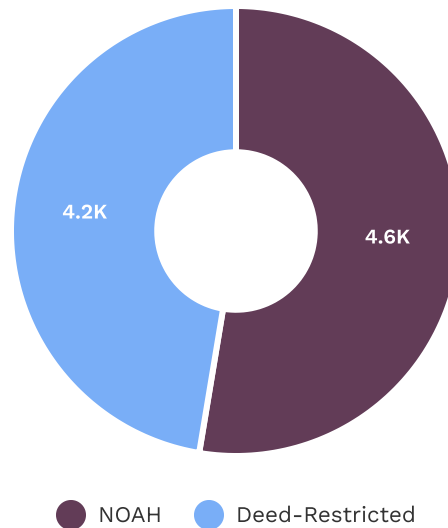
Note: Data reflect the total number of deed-restricted homes in each year with active or inconclusive subsidies based on the earliest start date and latest end date of each property's subsidies.

Deed-Restricted Affordable Homes per 1,000 Population



Source: National Housing Preservation Database (NHPD) and American Community Survey (ACS), US Census Bureau

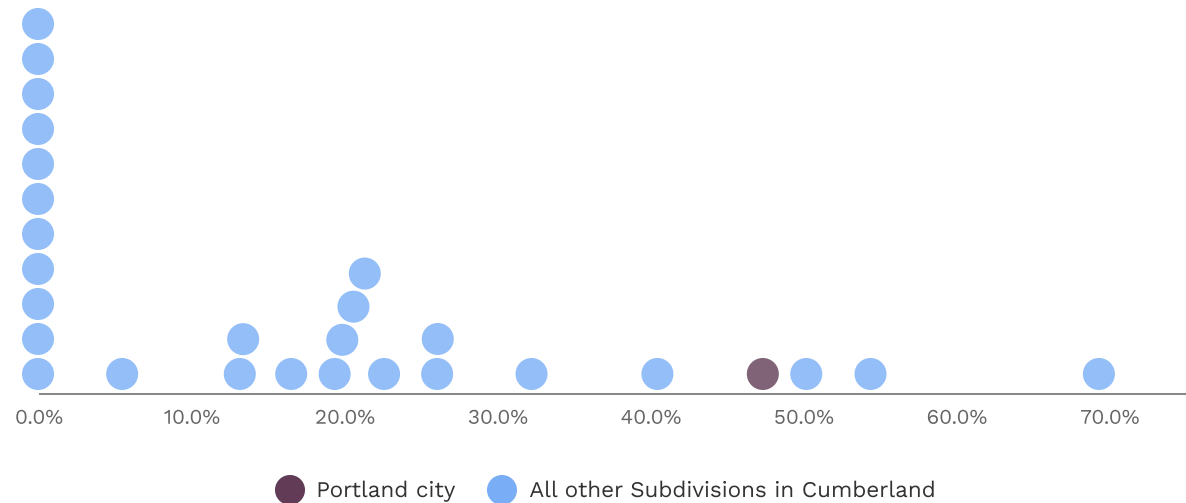
Rental Homes Affordable Under 60% AMI by Deed Restriction Status (2022)



Deed-restricted affordable homes include federally-assisted and some state-assisted homes only. Deed-restricted homes that receive no public assistance or only receive local government subsidy are not included in the deed-restricted category in this chart.

Source: HR&A analysis calculated using data from the American Community Survey (ACS); Public Use Microdata Sample (PUMS); and National Housing Preservation Database (NHPD).

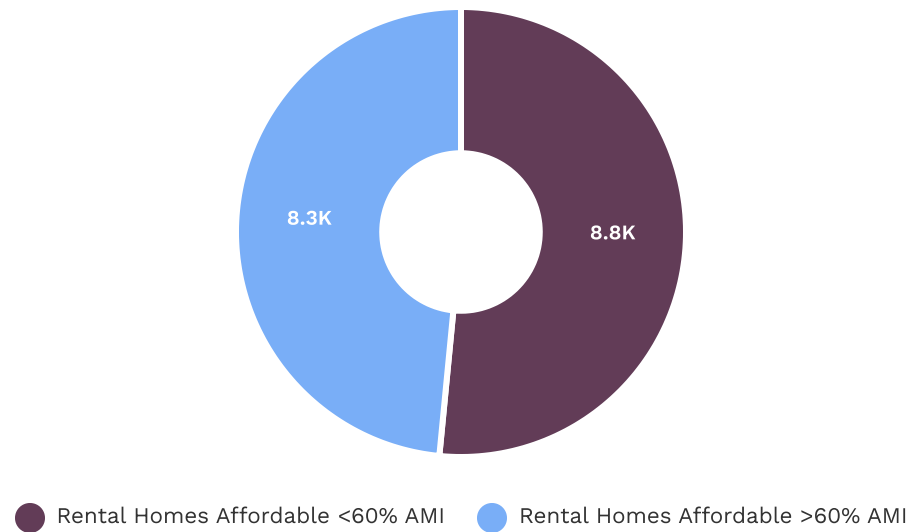
Share of Rental Homes Affordable <60% AMI That Are Deed-Restricted (2022)



Source: HR&A analysis calculated using data from the American Community Survey (ACS); Public Use Microdata Sample (PUMS); and National Housing Preservation Database (NHPD).

Affordable Homes

Share of All Rental Homes Affordable Under 60% AMI
(2022)

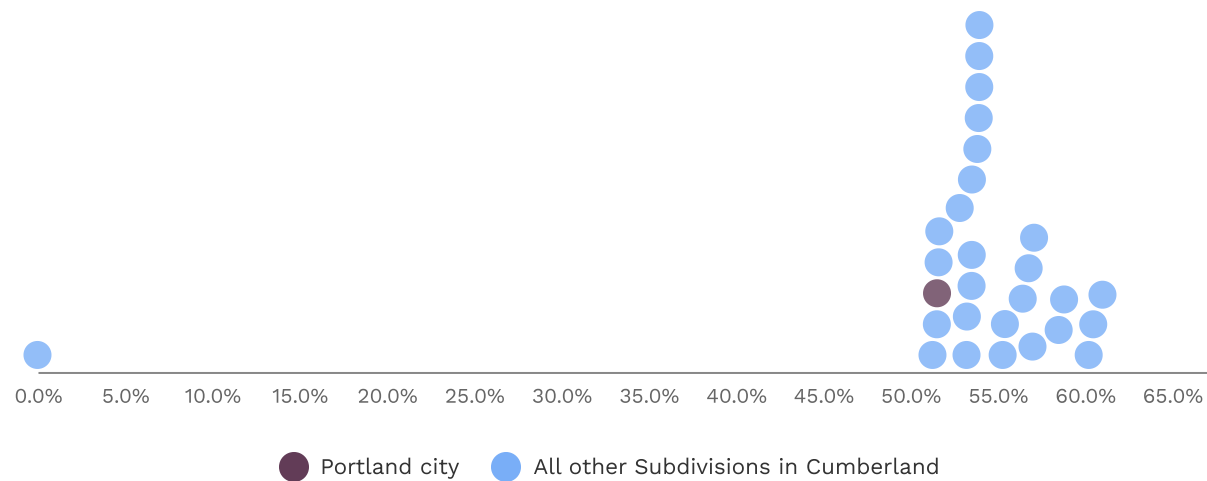


All rental homes includes all deed-restricted and unrestricted rental homes in the market.

Source: HR&A analysis calculated using data from the American Community Survey (ACS); Public Use Microdata Sample (PUMS); and National Housing Preservation Database (NHPD).

Regional Comparison

**Comparative Share of All Rental
Homes Affordable Under 60% AMI
(2022)**

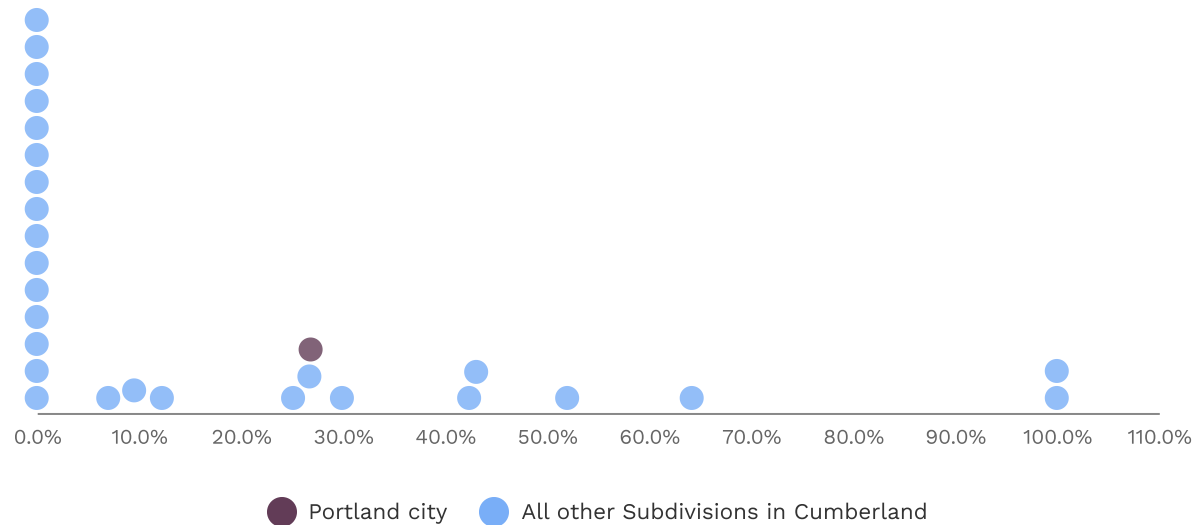


Source: HR&A analysis calculated using data from the American Community Survey (ACS); Public Use Microdata Sample (PUMS); and National Housing Preservation Database (NHPD).

Affordable Housing in Areas of Opportunity

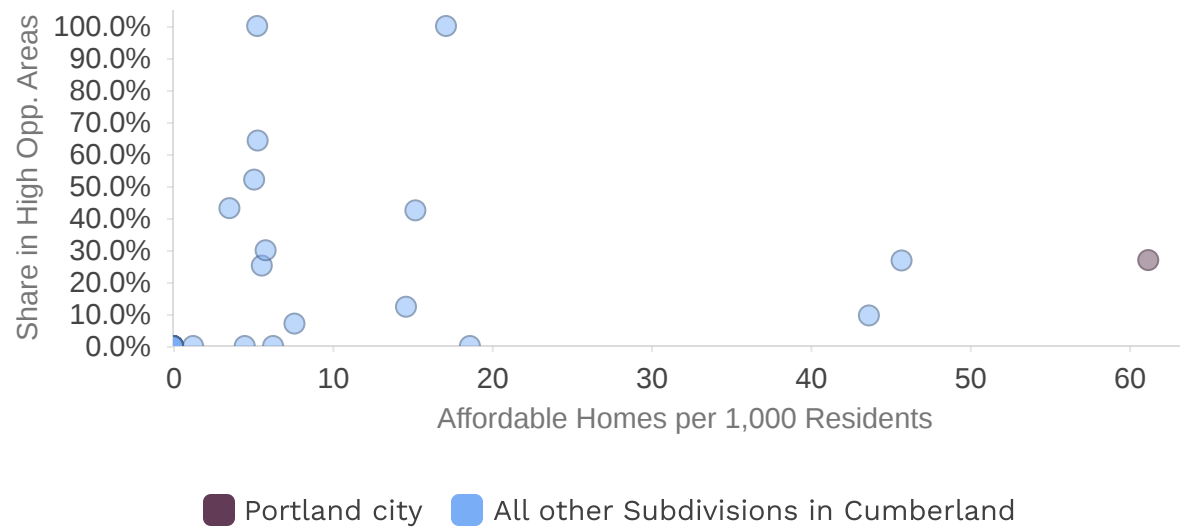
In 2022, 26.9% of the deed-restricted affordable housing stock in Portland city was located in high opportunity areas, which are defined here as properties in census tracts that had a higher median income than Portland city overall.

**Comparative Share of Affordable Housing
Properties Located in High Opportunity Areas
(2022)**



Source: National Housing Preservation Database (NHPD) and American Community Survey (ACS), US Census Bureau

Affordable Homes per Capita Compared to the Share in High Opportunity Areas (2022)



Source: National Housing Preservation Database (NHPD) and American Community Survey (ACS), US Census Bureau



Renter Housing Needs

Portland city

Renter Housing Needs

This section focuses on the housing needs of renters. Information about renter housing needs should be used to inform and shape policies and initiatives that address affordability, accessibility, and quality in the housing market.

Area Median Income

AMI stands for Area Median Income, which is a measure of the median income of a specific geographic area (known as Fair Market Rent (FMR) Areas) calculated by HUD to determine eligibility for housing assistance programs. 100% AMI reflects the median income for a given household size.

HUD calculates AMI annually for each metropolitan area and non-metropolitan county in the United States. The calculation is based on the income levels of all households in the area, regardless of their tenure status (i.e., whether they own or rent their homes). The AMI for a specific area is then used as a benchmark for determining eligibility for various housing assistance programs.

This report displays 2022 AMI data to align with the latest demographic and housing unit data from the US Census Bureau, but additional years of data are available through [HUD](#).

Area Median Income by Household Size (2022)

AMI ▲	1	2	3	4	5	6
30% AMI	\$23,460	\$26,820	\$30,180	\$33,510	\$36,210	\$38,8...
50% AMI	\$39,100	\$44,700	\$50,300	\$55,850	\$60,350	\$64,8...
60% AMI	\$46,920	\$53,640	\$60,360	\$67,020	\$72,420	\$77,760
80% AMI	\$62,560	\$71,520	\$80,4...	\$89,360	\$96,560	\$103,6...
Area Median Income (100% AMI)	\$78,200	\$89,4...	\$100,...	\$111,700	\$120,7...	\$129,6...

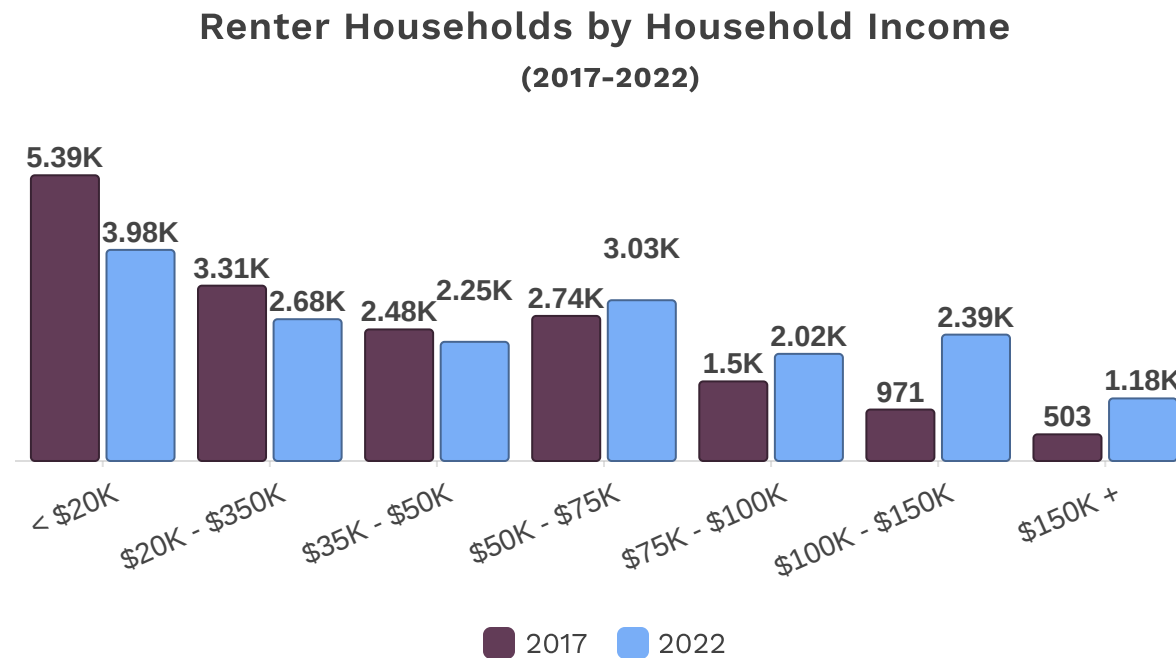
Source: US Department of Housing and Urban Development (HUD)

Source Notes

Data shown for Portland city come from the Portland, ME HUD Metro FMR Area. Census geographies may not directly align with HUD FMR Areas. To find another HUD FMR Area, explore the [HUD FMR Areas map](#) and access AMI data for other HUD FMR Areas from [HUD's data portal](#).

Source: US Department of Housing and Urban Development (HUD)

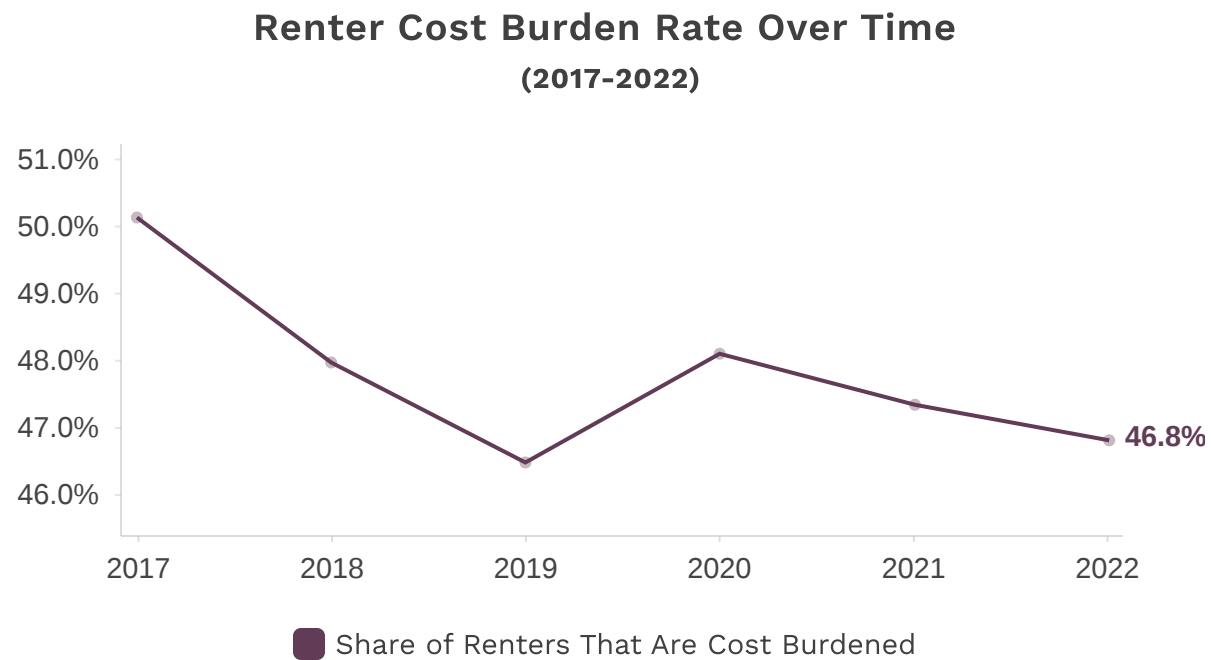
Renter Households by AMI and Income



Source: American Community Survey (ACS), US Census Bureau

Dollar values are nominal.

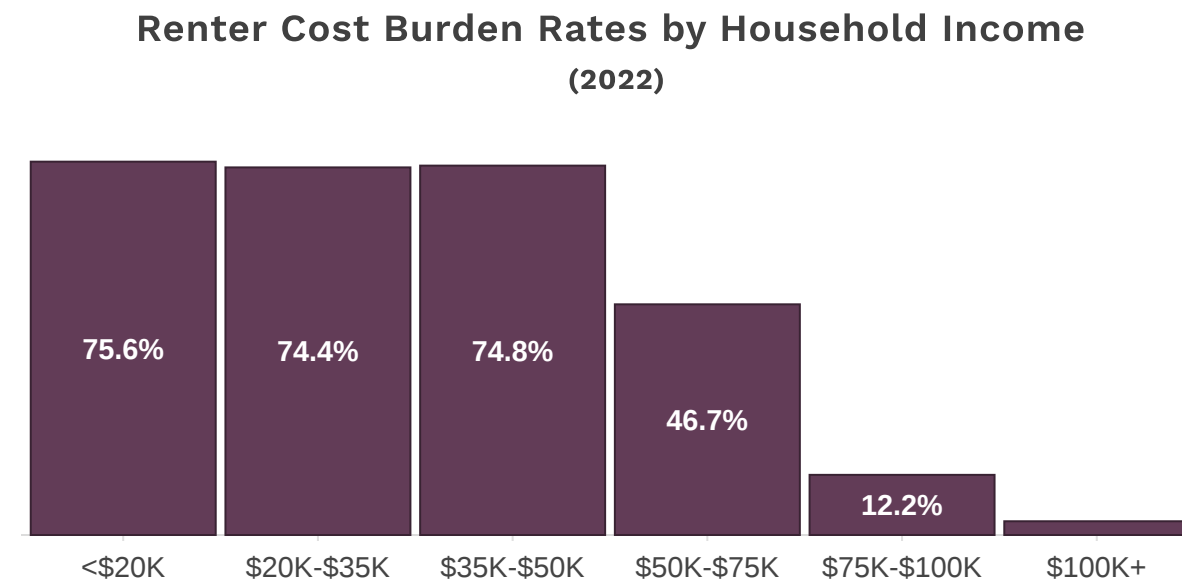
Renter Cost Burden



Source: American Community Survey (ACS), US Census Bureau

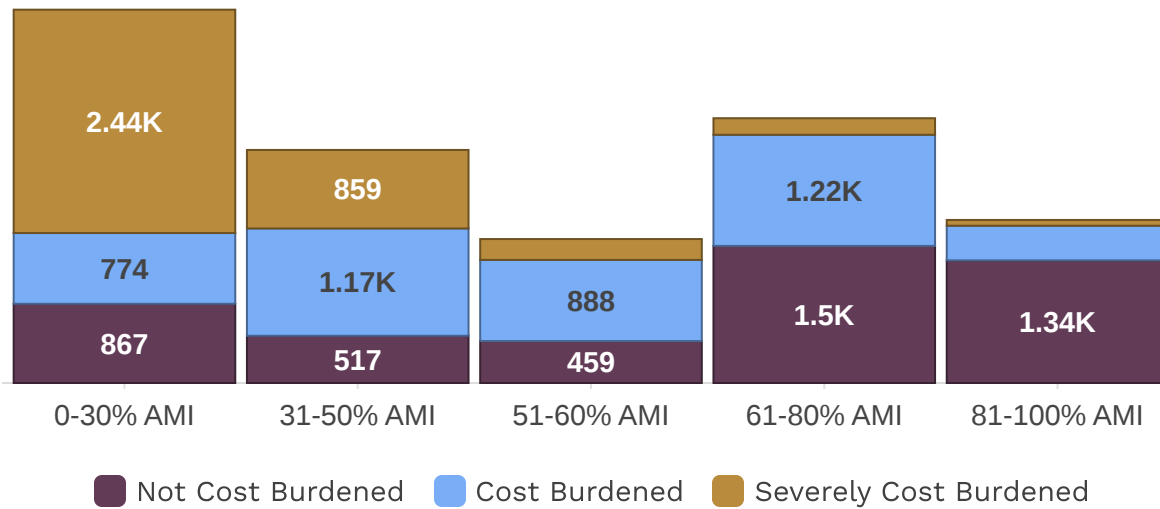
Renter Cost Burden by Income

In 2022, 27.4% of renters in Portland city spent 30-50% of their income on housing (cost burdened), while 22.1% of renters spent more than 50% of their income on housing (severely cost burdened), for a total of 49.5% of all renters.



Source: American Community Survey (ACS)

Renter Cost Burden Rates by AMI (2022)



Source: HR&A analysis calculated using data from the Public Use Microdata Sample (PUMS) and American Community Survey (ACS), US Census Bureau, and from the Multifamily Tax Subsidy Projects (MTSP) Income Limits, US Department of Housing and Urban Development (HUD).

Renter Cost Burden by Cohort

Housing cost burden can sometimes fall disproportionately on specific demographic groups and vulnerable populations, like single parent households or seniors.

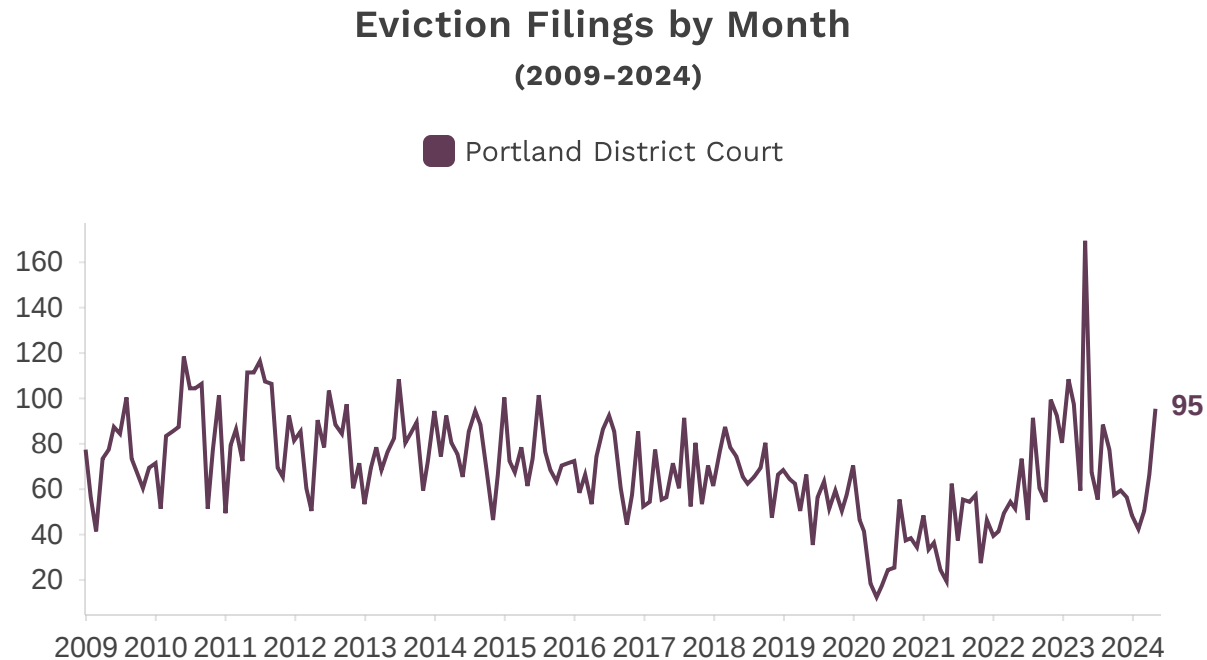
Renter Cost Burden Rates by Cohort
(2022)

Cohort	Portland city ▲
Households of Other Races	43.4%
Households with Children	46.4%
All Renter Households	46.8%
Hispanic/Latino Households	47.9%
White Households	47.9%
Senior Households	54.7%
Black Households	64.3%
Asian Households	69.0%
Single-Parent Households	71.8%

Source: Public Use Microdata Sample (PUMS) and American Community Survey (ACS), US Census Bureau

Eviction Filings

In May 2024, 95 eviction cases were filed in Portland District Court.



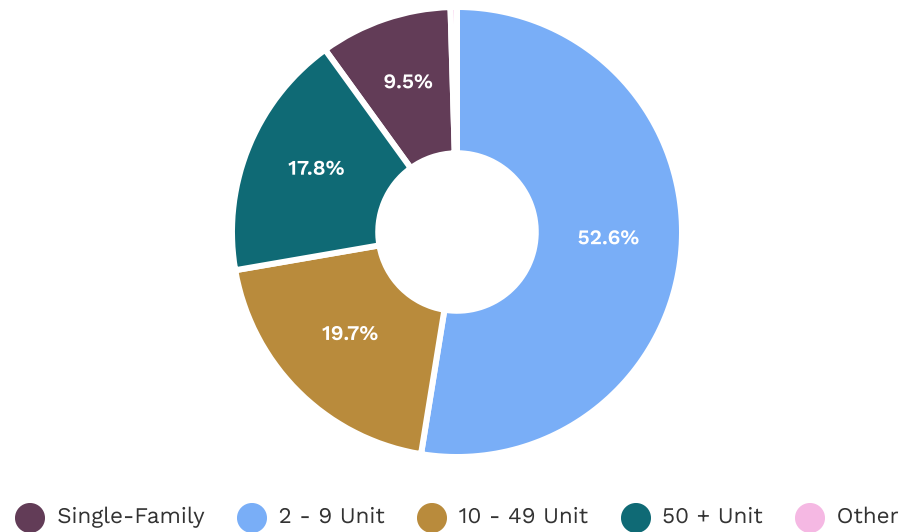
Source: State of Maine Judicial Branch

Data for the State of Maine and its counties includes all eviction cases filed within those jurisdictions. For municipalities, the data reflects eviction filings at the district court serving that municipality, not specific to the municipality itself. Note that where district courts have consolidated, historical data is shown for the individual courts before the mergers.

Rented Homes by Building Typology

There were 17,531 homes occupied by renters in Portland city in 2022.

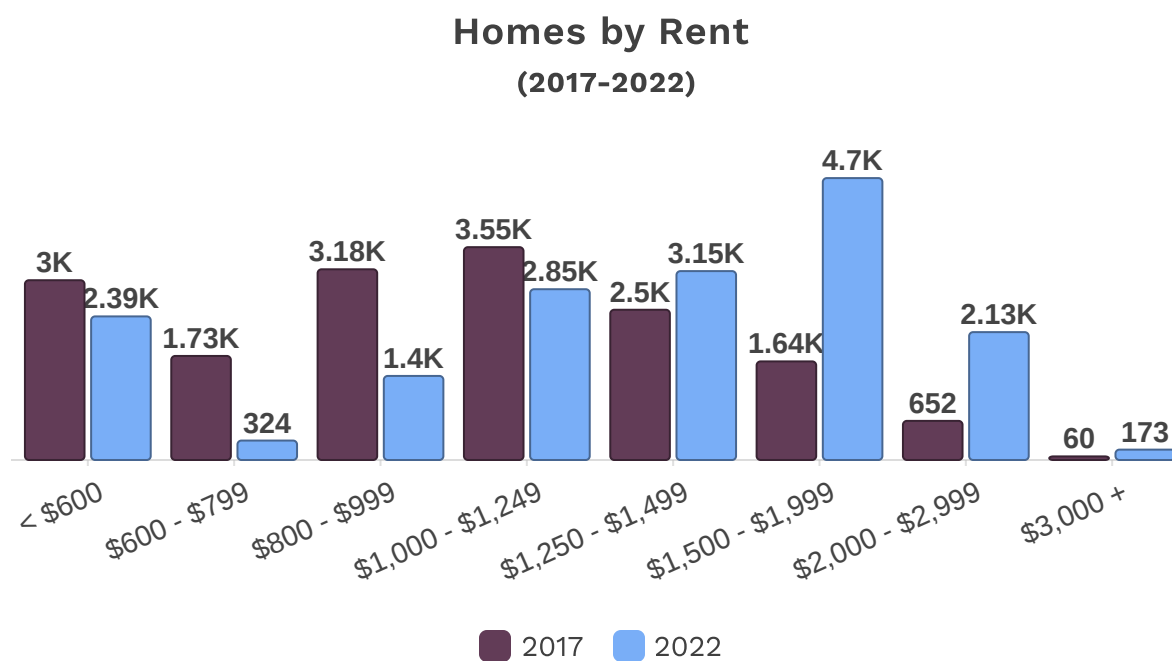
Rented Homes by Building Typology
(2022)



Source: American Community Survey (ACS), US Census Bureau

Homes by Rent

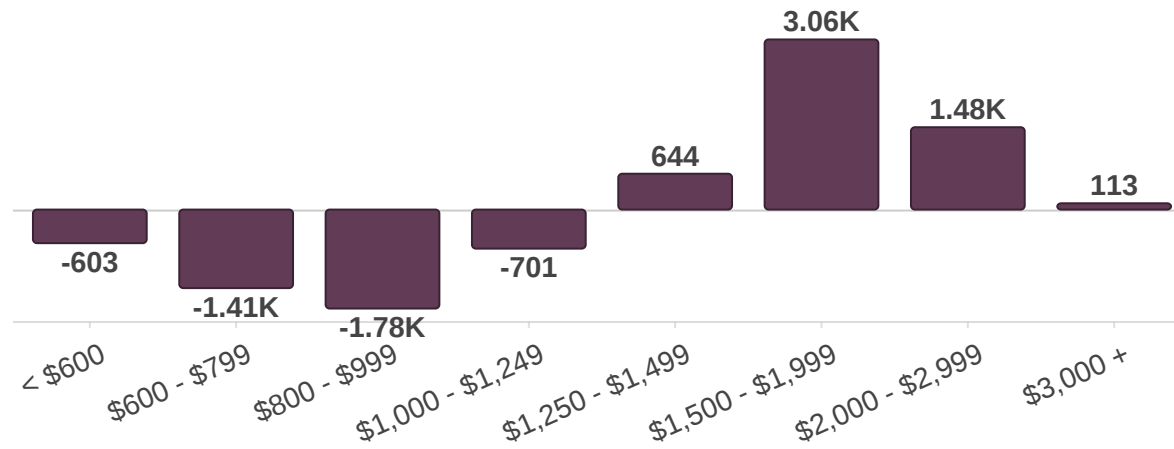
Between 2017 to 2022, the number of homes with rents below \$600 and between \$600-\$799 changed by -20.1% and -81.3% respectively.



Source: American Community Survey (ACS), US Census Bureau

Dollar values are nominal.

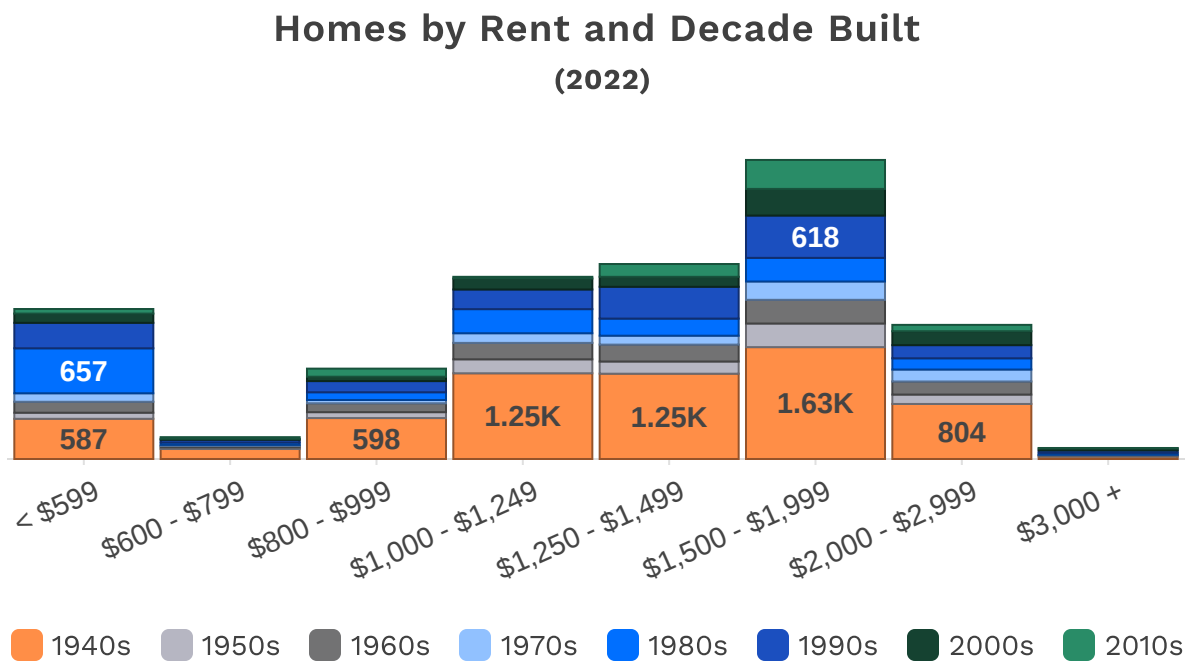
Change in Homes by Rent (2017-2022)



Source: American Community Survey (ACS), US Census Bureau

Dollar values are nominal.

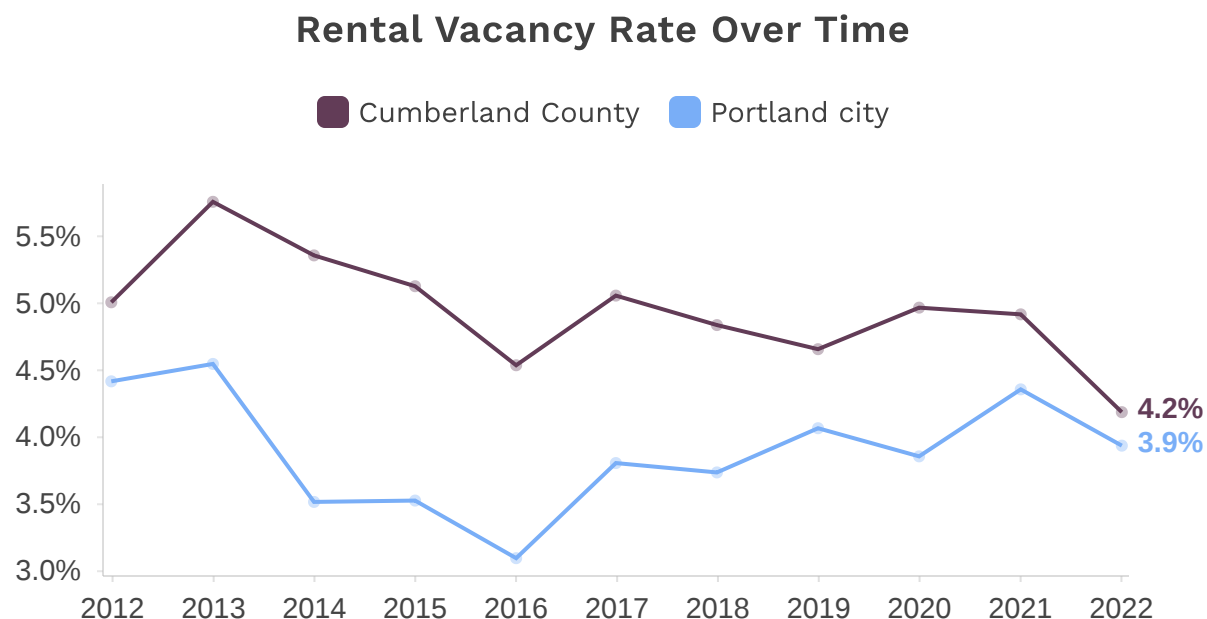
Homes by Rent and Decade Built



Source: Public Use Microdata Sample (PUMS), US Census Bureau

Rental Vacancy Rate

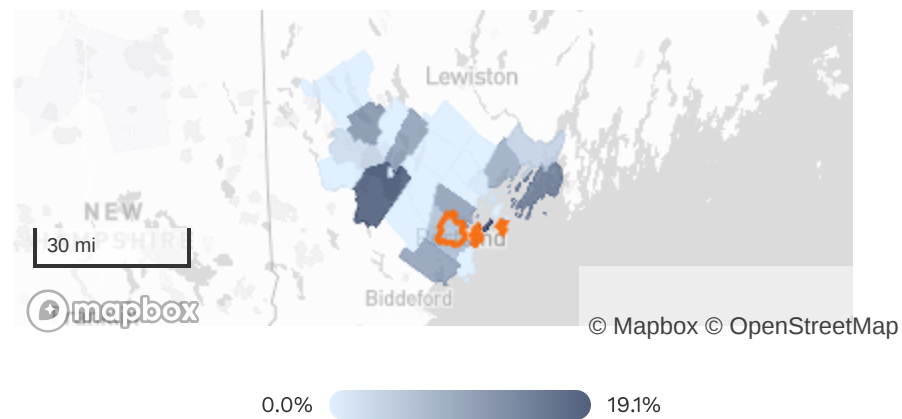
The rental vacancy rate measures the share of all rental housing that is vacant for rent and indicates the availability of rental housing for someone moving homes or moving into the community. In 2022, 3.9% of all rental homes in Portland city were vacant for rent. This reflects a tightening in the rental housing market relative to 2012 when the rental vacancy rate was 4.4%.



Source: American Community Survey (ACS), US Census Bureau

The rental vacancy rate is calculated as homes that are vacant for rent as a percentage of renter-occupied homes, vacant for rent homes, and homes that are vacant and rented but not yet occupied.

Regional Rental Vacancy Rate Comparison (2022)



Source: American Community Survey (ACS), US Census Bureau

Homeowner Housing Needs

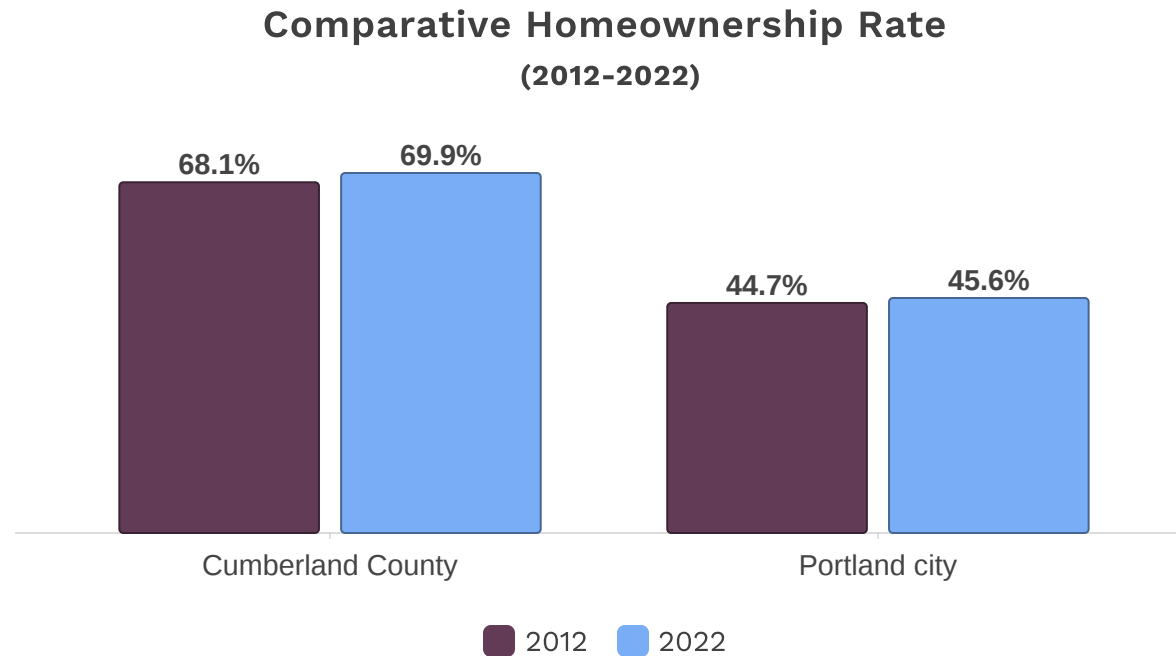
Portland city

Homeowner Housing Needs

Access to homeownership enables households to build assets and housing stability. Homeownership is the largest source of wealth for households in America and disparate access to homeownership and support to sustain ownership contributes to inequality. Barriers to access could include high home prices and a lack of "entry-level" homes; a lack of assets for a down payment; competition from investor-owners, and inequitable access to mortgage loans. Barriers to sustaining ownership include the inability to maintain and repair a home as you age, access to home equity financing and rising property taxes. Tools to expand access to homeownership focus on increasing the supply of entry-level homes and removing structural barriers to ownership.

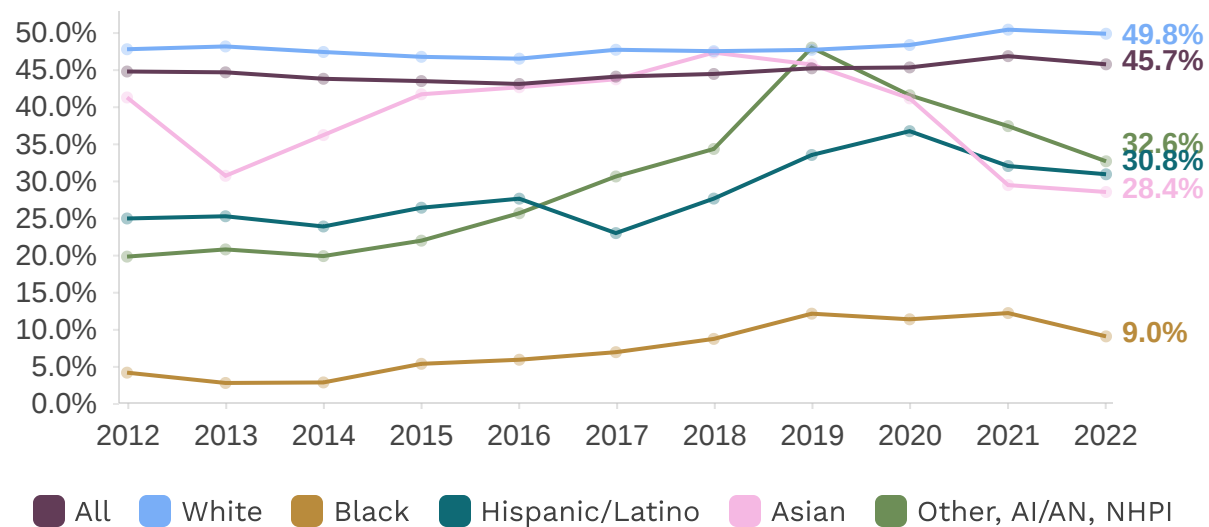
Homeownership Rate

Between 2012 and 2022, the rate of homeownership in Portland city increased by 2.2%. In Cumberland County, the homeownership rate rose by 2.6%. For Black households in Portland city, homeownership rates were -40.8% less than white households in 2022.



Source: American Community Survey (ACS), US Census Bureau

Homeownership Rate by Race and Ethnicity (2012-2022)

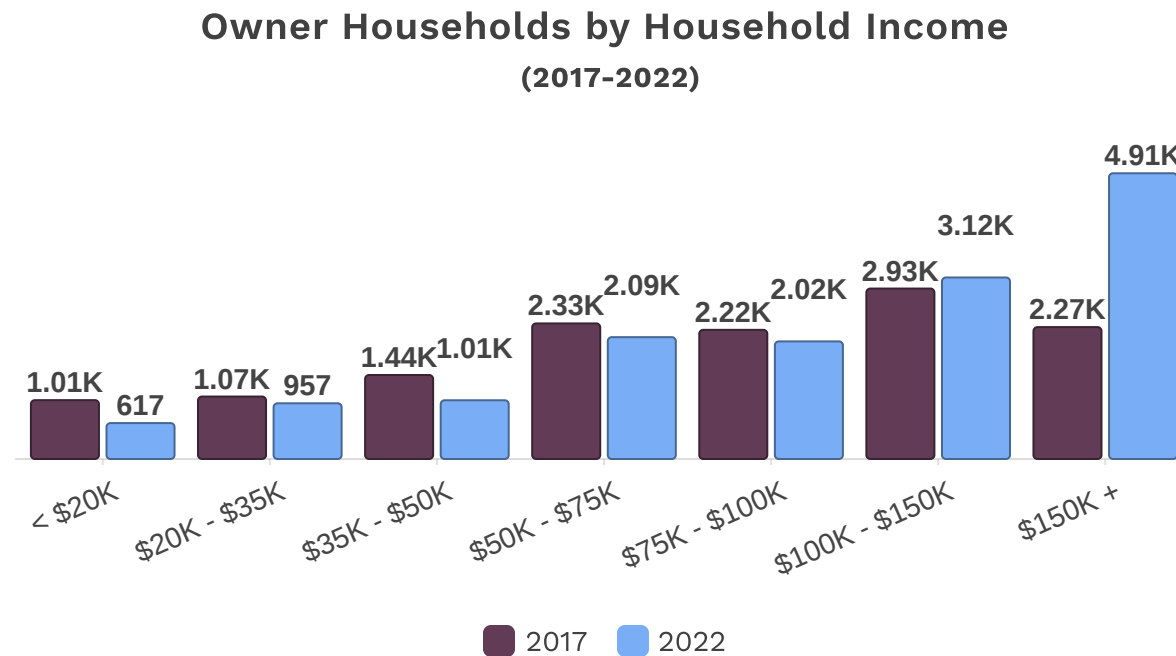


Source: American Community Survey (ACS), US Census Bureau

White refers to non-Hispanic White heads of household only. Hispanic/Latino refers to those of any race whose ethnicity is Hispanic or Latino. All other groups include both Hispanic and non-Hispanic individuals. AI/AN - American Indian or Alaska Native; NHPI - Native Hawaiian or Pacific Islander; Other - Some Other Race and Two or More Races.

Homeowners by Household Income

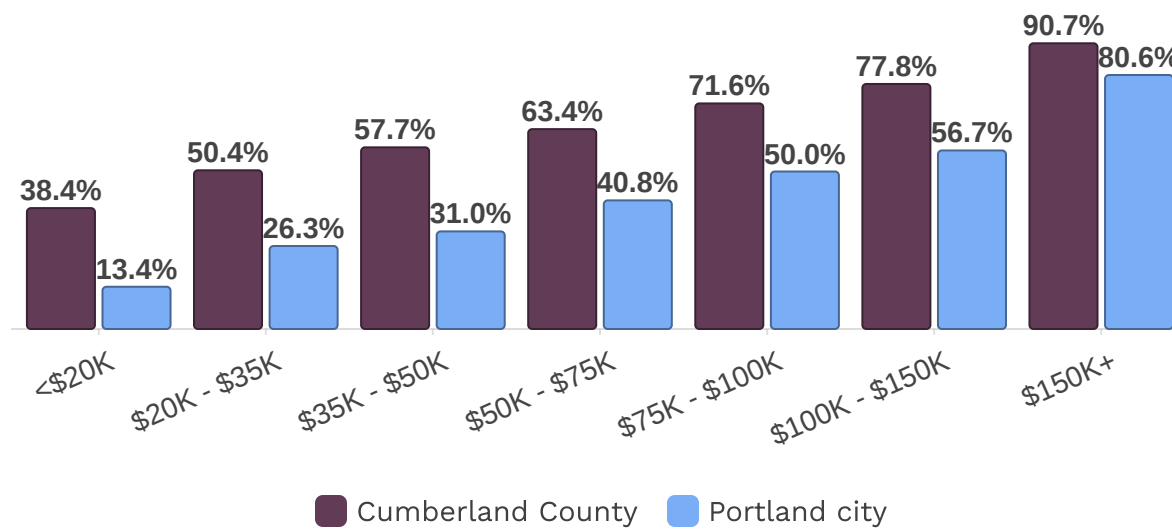
Households making more than \$150K had the highest rates of homeownership in Portland city in 2022 at 33.3%. For households making \$35K - 50K, the homeownership rate was 6.8% and has decreased from 12.6% in 2012.



Source: American Community Survey (ACS), US Census Bureau

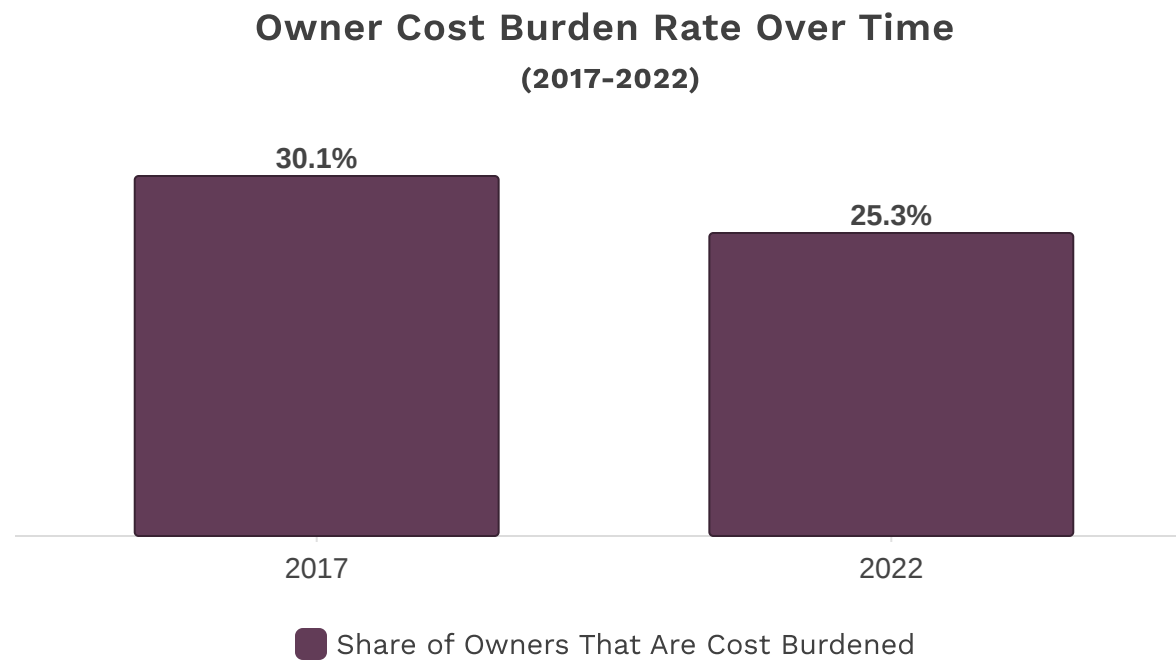
Dollar values are nominal.

Comparative Homeownership Rate by Household Income (2022)



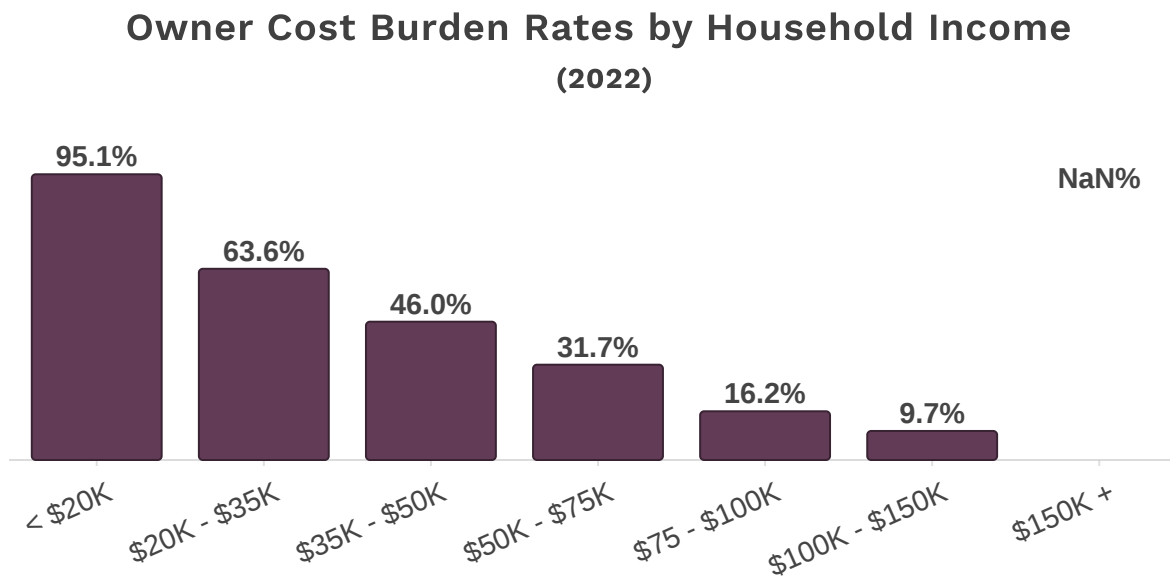
Source: American Community Survey (ACS), US Census Bureau

Owner Cost Burden



Source: American Community Survey (ACS), US Census Bureau

Owner Cost Burden by Income



Source: Public Use Microdata Sample (PUMS), US Census Bureau

Owner Cost Burden by Cohort

Housing cost burden can sometimes fall disproportionately on specific demographic groups and vulnerable populations, like single parent households or seniors.

Owner Cost Burden Rates by Cohort
(2022)

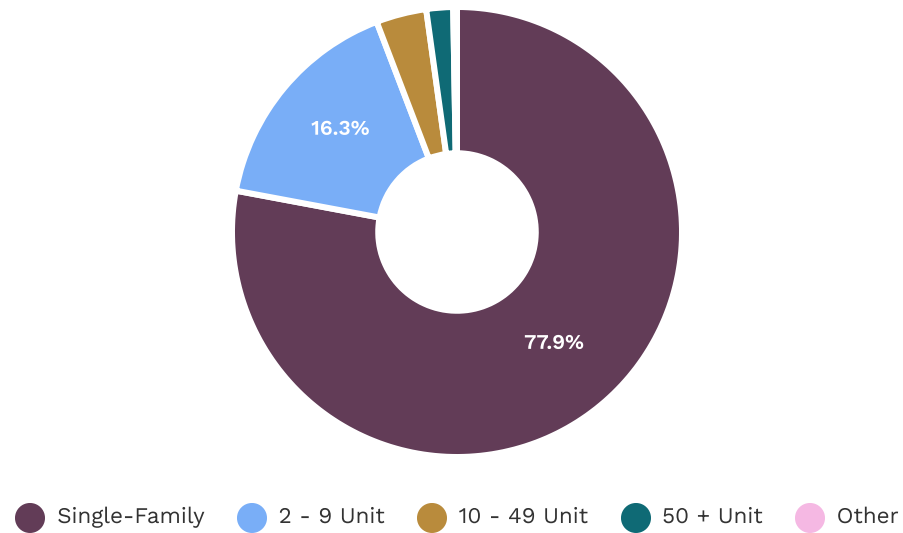
Cohort	Portland city ▲
Households with Children	17.3%
White Households	21.6%
All Owner Households	25.3%
Households of Other Races	26.3%
Hispanic/Latino Households	26.8%
Senior Households	27.8%
Black Households	35.8%
Asian Households	37.3%
Single-Parent Households	56.5%

Source: Public Use Microdata Sample (PUMS), US Census Bureau

Owned Homes by Building Typology

There were 14,722 homes occupied by owners in Portland city in 2022.

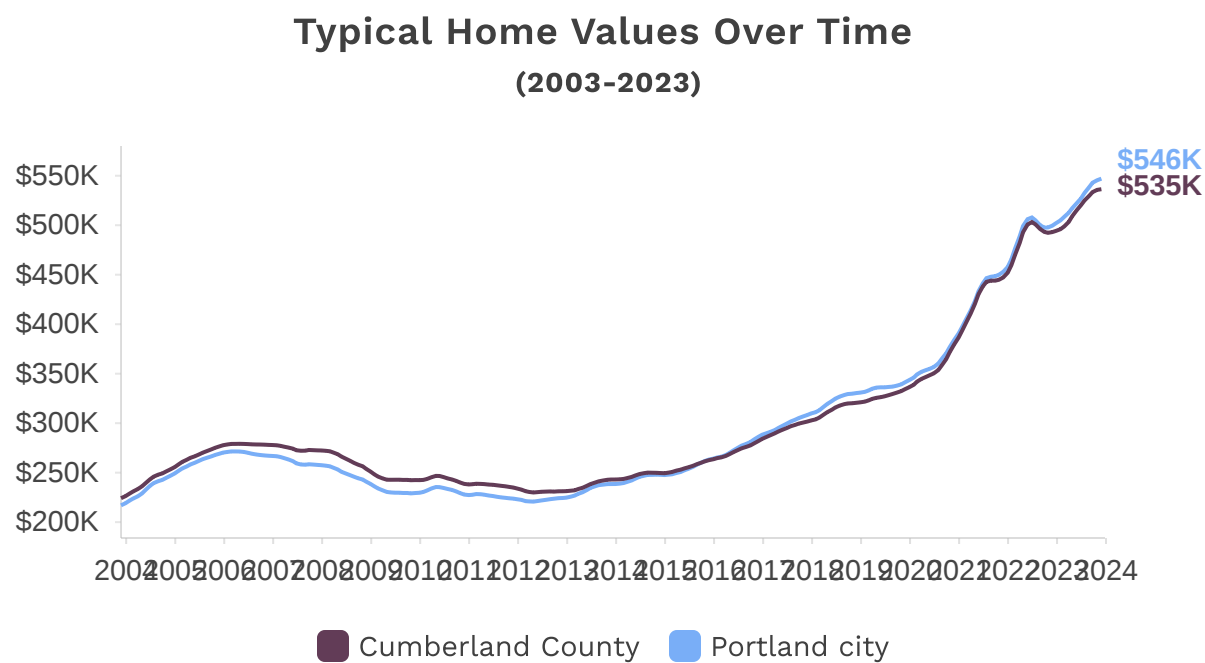
Owned Homes by Building Typology
(2022)



Source: American Community Survey (ACS), US Census Bureau

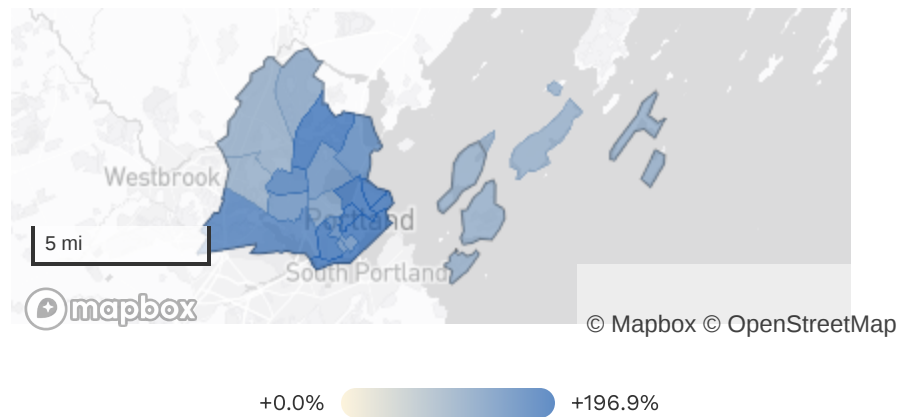
Home Values

Home values in Portland city increased by 144.1% from 2013 to 2023, compared to home values across Cumberland County, which increased by 132.5%.



Source: Zillow Research, Zillow Home Value Index, All Homes Time Series

Change in Median Home Values (2012-2022)



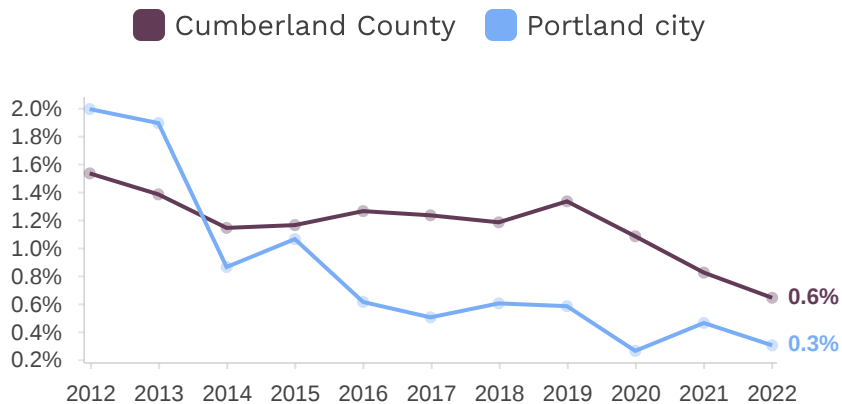
Where shown, pre-2020 tract-level data has been mapped onto 2020 vintage census tracts using a tract-to-tract crosswalk, using the number of owner-occupied homes as weights. Dollar values are nominal.

Source: American Community Survey (ACS), US Census Bureau

Homeowner Vacancy Rate

The homeowner vacancy rate measures the share of all homeowner housing that is vacant for sale and indicates the availability of housing for prospective homebuyers. In 2022, 0.3% of all owned homes in Portland city were vacant for sale. This reflects a tightening in the housing market relative to 2012 when the homeowner vacancy rate was 2.0%.

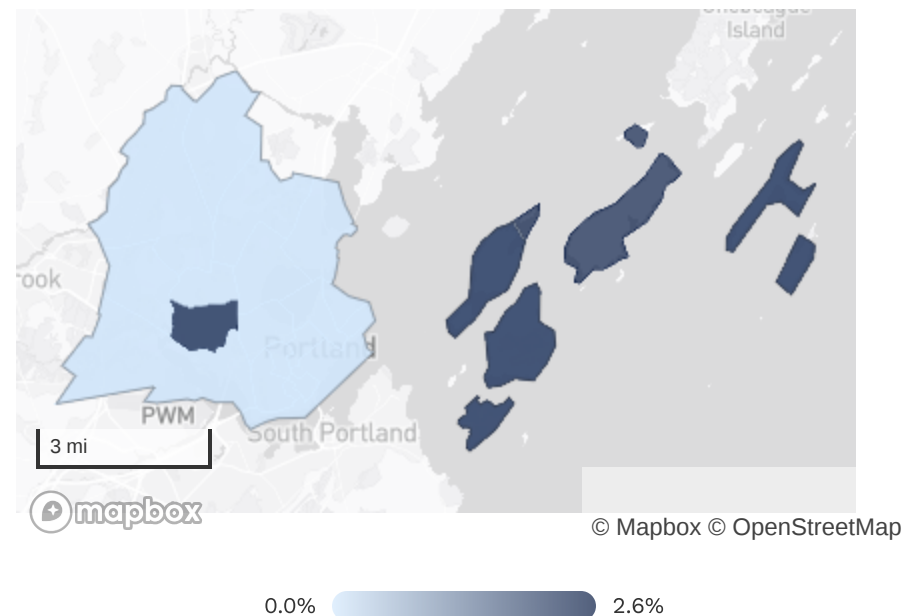
Homeowner Vacancy Rate Over Time



Source: American Community Survey (ACS), US Census Bureau

The homeowner vacancy rate is calculated as homes that are vacant for sale as a percentage of owner-occupied homes, vacant for sale homes, and homes that are vacant and sold but not yet occupied.

Homeowner Vacancy Rate (2022) (2022)



Source: American Community Survey (ACS), US Census Bureau



Sources

Portland city

Sources

This housing needs assessment uses data from:

American Community Survey (ACS), 5-Year Estimates, U.S. Census Bureau.

The American Community Survey (ACS) produces a wide range of demographic, socioeconomic, and housing data at many geographic levels, including down to the local level. The U.S. Census Bureau administers the ACS to about 3% of all U.S. households every year and uses this sample to make estimates nationwide. ACS 5-year estimates represent data collected over five years, denoted by the last year in that period. With more years of data, the 5-year estimates provide a more detailed and reliable picture of the population than the 1-year estimates but include less recent data. The breadth of available data makes the ACS a useful resource for policymakers and researchers seeking to understand population characteristics and housing supply. Data are currently available through 2022. HR&A accesses ACS data from the U.S. Census Bureau's ACS application programming interface (API).

Building Permits Survey (BPS), U.S. Census Bureau.

The Building Permits Survey (BPS) provides monthly data on new permits for residential construction. The U.S. Census Bureau collects voluntary monthly data from the jurisdictions that issue 99% of permits, imputes monthly data for the remaining permit-issuing jurisdictions based on their annual data submissions, and seasonally adjusts the final reported data. BPS data is used to analyze trends in construction activity, which can provide insights into economic growth, urban development, and housing market dynamics. For the most accurate building permits data, refer to local data sources. Data are currently available through 2024. HR&A accesses BPS data from the U.S. Census Bureau's BPS website.

Current Population Survey (CPS), U.S. Census Bureau and U.S. Bureau of Labor Statistics (BLS).

The Current Population Survey (CPS) measures national employment and unemployment. Through a joint sponsorship, the U.S. Census Bureau and Bureau of Labor Statistics (BLS) produce this data on a monthly basis. The CPS's labor force statistics shed light on national economic trends. Data are currently available through 2024. HR&A accesses CPS data from the BLS's CPS website.

Decennial Census of Population and Housing, U.S. Census Bureau.

The Decennial Census is a comprehensive population count carried out by the U.S. Census Bureau every ten years as required by the U.S. Constitution. In addition to counting U.S. residents, the census also collects demographic data on every individual living in the country, including age, race, gender, and household information. The data gathered influences political representation, allocation of resources, and decision-making at various levels of government. Data are currently available through 2020. HR&A accesses Decennial Census data from the U.S. Census Bureau's Decennial Census API.

LEHD Origin-Destination Employment Statistics (LODES), U.S. Census Bureau.

Under the Local Employment Dynamic (LED) data partnership, the U.S. Census Bureau combines detailed, longitudinal, geographic data about employers and employees from several federal and state data sources. Once combined, the resulting Longitudinal Employer-Household Dynamics (LEHD) data are used to produce the LEHD Origin-Destination Employment Statistics (LODES). LEHD data are particularly useful for analyzing labor market dynamics across space and time. By mapping the data, policymakers and researchers can visualize geographic concentrations of employment and identify commuting patterns. This spatial analysis helps in understanding workforce movements, urban development, and the impact of economic policies on local and regional labor markets. Data are currently available through 2021. HR&A access LODES data from the U.S. Census Bureau's LODES website.

Local Area Unemployment Statistics (LAUS), U.S. Bureau of Labor Statistics (BLS).

The U.S. Bureau of Labor Statistics (BLS) calculates Local Area Unemployment Statistics (LAUS) monthly to help policymakers and researchers track employment and unemployment at local levels. LAUS estimates are produced based on data from the American Community Survey (ACS), the Current Population Survey (CPS), the Current Employment Statistics (CES) survey, and state unemployment insurance (UI) data systems. Data are currently available through 2024. HR&A accesses LAUS data from the BLS's LAUS website.

Multifamily Tax Subsidy Projects (MTSP) Income Limits, U.S. Department of Housing and Urban Development (HUD).

The Multifamily Tax Subsidy Projects (MTSP) Income Limits set the maximum incomes for households to qualify for affordable housing funded by the Low-Income Housing Tax Credit (LIHTC) and tax-exempt bonds. Federal mandates require the U.S. Department of Housing and Urban Development (HUD) to update income limits annually based on the median family income for households of different sizes in each HUD Fair Market Rent (FMR) Area across the country. HUD's income limits are critical for understanding the supply of, need for, and development of affordable housing. Data are currently available through 2023. HR&A accesses MTSP Income Limits from the HUD website.

National Housing Preservation Database (NHPD), Public and Affordable Housing Research Corporation (PAHRC) and National Low Income Housing Coalition (NLIHC).

The National Housing Preservation Database (NHPD) compiles data on federally assisted—and some state-assisted—rental housing properties in the United States. As a longitudinal and deduplicated database, NHPD data tracks the supply of affordable housing over time, including each property’s location, funding source(s), and physical conditions. NHPD sheds light on potential affordability expirations, helping policymakers and researchers identify affordable housing in need of preservation. Data are currently available through 2024. HR&A accesses NHPD data from the NHPD website.

Occupational Employment and Wage Statistics (OEWS), U.S. Bureau of Labor Statistics (BLS).

The Occupational Employment and Wage Statistics (OEWS) provide employment and income data for each occupation at a variety of geographic levels. Based on its annual survey of employers and federal-state cooperation for data collection, the U.S. Bureau of Labor Statistics (BLS) calculates OEWS estimates each year. OEWS data inform policymakers and researchers about labor market conditions, employment, and wages in different jobs across the country. Data are currently available through 2022 . HR&A accesses OEWS data from the BLS’s OEWS website.

Population Level Analysis and Community Estimates (PLACES), U.S. Centers for Disease Control and Prevention (CDC).

The Population Level Analysis and Community Estimates (PLACES) dataset provides small area estimates for chronic health conditions and their risk factors. PLACES data are derived from the Behavioral Risk Factor Surveillance System (BRFSS), which incorporates data from ongoing telephone surveys administered by the U.S. Centers for Disease Control and Prevention (CDC) in partnership with state health departments. Data are currently available through 2021. HR&A accesses PLACES data from the CDC’s PLACES website.

Public Use Microdata Sample (PUMS), 5-Year Estimates, U.S. Census Bureau.

The Public Use Microdata Sample (PUMS) is a subset of data from the U.S. Census Bureau’s American Community Survey (ACS). Instead of the ACS’s data which are pre-tabulated at the geography level, PUMS data are anonymized and published at the individual and housing unit levels. PUMS allows researchers to access detailed demographic, economic, and housing data for customized analyses while protecting respondents' privacy. Data are currently available through 2022. HR&A accesses PUMS data from the Census Bureau’s PUMS API.

Statistics of Income (SOI) Migration Data, Internal Revenue Service (IRS).

By linking individual income tax returns filed over time, the Internal Revenue Service (IRS) identifies address changes from the prior year. The Statistics of Income (SOI) Migration Data counts these residential moves as inflows and outflows from county-to-county and state-to-state, breaking down counts by individuals and households and providing the total adjusted gross income for movers to and from each geography. SOI Migration Data are perhaps the best publicly available data source tracking internal

migration within the United States. Data are currently available through 2021. HR&A accesses the SOI Migration Data from the IRS website.

Zillow Housing Data, Zillow Research.

Zillow Research is a division of the online real estate marketplace Zillow that focuses on conducting and publishing housing market indexes, analyses, and reports. Zillow’s data covers various aspects of the housing market, such as home values, rent prices, for-sale listings, and market predictions, using data collected from their platform and other sources. Data are currently available through 2024. HR&A accesses Zillow Research’s Housing Data from the Zillow website.

City of Portland | Office of the Mayor and City Council
Kate Sykes, Councilor (District 5)



To: Mark Dion Mayor and City Councilors
From: Kate Sykes, Councilor
Date: July 12, 2024
Re: Orders 26-24/25 and 25-24/25

Mayor Dion and Councilors:

The question of raising the minimum wage in Portland was put to voters by citizen referendum in 2022, paired with a question to eliminate the sub minimum wage. “An Act to Increase the Minimum Wage,” Sponsored by Councilors Phillips, Trevorrow, and Sykes and “An Act to Eliminate Portland's Sub-Minimum Wage For Service Employees” sponsored by Councilors Pelletier, Trevorrow, and Sykes have been drafted to address a number concerns raised by opponents of those measures, and will give voters a chance to consider each one separately.

Why raise the minimum wage in Portland?

A minimum wage worker in Portland currently makes less than \$31,200 a year. That is less than half the median income in Portland. In 2022, the Maine Center for Economic Policy published an analysis of the likely impacts of an increase to the minimum wage in Portland to \$18 an hour by 2025. It found that 17,800 private sector workers would be positively impacted and 4,800 would be indirectly impacted as employers voluntarily raise wages to remain competitive with the new minimum wage. Two thirds of those workers were estimated to be women. Additionally, 39 percent of Latinx workers, 56 percent of Black workers, 51 percent of Asian workers, and 51 percent of Indigenous workers in Portland were projected to see wage increases. It also found that three quarters of workers with less than a high school education would see a wage increase, as well as almost half of those with some college credits but no degree. Raising the minimum wage to \$20 an hour by 2028, will likely extend the impacts to our lowest income workers.

Raising the minimum wage puts more money in the pockets of those who need it most, and it's also one of the most effective tools we have at our disposal for confronting and reversing the affordable housing crisis. Right now, almost half of Portland renters are housing cost burdened, which means they pay over 30% of their income just to avoid homelessness. (See page 87 of the Maine Housing Data Portal Report, “Housing Needs Assessment – Portland

City”). The overwhelming majority of workers making under \$20 an hour in Portland are renters. Raising the minimum wage and eliminating the subminimum wage will make housing more affordable for tens of thousands of people.

Why eliminate the sub-minimum wage for service workers in Portland?

The wages of tipped workers typically fall in the bottom quartile of all U.S. wage earners, even after accounting for tips. Tipped workers are more likely to live in poverty and rely on public benefits than non-tipped workers, and the subminimum wage exacerbates the economic impacts of racism by contributing to a larger poverty gap between white service workers and service workers of color. Women, who make up 70% of tipped labor in Portland, frequently report being sexually harassed, often by the very same customers whose tips they depend on for income. In 2020, Maine eliminated the subminimum wage for disabled workers, but tipped workers still suffer under this inequitable law. It’s time that Portland leads the way in demanding one fair minimum wage for all workers.

In 2022, the Maine Center for Economic Policy published an analysis of the likely impacts of phasing out the tipped minimum wage by 2025. It estimated that eliminating the sub-minimum wage for service employees would positively impact 1500 workers in Portland.

Further, the report noted that “customers in states without a tipped minimum wage still leave tips at similar frequencies and amounts to those in other states. As a result, workers earning the full minimum wage plus tips are better off than those earning a lower minimum wage plus tips.”

Additional studies show that paying tipped workers the regular minimum wage has had no discernible effect on leisure and hospitality employment growth in the states where tipped workers receive the full regular minimum wage. Studies show that sector growth in these states has been stronger since 1995 than in the states where tipped workers are paid a subminimum wage.

If passed by voters, An Act to Eliminate the Sub-Minimum Wage will ensure that tipped workers receive the full minimum wage that all workers receive, plus tips, by 2034. To address concerns raised in the MCEP report, the phase-in schedule was changed from the 2022 citizen initiated ballot question, to be more gradual, occurring over a ten year period, rather than five.

Attachments: Housing Needs Assessment - Portland City; Portland 2022 Minimum Wage Initiative Analysis James Myall, Economic Policy Analyst, MECP

Analysis of Proposed Minimum Wage Increases for the City of Portland

James Myall, Senior Policy Analyst

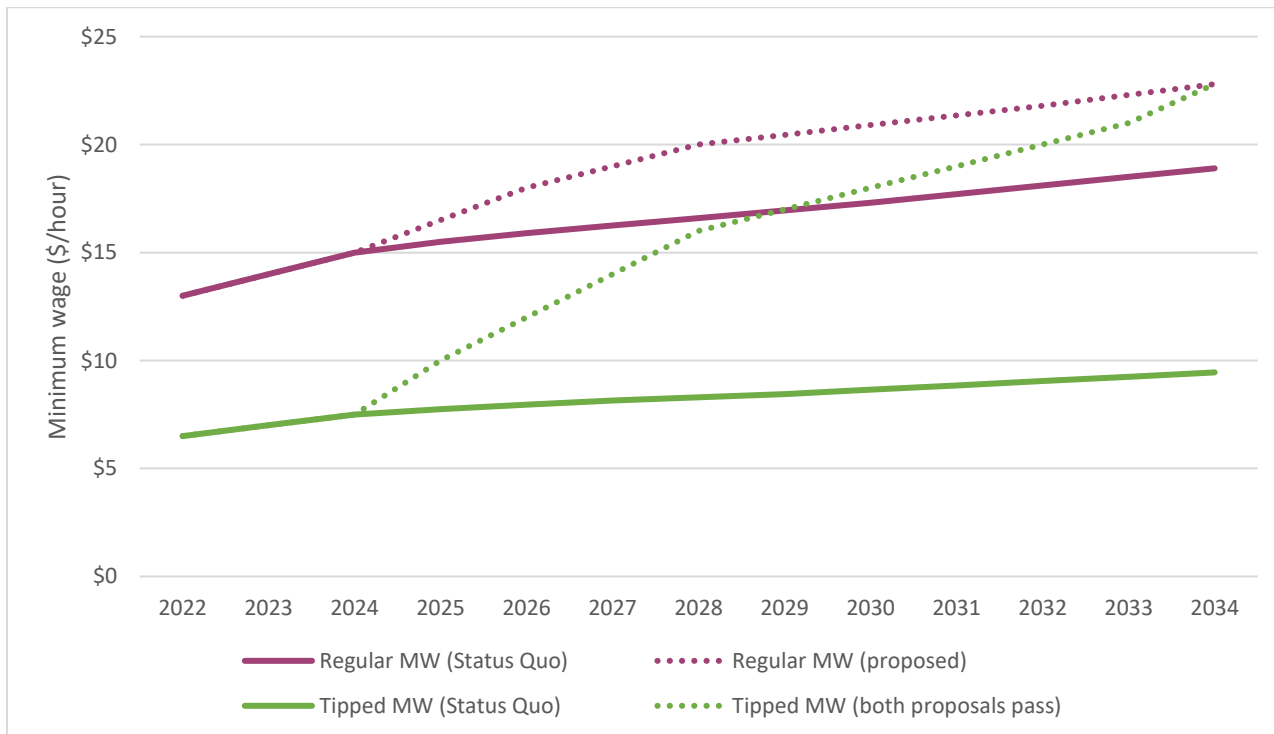
August 12, 2024

Dear Councilors,

Please find below analysis from the Maine Center for Economic Policy no two ordinances which we understand to be under consideration by the council. If you have any questions, please do not hesitate to contact me at jmyall@mecep.org

Of the two proposals currently under consideration, one would increase the regular minimum wage in increments from the current rate of \$15 per hour to \$20 per hour by 2028, and continue indexing it to inflation thereafter (as is current practice). The second, separate, proposal would gradually phase out the tip credit provided to employers of workers who receive a substantial amount of their compensation in tips. Under Portland's current tip credit, an employer may pay an employee half the regular minimum wage as long as the employee's tips "top up" their earnings to at least the regular minimum wage. The proposal would phase out the credit so that base wage paid by employers of tipped employees increases each year until it equals the full minimum wage. MECEP's analysis suggests that if both ordinances passed, the tipped wage would equal the full minimum wage in 2034.

Figure 1: Proposed minimum wage schedules



MECEP analysis of proposed ordinance language. Future increases indexed to inflation are estimated using the Consumer Price Index projections in the Congressional Budget Office's economic forecast of June 2024.¹

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Maulian Bryant

Lucy Van Hook, Vice-Chair
Jessica Maurer

Ben Chin, Secretary
Stacy Mitchell

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Feasibility of the Proposed Minimum Wage Levels

Economists often judge the impact of a minimum wage on the local economy by the relationship of the minimum wage to the median wage for a full-time, year-round employee, particularly to determine whether a proposal will cause negative effects like increased unemployment. This ratio is sometimes known as the Kaitz Ratio. MECEP estimates that the current median hourly wage for a full-time, year-round employee in Portland is \$28.71 per hour. The current minimum wage of \$15 per hour is therefore equivalent to 52% of that. By 2028, MECEP projects the median wage for full-time, year-round employees in the city will have risen to \$32.76, which means that the proposed minimum wage of \$20 per hour would be equivalent to 61% of the median.

This is an appropriate level at which to set a new minimum wage. Most economists agree that a minimum wage at less than 60% of the median wage will produce no significant employment losses, and some recent studies have found that there may be no ill effects as high as 80% of the median wage.²

There is less recent research on the impact of changing the tipped minimum wage – partly because so few jurisdictions have changed their tipped minimum wage schedule in the last few decades (Chicago and DC have begun the process of phasing out their tipped minimum wage in 2024). However, the evidence from the seven states without a separate tipped minimum wage suggests that both the hospitality industry and hospitality workers can thrive with a higher minimum wage. Workers in those states earn higher post-tip wages, fueled by customers' willingness to continue to leave tips even when workers are earning a higher base wage. Meanwhile, these states maintain robust hospitality and tourism industries.³

Impact of the proposed minimum wage increases

MECEP estimates that by 2028, the increase of the standard minimum wage from \$15 to \$20 per hour will increase the wages of over 18,000 workers, or just over one in four people employed in Portland (27%). This includes 11,000 directly-impacted workers, who would otherwise be earning less than \$20 per hour without the proposed ordinance. It also includes 7,000 workers who would otherwise be earning between \$20 and \$23 per hour, whose wages will increase to keep them above the new minimum wage, as their employers remain competitive.

This will result in an additional \$60.4 million in wages paid annually to these employees, with the average impacted worker receiving \$3,300 per year.

The minimum wage increase would help close the gap between the lowest-paid employees and everyone else, and would reduce the gender and racial inequalities caused by systemic and individual discrimination, as well as long-standing social expectations. MECEP estimates that while 23% of men working in Portland will benefit from the minimum wage increase, the same is true of 32% of women. Similarly, while 27% of white, non-Hispanic workers in Portland would see a wage increase, the same is true of 31% of people of color working in Portland. (Due to the small sample size of the available data, MECEP did not estimate impacts for individual racial groups, but other research suggests that the impact would be particularly large on Black and Latino workers).

Younger workers and (to a lesser extent) older workers are more likely to be working in low-paid jobs, and therefore benefit more from a minimum wage increase. MECEP estimates that 47% of workers under 20 and 55% of workers aged between 20 and 24 will see an increase from the higher minimum wage, as will 25% of those aged 65 and older. By contrast, only 18% of those aged 45-54 (often considered "prime earning years") would be impacted by the minimum wage increase. It is worth noting, however, that while younger workers disproportionately benefit, workers under 20 still represent only 7.5% of all impacted workers.

While some critics of minimum wage increases suggest that younger workers are more likely to face unemployment as a result of increasing the minimum wage above their perceived productivity levels, recent evidence in Maine suggests this is not the case. Between 2016 and 2024, Maine's minimum wage has increased from \$7.50 per hour to \$14.15 per hour, and the share of teenagers working who are employed is at its highest level in years. Doubtless a strong labor market has helped employers put more value on the work of younger Mainers, and it will continue to do so in the years ahead.

MECEP estimates that workers with fewer years of formal education are also the most likely to see increased wages under the ordinance. Almost half of workers without a high school diploma or equivalent would see a wage increase, as would 38% of those with only a high school qualification.

The Census Bureau classifies workers in two ways – by *occupation* (the kind of work they do) and by *industry* (the place they work). The occupations which would benefit most from a minimum wage increase would be food service occupations (where 73% of workers are impacted), workers providing personal services (51%), health care support workers (50%), cleaners (48%), and transportation workers (43%).

The industries with the most impacted workers include hospitality and entertainment (55% of workers are impacted), social services (46%), and retail (43%).

MECEP estimates around 1,500 workers in Portland are tipped workers (2% of the total employee workforce). Women are approximately four times as likely to be tipped workers as men. In contrast to some other jurisdictions, people of color are less likely to be tipped workers in Portland than white-non-Hispanic Portlanders. Tipped workers are primarily concentrated in the restaurant industry (which accounts for 75% of tipped workers in Portland). Around two thirds of tipped workers (67%) are waiters and waitresses while a significant portion are bartenders (14%) or hair stylists (11%). Increasing the regular minimum wage would increase tipped workers incomes by \$3.7 million per year by 2028. The average impacted worker would receive an additional \$1,300 per year. Phasing out the tipped minimum wage entirely would increase their wages by \$22 million per year by 2034, an average increase in earnings of \$14,700 per year.

Other impacts

The increase in workers' wages would have multiplier effects in the local economy. Research shows that low wage workers are more likely to spend their money locally – at grocery stores, on services like haircuts and on rent. These dollars flow back into the local economy and create more economic growth. (By contrast, the profits that will be reduced through minimum wage increases are more likely to be spent on travel out of state, investments in the international stock market, and assets like real estate). Minimum wage increases can therefore benefit local economies like Portland's. This can help many of the same businesses impacted by the increased payroll costs, and reduce the need to increase prices.⁴

Restaurants are often thought of as particularly impacted by minimum wage increases, since their labor costs are unusually high. Several studies have tried to examine the impact of minimum wage increases on this sector in particular. One large study using data from nearly every McDonald's location in the US found that while minimum wage increases were largely passed on to customers, McDonald's workers were still better off even after accounting for the price increases. The same study also found that McDonald's adopted touch screen technology at the same rate even in places with no minimum wage increases.⁵ Another study which looked at the impact of local minimum wage increases in California cities found that a 25% increase in the minimum wage (as Portland is considering) resulted in an average increase in restaurant prices of 1.45% (the largest increase was 2.45% among chain restaurants and the increases averaged 1.0% among full-service restaurants).⁶ Other research has found that while minimum wage increases can lead to poorly-reviewed restaurants closing, it has no impact on restaurants with loyal customer bases.⁷

While some people express concern that small businesses may be more impacted by minimum wage increases, recent research suggests that workers at smaller businesses benefit from greater wage increases without any significant increase in layoffs as a result of minimum wage increases.⁸ Moreover, the impact of minimum wage increases on the profit margins of all businesses is lower than might be expected because higher minimum wages generally lead to higher employee morale and lower turnover.

Research also shows spillover benefits from higher incomes for low-wage workers. The share of people living in poverty decreases,⁹ and it is also likely that an increased minimum wage will reduce costs for state and local safety net programs, though MECEP does not have enough data to produce a precise estimate for this in the case of Portland.

The tipped minimum wage currently creates a unique set of problems. Workers in this industry are more likely to suffer from wage theft, because some employers do not check to see if their tips actually make up the difference to the minimum wage, and for low-wage workers dependent on their job for survival, complaining about wage theft can be extremely risky.¹⁰ Similarly, because workers are directly dependent on customers for their wages, the tipped minimum wage permits discrimination that would be illegal from an employer. Customers are able to tip more based on a server's gender,¹¹ race,¹² and perceived attractiveness¹³ – and evidence shows that they frequently do. As a result, older workers and people of color in tipped industries earn significantly less. Reliance on tips also forces workers to tolerate behavior in customers (and sometimes their employers) that should be unacceptable. Levels of harassment in the restaurant industry are unusually high for this reason.¹⁴ Phasing out the tipped minimum wage would go a long way to eliminating these problems in the hospitality industry.

Table 1: Selected Impacts of Increasing the Regular Minimum Wage to \$20/hour by 2028

Workforce	Number	Directly impacted	Indirectly impacted	Total impacted
All employees	67,000	16%	11%	27%
Men	34,000	14%	9%	23%
Women	33,000	19%	13%	32%
White, non-Hispanic	60,000	16%	11%	27%
People of Color	6,900	22%	9%	31%
16-19 year-olds	2,900	34%	14%	47%
20-24	6,500	37%	19%	55%
25-34	15,000	18%	14%	32%
35-44	13,000	11%	9%	20%
45-54	13,000	10%	8%	18%
55-64	12,000	12%	9%	20%
65+	4,200	14%	11%	25%
No high school qualification	3,100	34%	13%	47%
High school only	28,000	22%	16%	38%
Associate's degree	7,000	14%	11%	25%
Bachelor's degree	19,000	11%	8%	18%
Master's degree or higher	9,200	4%	3%	8%
Food prep workers	3,900	43%	31%	73%
Personal service workers	1,400	29%	22%	51%
Health care support workers	2,200	30%	21%	50%
Cleaning staff	1,500	33%	15%	48%
Transportation workers	4,200	30%	13%	43%
Sales workers	6,200	24%	12%	36%
Office workers	7,900	19%	14%	33%
Construction workers	2,900	15%	18%	33%
Education workers	4,600	17%	9%	26%
Entertainment workers	1,100	14%	10%	24%
Community and Social Workers	1,300	8%	12%	20%
Production workers	2,700	15%	9%	24%
Protection workers	1,200	11%	6%	17%
Repair workers	3,200	7%	8%	15%
Computer workers	2,000	3%	9%	12%

Medical professionals	5,200	6%	6%	11%
Managers	7,500	5%	4%	9%
Business workers	3,200	3%	6%	8%
Engineers	1,700	2%	2%	4%
Financial workers	1,400	2%	2%	4%
Hospitality industry	5,900	34%	20%	55%
Social and community agencies	1,700	31%	15%	46%
Retail	8,500	30%	14%	43%
Personal services	2,400	16%	16%	32%
Transportation	2,100	18%	12%	30%
Construction	3,600	13%	14%	27%
Education	6,800	16%	10%	26%
Information	1,400	16%	8%	24%
Medicine	9,700	12%	10%	22%
Wholesale	1,400	14%	6%	20%
Professional services	6,400	10%	9%	18%
Manufacturing	7,800	7%	8%	15%
Finance	5,800	7%	7%	15%
Administration	2,400	5%	5%	10%

Table 2: Selected Characteristics of Tipped Workers in Portland

Workforce	Total	Share of Workers who are Tipped
Total	67,000	2.2%
Men	34,000	0.9%
Women	33,000	3.6%
White, non-Hispanic	60,000	2.3%
People of Color	7,000	1.5%

Table 3: Selected Characteristics of Tipped Workers in Portland

	Share of the tipped workforce
Waiters and Waitresses	67%
Bartenders	14%
Hairdressers and stylists	11%
All other occupations	9%
Restaurants	75%
Other hospitality	8%
Beauty shops and nail salons	10%
All other industries	7%

Methodology

To estimate the impacts of each minimum wage proposal, MECEP began with data from the US Census Bureau's American Community Survey data for 2018-2022. The ACS includes data on an individual's place of work, and for this analysis, individuals working within the Public Use Microdata Areas covering the greater Portland area were included. This area covers a much larger area than Portland proper, so the total number of impacted employees was adjusted downwards using the total number of employees within the city according to the Maine Department of Labor's Quarterly Census of Employment and Wages. The analysis only included people working as employees; those who are self employed were excluded.

Hourly wages for each worker were calculated by taking the individual's total earnings from employment by the number of weeks worked in the survey year and the usual number of hours worked each week. In 2018, the question for the number of weeks worked included answers with a range of weeks (e.g. 50 to 52 weeks, or 14 to 26 weeks). For individuals surveyed in this year, the number of weeks worked were estimated using the midpoint of each range.

To adjust hourly wages from the 2022 to their current 2024 levels, most calculated hourly wages were increased by the estimated rate of inflation between 2022 and 2024 (7.3%); for workers earning at or below the tipped minimum wage, wages were increased by the increase in Portland's tipped minimum wage (\$1 per hour); for those earning above the tipped minimum wage but below the minimum wage, wages were increased by the increase in Portland's regular minimum wage over that period (\$2 per hour). Future hourly wage increases through 2034 were assumed to be at the rate of inflation estimated by the Congressional Budget Office (3.4% per year).

For non-tipped workers, impacted workers are those who earned between 80% the regular minimum wage in 2022 and 100% of the new minimum wage in 2028. This excludes workers reporting very low wages who are likely to either be mis-reporting or victims of wage theft. In either case they are unlikely to be able to benefit from the proposed increase. Indirectly-impacted workers are those earning above the minimum wage in 2022 and less than 115% of the new minimum wage in 2028. For tipped workers, all those earning below the minimum wage in 2022 are considered to be directly impacted, while the remaining tipped workers are all considered indirectly impacted. To calculate the total wage increase by 2028, non-tipped workers are assigned a wage increase equal to the larger of (1) the difference between their projected wage in 2028 and 115% of the new minimum wage and (2) the difference between the old and new minimum wages. Tipped workers' wage increases are assumed to be the difference in the tipped minimum wage.

This methodology is an adaptation of the model developed by the Economic Policy Institute.¹⁵

Notes

¹ Congressional Budget Office Economic Data, June 2024. <https://www.cbo.gov/data/budget-economic-data>

² Arindrajit Dube and Attila Lindner, "City Limits: What Do Local-Area Minimum Wages Do?" *Journal of Economic Perspectives*—Volume 35, Number 1—Winter 2021—Pages 27–50 <https://pubs.aeaweb.org/doi/pdfplus/10.1257/jep.35.1.27>

³ James Myall, "A Higher Minimum Wage is Good for Tipped Workers," *Maine Center for Economic Policy*, Apr 4, 2017. <https://www.mecep.org/blog/a-higher-minimum-wage-is-good-for-tipped-workers/>

⁴ Ben Zipperer, "Turnover, prices, and reallocation: Why minimum wages raise the incomes of low-wage workers." *Economic Policy Institute*, Jan 9, 2023. <https://www.epi.org/unequalpower/publications/turnover-prices-and-reallocation-why-minimum-wages-raise-the-incomes-of-low-wage-workers/>

⁵ Orley C. Ashenfelter and Štěpán Jurajda, "Wages, Minimum Wages, and Price Pass-Through: The Case of McDonald's Restaurants." *NBER Working Paper 28506*. Feb 2021 <https://www.nber.org/papers/w28506>

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- ⁶ Sylvia Allegretto and Michael Reich, "Are Local Minimum Wages Absorbed by Price Increases? Estimates from Internet-based Restaurant Menus". *IRLE Working Paper* No. 124-15. <http://www.irlle.berkeley.edu/files/2015/Are-Local-Minimum-Wages-Absorbed-by-Price-Increases.pdf>
- ⁷ Dara Lee Luca and Michael Luca, "Survival of the Fittest: The Impact of the Minimum Wage on Firm Exit." *Harvard Business School Working Paper* 17-088. https://www.hbs.edu/ris/Publication%20Files/17-088_9f5c63e3-fcb7-4144-b9cf-74bf594cc308.pdf
- ⁸ Jesse Wursten and Michael Reich, "Small Businesses and the Minimum Wage." *Institute for Research on Labor and Employment*, Working Paper 102-23, March 2023. <https://irlle.berkeley.edu/wp-content/uploads/2023/03/Small-Businesses-and-the-Minimum-Wage-3-14-23.pdf>
- ⁹ James Myall, "MECEP Policy Brief: Minimum wage increase brought higher wages, reduced child poverty in 2017," *Maine Center for Economic Policy*, Sept 24, 2018. <https://www.mecep.org/jobs-and-income/mecep-policy-brief-minimum-wage-increase-brought-higher-wages-reduced-child-poverty-in-2017/>
- ¹⁰ David Cooper and Teresa Kroeger, "Employers steal billions from workers' paychecks each year," *Economic Policy Institute*, May 10, 2017. <https://www.epi.org/publication/employers-steal-billions-from-workers-paychecks-each-year/>
- ¹¹ Drew McGraw, "Unequally Gracious: Gender Discrimination In Restaurant Tipping," *Render* June 20 2014. <http://www.renderfoodmag.com/blog/2014/6/18/unequally-gracious-gender-discrimination-in-restaurant-tipping>
- ¹² Michael Lynn et al., "Consumer Racial Discrimination in Tipping: A Replication and Extension," 2008. <https://www.wagehourlitigation.com/wp-content/uploads/sites/215/2015/10/cornell.pdf>
- ¹³ Tom Jacobs, "Attractive Servers Get Bigger Tips," *Pacific Standard*, Jun 14, 2017. <https://psmag.com/economics/attractive-servers-get-bigger-tips>
- ¹⁴ Restaurant Opportunities Center United, "Take Us Off the Menu: The Impact of Sexual Harassment in the Restaurant Industry," May 2018. <https://rocunited.org/wp-content/uploads/sites/7/2020/02/TakeUsOffTheMenuReport.pdf> and Becky Sullivan, "Tips And 'Service With A Smile' Rules Fuel Sex Harassment In Restaurants, Study Says," *National Public Radio*, July 22, 2021. <https://www.npr.org/2021/07/22/1019017172/tips-and-service-with-a-smile-drive-sexual-harassment-in-restaurants-study-find>
- ¹⁵ David Cooper et al., Minimum Wage Simulation Model technical methodology, Feb 26, 2019 <https://www.epi.org/publication/minimum-wage-simulation-model-technical-methodology/>



From: Brendan T. O'Connell - Finance Director
To: Portland City Council
CC: Danielle P. West, City Manager
Date: August 12, 2024
Re: Fiscal Impact of Proposed \$20 Minimum Wage

Executive Summary: This memo is intended to illustrate the fiscal impact of the increase to a \$20 minimum wage on the City of Portland as proposed in Order 25-24/25. The overall City mill rate is split into three portions, City General Fund (currently \$6.34), Cumberland County Tax (\$0.62) and Portland Public Schools (currently \$7.45), for a combined FY24 overall mill rate of \$14.41. This memo covers the impact to the City portion of the mill rate only (the \$6.34, or approximately 44% of the overall mill rate) as City staff do not have access to detailed Cumberland County or Portland Public Schools salary data.

In addition to the direct cost of increased wages for municipal workers currently earning under \$16.50 - \$20 per hour (impacts vary by year based on the proposal) there will also be impacts to wages for City workers currently earning just above those thresholds. The direct impact is a simple calculation based on current vs proposed wages. The indirect impact requires some assumptions which are outlined in the Additional Information and Calculation Assumptions portion of this memo. There will also be an impact on costs of labor for the City of Portland budget related to external contractors subject to the new proposal that is not included here.

A summary of the total estimated fiscal impact in each of the budget years impacted by the proposal is included below. The estimated increase to just the municipal portion of the mill rate is 77 cents, increasing it from \$6.34 for FY24 to \$7.11 by 2028 (a 12.1% tax rate increase on the municipal portion of the mill rate). A brief analysis and the assumptions used in the fiscal impact calculations are included in the body of the memo. If a more detailed analysis or different assumptions are desired by the City Council, I recommend additional Finance Committee review. Typically a proposal of this magnitude with such a significant City budget and overall financial impact would warrant a detailed review performed by the City's Finance Committee, complete with multiple meetings and opportunities for public comment.

FISCAL IMPACT NOTE	2025		2026		2027		2028	
	City Rate	City / Sch Combined Rate	City Rate	City / Sch Combined Rate	City Rate	City / Sch Combined Rate	City Rate	City / Sch Combined Rate
New Program Cost Data:								
Example:								
ADD: NEW ITEM ANNUAL EXPENDITURES		\$3,440,543		\$6,881,087		\$9,174,782		\$11,468,478
LESS: TOTAL NEW ITEM ANNUAL REVENUES		\$0		\$0		\$0		\$0
=NEW ITEM NET TAX RATE IMPACT PROJECTION	\$3,440,543	\$3,440,543	\$6,881,087	\$6,881,087	\$9,174,782	\$9,174,782	\$11,468,478	\$11,468,478
New Program Impact to the Tax Rate	\$0.2312	\$0.2312	\$0.4625	\$0.4625	\$0.6166	\$0.6166	\$0.7708	\$0.7708
New Program % Impact on Tax Rate	3.6472%	1.6047%	7.2945%	3.2094%	9.7260%	4.2792%	12.1575%	5.3489%
Tax Rate Including New Program	\$14.64	\$14.64	\$14.87	\$14.87	\$15.03	\$15.03	\$15.18	\$15.18

Additional Information and Calculation Assumptions:

For those who have not had the chance to see the proposal, it includes a new minimum wage of \$16.50 per hour effective 1/1/25, a new minimum wage of \$18.00 per hour effective 1/1/26, a new minimum wage of \$19.00 per hour effective 1/1/27, and a new minimum wage of \$20.00 per hour effective 1/1/28. Please note, this memo only calculates the fiscal impacts through the end of 2028, at which point future increases would be indexed to inflation as measured by the Consumer Price Index for All Urban Consumers. Please also note, the City does not have any tipped workers / employees who may fall into categories of special categories of minimum wage.

The City has several categories of employees including full time, part time, temporary and seasonal. Including all categories, the City issued over 2000 W2's in 2024. The City has just over 600 employees earning between \$15 and \$20 per hour, primarily part time, seasonal and temporary employees. The City also has 368 employees in the \$20 - \$25 per hour wage bands, 377 employees in the \$25 - \$30 per hour wage bands, and 691 employees currently in the \$30+ per hour wage bands.

For employees in the \$15 - \$20 per hour wage bands, we have calculated the direct fiscal impacts of increases as proposed by year by comparing current hourly wages vs those in the proposal. When compared to the current minimum wage, there is a \$1.50 increase in 2025, another \$1.50 increase in 2026, and a \$1 increase in 2027 with an additional \$1 increase in 2028 - a total of a \$5 increase from the current minimum wage over the four year phase in (33%).

The City and our City labor unions have various job categories and classifications ("job grades") based on employee duties and skill levels required. These jobs are categories in our pay scale based on job grade. For employees in the \$20 - 25 per hour and \$25 - \$30 per hour bands we have assumed identical dollar amount increases in each calendar year vs minimum wage (\$1.50, \$1.50, \$1.00 and \$1.00 for 2025 through 2028 respectively) to maintain spacing between the various job grades for different skill level positions (so supervisors do not begin to make less than the employees they supervise, etc). For those employees making above \$30 per hour we have only assumed 1/2 of the dollar increases per calendar year (\$0.75, \$0.75, \$0.50 and \$0.50 for 2024 through 2028 respectively) - so there will be additional wage compression and a smaller difference between different job grades / different skill level positions.

In total for 2025, the estimated fiscal impact to wages is expected to result in an additional cost of \$3.4M. For 2026, that estimated impact rises to an additional \$6.8M. For 2027, the estimated impact rises to \$9.2M, and for 2028 the cost rises to \$11.5M. These cost increases are for the City / municipal portion of the mill rate alone, and trigger an increase by year of 23 cents for 2025, 46 cents for 2026, 62 cents for 2027 and 77 cents for 2028 (cumulative). This is a 12.1% increase from the current mill rate. Please note, these figures do NOT include potential cost increases for Cumberland County and the Portland Public Schools - the cost of those services to City taxpayers will also rise and trigger further increases to the overall tax rate.

It is worth noting that taxes for FY25 are in the process of being committed based on a budget City Council passed in June 2025, prior to the existence of this agenda item/proposal. I am unsure of how the City could fund the first six months of cost increases under this proposal if it were to pass (1/1/25 through 6/30/25) since the FY25 budget has already been approved and a tax levy was set based on estimated wages for FY25 prior to this proposal. Based on this costing, the City/municipal side of the budget could face a shortfall and it may be necessary for City Council to make a supplemental/emergency funding appropriation shortly after a new City Council is seated.

Testimony re: Re: Order 25-24/25 (Increase Portland's minimum wage)

Colin Vettier <colin.vettier@gmail.com>

Sat, Aug 17, 4:00 PM (2 days ago)

to council, publiccomment

Testimony of Colin Vettier

Re: Order 25-24/25 Setting Election Date on an Amendment to Chapter 33 of the Portland City Code RE: an Act to Increase Portland's Minimum Wage

Before the City Council August 19th, 2024

Dear Mayor Dion and honored members of the City Council, thank you for the opportunity to provide testimony regarding Order 25-24/25. My name is Colin Vettier, I immigrated to the US about 8 years ago. Now a citizen, I have resided in Portland for the past 3 years. As a Portland resident I fully support the proposed increase to the city's minimum wage.

It is a necessity for Portland to increase the minimum wage from \$15 an hour to \$20. Most workers in Portland cannot afford living in the city and are forced to commute long ways in order to serve our community. We have seen last year, through an appealing campaign flooded with out of state money, that low wages only serve silicon valley tech companies.

The Maine Center for Economic Policy estimates that raising the minimum wage to \$20 per hour will increase the wages of 27% of people employed in Portland and pay over \$60 million in additional wages each year. This would allow our community to close the gap between the lowest-paid employees and everyone else, reducing gender and racial inequalities.

I could go on and on about why we need to increase the minimum wage (the median wage doesn't allow to rent or access to homeownership, restaurants are closing because they can't find anyone wanting to work for low wages, the cost of life is increasing but not our salaries, etc.). It is time Portland Maine leads the nation and actually shows that it cares about the workers that make the fabric of our community.

Kindly,
Colin VETTIER



August 18, 2024

Re: Order 25 – 24/25. Order 26 – 24/25 and Order 35 – 24/25

Good evening, members of the Portland City Council. I am sorry I could not be here in person to speak.

My name is Mary Allen Lindemann. I am a business owner in Portland and a resident in District 5. I am the owner and co-founder of Coffee By Design, which has been part of this community since 1994. My business is built on the principles of ethical practices, philanthropy, and progressive values, including the belief that every worker deserves a livable wage.

Let me start by acknowledging the importance of addressing wage disparities and the urgent need for affordable housing. Coffee By Design has employees who commute an hour or more each way just to work in this city. This isn't sustainable. However, the proposed increase of the minimum wage to \$20 an hour is not the solution.

This dramatic increase, while well-intentioned, would place an enormous strain on small businesses like mine. A \$20 minimum wage would increase our labor costs significantly, making it challenging to maintain our current staffing levels or hire new employees. It would also negatively impact the benefits we offer which include health insurance, employee assistance plan and 401k.

Additionally, this proposal could discourage new businesses from opening in Portland and is likely to push existing businesses to relocate to surrounding towns or, worse, close their doors. The ripple effect would be devastating to the local economy.

Furthermore, I want to express my support for the proposal to separate Portland from the state when emergency wage laws go into effect due to situations outside of Portland. I also strongly oppose the elimination of the tip credit, as it would further complicate the financial stability of many businesses.

The reality is that the issues we're trying to address—affordable housing, cost of living, and income inequality—are national problems that require comprehensive solutions. Raising the minimum wage to \$20 per hour in a single community might seem like a step forward, but it doesn't address the root causes of these issues. Instead, it risks causing more harm than good to the very people and businesses it aims to help.

I urge the Council to consider a more balanced approach that recognizes the unique challenges faced by small businesses in this community. Hopefully, we can work toward solutions that benefit everyone without causing unintended damage.

Thank you for your time and consideration.

A handwritten signature in black ink, appearing to read 'Mary', followed by a long, horizontal, slightly wavy line that tapers off to the right.

Mary Allen Lindemann
Owner & Co-Founder
Coffee By Design
1 Diamond Street
Portland, Maine 04101

Residence:
9 Richardson Street
Portland, Maine 04103

Fred McCann

(207) 209-3413 fred@fredmccann.com 244 Danforth Street, Apt 1 Portland, Maine 04102

Testimony of Fred McCann regarding
Order 25-24/25 Setting Election Date on an Amendment to Chapter 33 of the Portland City Code RE: an Act to
Increase Portland's Minimum Wage

Before the City Council
August 19th, 2024

Mayor Dion and members of the City Council, I appreciate the opportunity to provide testimony regarding Order 25-24/25. My name is Fred McCann. I've resided in Portland for the past thirteen years and I'm currently serving as Vice President on the Portland Water District Board of Trustees. As both a Portland resident and a landlord, I fully support the proposed increase to the city's minimum wage.

An Act to Increase Portland's Minimum Wage would increase the regular minimum wage in increments from the current rate of \$15 per hour to \$20 per hour by 2028, and continue indexing it to inflation thereafter. This is a necessary step for Portland to take to ensure that all of its workers, including those who are most vulnerable, can afford to live and thrive in our city.

The economic benefits of raising the minimum wage are clear. Maine Center for Economic Policy estimates that raising the minimum wage to \$20 per hour will increase the wages of 27% of people employed in Portland and pay over \$60 million in additional wages each year. This would help close the gap between the lowest-paid employees and everyone else, and would reduce the gender and racial inequalities caused by individual and systemic discrimination.

Moreover, the increase in workers' wages would have multiplier effects in the local economy. Research shows that low wage workers are more likely to spend their money on locally produced goods and services and on rent. These dollars flow back into the local economy and create more economic growth. This, in addition to higher employee morale and lower turnover, can help many of the businesses impacted by increased payroll costs mitigate the impulse to layoff workers or increase prices.

The overwhelming majority of workers making under \$20 an hour in Portland are renters. Raising the minimum wage will make housing more affordable for tens of thousands of people. Right now, almost half of Portland renters pay over thirty percent of their income just to avoid homelessness. Increased wages are good for both renters and landlords alike as it ensures that people who work in the city can afford to live in the city, strengthening our community as a whole.

In conclusion, raising the minimum wage to \$20 an hour is a common sense and compassionate policy that will benefit everyone in our community. I urge you to approve this measure and allow Portland voters the opportunity to make their voices heard. Thank you.

Sincerely,

A handwritten signature in dark ink, appearing to read 'Fred McCann', with a stylized, flowing script.

Fred McCann

MEMORANDUM
City Council Agenda Item

FROM:

DATE: July 10, 2024

SUBJECT: Order 26-24/25 Setting Election Date on an Amendment to Chapter 33 of the Portland City Code RE: an Act to Eliminate Portland's Sub-Minimum Wage for Service Employees - Sponsored by Councilor Victoria Pelletier, Councilor Anna Trevorrow, Councilor Kate Sykes

SPONSOR: Councilor Anna Trevorrow, Councilor Kate Sykes, Councilor Victoria Pelletier
(If sponsored by a Council committee, include the date the committee met and the results of the vote.)

COUNCIL MEETING DATE ACTION IS REQUESTED:

1st Reading 7/15/2024

Final

Action 8/19/2024

Can action be taken at a later date: No If action cannot be taken at a later date, please explain why. Do NOT write yes or no; that will be automatically generated by the checkbox.

Does this item involve a new contract with the City: No

PRESENTATION: Councilors Trevorrow and Sykes /3 Minutes

I. SUMMARY

If passed by the Council, this referendum question will appear on the November 5, 2024 ballot and will be made effective January 1, 2025.

II. AGENDA DESCRIPTION

The minimum wage in Portland was raised by citizen referendum in 2020. The subminimum (tipped wage) was increased as a result. Amendments made by citizen referendum cannot be amended for 5 years, except by referendum.

This item must be read on two separate days. It received its first reading on July 15. Five affirmative votes are required for passage after public comment.

III. BACKGROUND

The question of eliminating the sub minimum wage in Portland was put to voters by citizen referendum in 2022, paired with a question to increase in the minimum wage. If passed by voters, An Act to Eliminate the Sub-Minimum Wage will ensure that tipped workers receive the full minimum wage that all workers receive, plus tips, by 2034. In 2020, Maine eliminated the subminimum wage for disabled workers, but tipped workers still suffer under this inequitable law. The wages of tipped workers typically fall in the bottom quartile of all U.S. wage earners, even after accounting for tips. Over 66% of tipped workers are women. Over one in four tipped workers are over the age of 40. Tipped workers are more likely to live in poverty and rely on public benefits than non-tipped workers. Paying tipped workers the regular minimum wage has had no discernable effect on leisure and hospitality employment growth in the states where tipped workers receive the full regular minimum wage. Studies show that sector growth in these states has been stronger since 1995 than in the states where tipped workers are paid a subminimum wage.

IV. INTENDED RESULT AND/OR COUNCIL GOAL ADDRESSED

The intended result is for Portland City Council to place this question before voters on November 5, 2024. Eliminating the sub-minimum wage in Portland will advance the equity goals of the Council by eliminating a

wage that has its roots in the slavery and the underpayment of Black workers in the Jim Crow era. Raising the tipped wage will help alleviate poverty, grow the local economy, and advance economic justice.

V. FINANCIAL IMPACT

Please indicate whether or not there is a financial impact. Please note that per Council Rule 12, this form must have "a separate fiscal impact statement memo attached if the impact of the item is \$50,000 or more in a given fiscal year. This memo shall include details and information describing the fiscal impact including, but not limited to, projected costs, revenues or savings over a three (3) year period and/or any potential impacts on the City tax levy."

VI. STAFF ANALYSIS AND BACKGROUND

Staff Analysis that will not appear in the Agenda Description.

VII. RECOMMENDATION

VIII. LIST ATTACHMENTS

1. Order 26 - Ch 33 Amending Tip Credit
2. Portland-2022-Minimum-Wage-Initiative-analysis
3. Housing Needs Assessment - Portland City
4. Memo Min Wage_Sub Min Wage
5. Portland Minimum Wage 2024 revised
6. 08.19.24 Order 26 Public Comment

Prepared by:

Date: 07/10/2024

MARK DION (MAYOR)
PIOUS ALI (A/L)
APRIL D. FOURNIER(A/L)
ROBERTO RODRÍGUEZ (A/L)

CITY OF PORTLAND
IN THE CITY COUNCIL

ANNA TREVORROW (1)
VICTORIA L. PELLETIER (2)
REGINA L. PHILLIPS (3)
ANNA BULLETT (4)
KATE SYKES (5)

**ORDER SETTING ELECTION DATE ON AN AMENDMENT TO CHAPTER 33
OF THE PORTLAND CITY CODE
RE: AN ACT TO ELIMINATE PORTLAND'S SUB-MINIMUM WAGE
FOR SERVICE EMPLOYEES**

ORDERED, that the amendment to the Portland City Code called An Act Eliminate Portland's Sub-Minimum Wage for Service Employees, a copy of which is attached to and made a part of this Order, shall be submitted to the voters of the City, on a ballot with the below summary only as determined necessary by the City Clerk, at the municipal election on November 5, 2024; and

BE IT FURTHER ORDERED, that notwithstanding the limitation on the repeal or amendment of ordinances set forth in Portland City Code Chapter 9 Section 9-46, the City Council may, without a vote of the people, amend or repeal the ordinance set forth below at any time; and

BE IT FURTHER ORDERED, that the Portland City Clerk is hereby authorized to place the following question and summary of An Act to Eliminate Portland's Sub-Minimum Wage for Service Employees on the ballot:

Do you favor the change in the city ordinance proposed by City Councilors as summarized below?

An Act to Eliminate Portland's Sub-Minimum Wage for Service Employees

An Act to Eliminate Portland's Sub-Minimum Wage for Service Employees will ensure that tipped employees receive the full minimum wage that all employees receive, plus tips, by 2034. This amendment will be effective beginning January 1, 2025.

EXHIBIT A

An Act to Eliminate Portland's Sub-Minimum Wage for Service Employees

An Act to Eliminate Portland's Sub-Minimum Wage for Service Employees will ensure that tipped employees receive the full minimum wage that all employees receive, plus tips, by 2034. This amendment will be effective beginning January 1, 2025.

BE IT ORDAINED:

That the Section 33.7 of the Portland City Code Chapter 33 is hereby amended effective as of January 1, 2025 to read as set forth below. Notwithstanding the limitation on the repeal or amendment of ordinances set forth in Portland City Code Chapter 9 Section 9-46, the City Council may, without a vote of the people, amend or repeal the ordinance set forth below at any time.

Section 33.7. Minimum Wage.*

* * *

(a) Tip Credit:

- (i) Subject to the minimum Service Employee direct wage schedule in subsection (ii) below, an An Employer may consider tips as part of the wages of a Service Employee toward satisfaction of the Minimum Wage established by this ordinance, in accordance with 26 M.R.S. §664(2) and until such time as the tip credit is eliminated under state law. Such a tip credit shall be no greater than half the Minimum Wage rate established by this ordinance.

- (ii) An Employer electing to consider tips as part of wages for Service Employees must pay direct wages, excluding tips, in an amount equal to or greater than the amount listed in the following Service Employee direct wage schedule:

<u>Service Employee Hourly Direct Wage Schedule</u>	
<u>1/1/25 to 12/31/25</u>	<u>\$10.00</u>
<u>1/1/26 to 12/31/26</u>	<u>\$12.00</u>

1/1/27 to 12/31/27	\$14.00
1/1/28 to 12/31/28	\$16.00
1/1/29 to 12/31/29	\$17.00
1/1/30 to 12/31/30	\$18.00
1/1/31 to 12/31/31	\$19.00
1/1/32 to 12/31/32	\$20.00
1/1/33 to 12/31/33	\$21.00
1/1/34 and after	same as Minimum Wage

~~(ii)~~ (iii) An Employer who elects to use the tip credit, until it is eliminated under state law, must inform the affected employee in advance and must be able to show that the employee receives at least the Minimum Wage established by this ordinance when direct wages and the tip credit are combined. Upon a satisfactory showing by the employee or the employee's representative that the actual tips received were less than the tip credit, the employer shall increase the direct wages by the difference.

~~(iii)~~ (iv) The tips received by a Service Employee become the property of the employee and may not be shared with the employer. Tips that are automatically included in the customer's bill or that are charged to a credit card must be treated like tips given to the Service Employee. A tip that is charged to a credit card must be paid by the employer to the employee by the next regular payday and may not be held while the employer is awaiting reimbursement from a credit card company.

~~(iv)~~ (v) This section may not be construed to prohibit an employer from establishing a valid tip pooling arrangement among service employees that is consistent with the federal Fair Labor Standards Act and regulations made pursuant to that Act.

~~(v)~~ (vi) Except as otherwise specified in this subsection (c), the meaning of the language used in this subsection shall be interpreted consistently with the interpretation of the language of 26 M.R.S. §663 and 26 M.R.S. §664.

*Note: The amendments set forth above will be effective as of January 1, 2025. Notwithstanding the limitation on the repeal or amendment of ordinances set forth in Portland City Code Chapter 9 Section 9-46, the City Council may, without a vote of the people, amend or repeal the ordinance set forth below at any time.



Portland 2022 Minimum Wage Initiative Analysis

James Myall, Economic Policy Analyst

Overview: Analysis of the likely impacts of an initiative proposed by Maine DSA to increase the minimum wage in Portland to \$18 an hour by 2025; to phase out the tipped minimum wage by 2025; and to remove certain occupation-based exemptions to the city's minimum wage law.

This analysis includes a summary of some of the major impacted groups and likely effects. A methodology and a detailed set of statistics is provided at the end.

Proposed initiative

The schedules for increasing the minimum wage and eliminating the separate tipped minimum wage in the initiative are as follows. Unless otherwise noted, the statistics presented in this analysis are based on the situation in 2025, when the law is fully phased in.

	Full Minimum Wage		Tipped Minimum Wage	
	Status Quo	Proposed	Status Quo	Proposed
2022	\$13.00	\$13.00	\$6.50	\$6.50
2023	\$14.00	\$15.00	\$7.00	\$10.00
2024	\$15.00	\$16.50	\$7.50	\$14.00
2025	\$15.35*	\$18.00	\$7.68	\$18.00

Note: Status quo wage for 2025 assumes CPI inflation of 2.3 percent in 2024, following the latest forecast from the Congressional Budget Office.

Of the approximately 63,500 private-sector workers in Portland, approximately just over one quarter (17,800) would be directly impacted by the proposed initiative by 2025. These workers are projected to earn less than \$18 per hour by 2025. Another small number of workers (4,800, or 8 percent) would be indirectly impacted. These workers earn slightly above the new minimum wage (up to \$20.70 per hour) and would see a small increase in wages as employers voluntarily raise their wages to remain competitive with the new minimum wage.

The total proportion of workers impacted, 36 percent, is slightly higher than estimated share of workers impacted by the 2016 statewide minimum wage increase (33 percent).¹

A key measure of the impact of a minimum wage increase on an economy is the ratio between the minimum wage and the median hourly wage for full-time, year-round employees. This measure is known as the Kaitz Index. MECEP projects that the median hourly wage for full-time, year-round employees in Portland in 2025 will be \$30.61 per hour. The proposed \$18 per hour would be 59 percent of this. Research has shown that a minimum wage at this level would have little to no negative impact on employment.² However, as noted below, the impacts of a rapid phase-out of the tipped minimum wage are less clear.

Demographics of impacted population

The increased minimum wage will help to close existing pay disparities, as women and workers of color are more likely than men and white workers to be paid wages below \$18 per hour. 42 percent of women working in Portland will see a wage increase, compared to 30 percent of men.

While 34 percent of white, non-Hispanic workers in Portland will receive a pay raise from the initiative, the same is true for 56 percent of Black workers, 51 percent of Asian workers, and 51 percent of Indigenous workers in Portland. Latino workers benefit at a slightly higher rate (39 percent) than white-non-Hispanic workers.³

The new minimum wage would particularly help workers who are either younger (under 25) or older (65 and older). These workers are generally more likely to be lower earners because they are not in their prime earning years. Nearly all workers under 20 would see a wage increase under the new ordinance, as would three quarters of those between 20 and 24, and a little less than half of workers aged 65 or older.

Similarly, the initiative would especially boost the wages of lower-educated workers, with three quarters of workers with less than a high school education seeing a wage increase, as well as almost half of those with a high school diploma or some college credits but no degree.

Sectoral and occupational impacts

While the minimum wage increase will benefit significant numbers of workers in all occupations and industries, those in low-wage service sectors would see the biggest improvement in wages. Two-thirds of leisure and hospitality workers would get a raise, and more than half of retail and social service workers would see an increase in wages.

Similarly, workers in low-wage service occupations would benefit most from the proposed increase. 80 percent of workers in food and drink preparation and serving would see an increase, as more than would three quarters of personal service workers (this includes hairdressers, beauticians and childcare workers). Almost two thirds of workers in cleaning occupations would benefit from a minimum wage increase, as would almost two thirds of health care support workers (this category includes home health and nursing home aides). Other occupations which would particularly benefit are transportation workers, and sales workers (including store cashiers).

Effects of the tipped minimum wage phase-out

The proposed initiative would phase out the current system of allowing workers who receive tips to be paid half the city's minimum wage as a base rate, as long as they receive enough tips to make up the difference. For example, a restaurant server can currently be paid \$6.50 an hour by their employer, as long as they receive enough customer tips over the course of their pay period to earn a total wage equivalent to \$13 per hour.

Under the initiative, the base wage paid by the employer would increase in stages until it equals the full minimum wage in 2025.

Research on the tipped minimum wage system shows that it is generally harmful to the workers covered by it. Although the law requires that employers make up any difference between the base wage and the full minimum wage which is not covered by tips, there's plenty of evidence that this does not always happen, and plenty of tipped workers receive less than the statutory minimum wage after accounting for tips.⁴ The tipped minimum wage system makes many tipped workers reliant on their tips to make ends meet, which means that customers have an unhealthy amount of power of these workers. Research shows that the size of tips received is often dependent on a worker's gender,⁵ race,⁶ and perceived physical attractiveness.⁷ Paying people based on these qualities would be illegal for an

employer but is permissible and pervasive for customers leaving tips. What's more, tipped workers find themselves vulnerable to physical and verbal abuse, and even sexual assault and unable to report it for fear of losing income or their jobs.⁸

It's important to note that ending the tipped minimum wage system will not mean the end of tipping by customers. Data from wireless payment systems shows that customers in states without a tipped minimum wage still leave tips at similar frequencies and amounts to those in other states.⁹ As a result, workers earning the full minimum wage plus tips are better off than those earning a lower minimum wage plus tips.

While the end of the tipped minimum wage system would likely be beneficial to workers, there is some uncertainty about the short-term effects due to phasing the credit out on such a rapid timeline.

Seven states currently do not have a separate tipped minimum wage. However, no state or city has recently eliminated the tipped minimum wage to provide recent data on the potential impact.

The timing of the phase-out in the initiative is significantly more aggressive than most minimum wage initiatives seen in the United States. The base hourly wage for tipped workers will increase from \$6.50 in 2022 to \$18.00 in 2025. This would create a considerable new cost for employers with a short period of time in which to adjust. Employers will certainly be able to take steps to offset this increased cost (for example increasing prices) but will have to undertake these changes quickly.

1011

Demographics of tipped minimum wage workers

It is difficult to identify which workers are paid below the minimum wage using the current tip credit because public datasets provide only limited information about occupation and earnings and does not distinguish between total wages paid before or after tips.

This analysis approximates the population of workers subject to the current tipped credit system by focusing on workers certain occupations and employment sectors – primarily personal care workers (e.g. hair stylists) and food service workers (e.g. wait staff).¹²

Using this methodology, approximately 1,500 Portland workers are currently employed using the tip credit system and would see their base wage rise under the initiative.

Women are much more likely to be paid under the tip credit system. Approximately 70 percent of Portland's tipped workers are women. This is consistent with other analysis at the state and national level.¹³

There is insufficient data to allow for a racial impact analysis specific to Portland, but previous MECEP analysis has found that Black, Latino and Asian Mainers are more likely to work in these tipped occupations statewide.¹⁴

Occupations and industries newly covered by the minimum wage law

The ordinance mostly preserves the current practice of aligning Portland's minimum wage exceptions with those in state law (26 MRS 663(3)). However, it does ensure that some new groups are **newly covered**.

The language on drivers and delivery service includes taxicab drivers who are explicitly exempt under state law, as well as drivers who work for app-based services who may or may not be covered by current minimum wage legislation depending on whether they are classified as employees. The language in the initiative would provide clarity that these workers are employees for minimum wage purposes.

It's not clear how many workers in Portland would be impacted by this language.

Table 2: Detailed Estimates of the Impacted Workforce in 2025

		Total workers in this group	Impacted workers in this group
Total workforce		63,400	22,600
Age	16-19	2,800	2,800
	20-24	5,800	4,300
	25-34	14,000	5,300
	35-44	11,800	2,800
	45-54	13,300	3,000
	55-64	11,900	3,000
	65+	3,900	1,600

Education	No high school diploma	3,300	2,300
	High school or some college	27,900	13,200
	Associate degree	6,800	2,000
	Bachelor's degree	17,200	3,900
	Graduate degree	8,200	1,000
Gender	Men	31,600	9,300
	Women	31,900	13,200
Race and Ethnicity	White, non-Hispanic alone	57,800	19,900
	Hispanic (any race)	1,300	590
	Black alone or in combination	1,800	970
	American Indian alone or in combination	790	350
	Asian alone or in combination	1,500	650
Occupation	Administration	7,400	3,100
	Managers	6,900	920
	Sales	6,300	3,000
	Medicinal practitioners	4,600	680
	Education	4,300	1,500
	Transportation & warehousing	4,200	2,400
	Eating & drinking	3,800	3,100
	Production	3,700	1,100
	Construction	2,800	900
	Business	2,500	290
	Healthcare assistance	2,300	1,500
	Repair & maintenance	2,000	440
	Computing	2,000	200
	Cleaning	1,700	1,000
	Engineering	1,500	50
	Finance	1,300	80
	Social services	1,300	400
	Protective services	1,100	200
	Entertainment	1,000	300
Industry	Health care	9,200	2,700
	Retail	8,200	4,600
	Manufacturing	7,200	1,100
	Education	6,700	2,400
	Professional services	6,000	1,600
	Leisure and hospitality	6,000	4,100

	Finance	5,200	930
	Construction	3,100	960
	Public administration	2,300	300
	Other services	2,100	920
	Social services	1,900	1,100
	Transportation & warehousing	1,800	700
	Wholesale trade	1,400	370
	Information	1,500	400

Source: MECEP analysis of US Census Bureau, American Community Survey, 2016-2020 5-year estimates, public use microdata; US Bureau of Labor Statistics, Quarterly Census of Employment and Wages, Q4 2021.

Note: Estimates reflect combined direct and indirect impact by 2025.

Methodology

The primary source for these estimates is the public use microdata for the US Census Bureau's American Community Survey. The ACS does not explicitly measure hourly wages, so these were estimated by taking individuals' total wage income and dividing it by the number of weeks worked last year and the number of hours usually worked each week.

These 2020 hourly wage estimates were extrapolated to produce an estimate of hourly wages in 2025, using historic inflation data and, using congressional budget office projections, assuming wages will rise in line with inflation at an annual rate of 4.7 percent in 2023, 2.7 percent in 2024, and 2.3 percent in 2025.

Hourly estimates were generated for Mainers who listed their place of work as Public Use Microdata Area 23790, which includes Portland, Westbrook, and South Portland. This PUMA includes just under 239,000 workers. Numerical estimates were scaled to reflect Portland's workforce of 66,150, according to the Q4 2021 Quarterly Census of Employment and Wages.

Notes

¹ Maine Center for Economic Policy, “Restoring the Value of Work,” August 2016. https://www.mecep.org/wp-content/uploads/2016/08/Minimum-wage-brief_final_08-17-16.pdf

² Arindrajit Dube and Attila S. Linder, “City Limits: What Do Local-Area Minimum Wages Do?” *National Bureau of Economic Research*, Nov 2020. https://www.nber.org/system/files/working_papers/w27928/w27928.pdf

³ Here, white non-Hispanic includes people identifying with this race/ethnicity combination alone. All others represent race and ethnicity alone or in combination with another identity. No analysis of Native Hawaiian and Pacific Islander residents was conducted, due to a small sample size.

⁴ David Cooper and Teresa Kroeger, “Employers steal billions from workers’ paychecks each year,” *Economic Policy Institute*, May 10, 2017. <https://www.epi.org/publication/employers-steal-billions-from-workers-paychecks-each-year/>

⁵ Drew McGraw, “Unequally Gracious: Gender Discrimination In Restaurant Tipping,” *Render* June 20 2014. <http://www.renderfoodmag.com/blog/2014/6/18/unequally-gracious-gender-discrimination-in-restaurant-tipping>

⁶ Michael Lynn et al., “Consumer Racial Discrimination in Tipping: A Replication and Extension,” 2008. <https://www.wagehourlitigation.com/wp-content/uploads/sites/215/2015/10/cornell.pdf>

⁷ Tom Jacobs, “Attractive Servers Get Bigger Tips,” *Pacific Standard*, Jun 14, 2017. <https://psmag.com/economics/attractive-servers-get-bigger-tips>

⁸ Restaurant Opportunities Center United, “Take Us Off the Menu: The Impact of Sexual Harassment in the Restaurant Industry,” May 2018. <https://rocunited.org/wp-content/uploads/sites/7/2020/02/TakeUsOffTheMenuReport.pdf> and Becky Sullivan, “Tips And ‘Service With A Smile’ Rules Fuel Sex Harassment In Restaurants, Study Says,” *National Public Radio*, July 22, 2021. <https://www.npr.org/2021/07/22/1019017172/tips-and-service-with-a-smile-drive-sexual-harassment-in-restaurants-study-find>

⁹ James Myall, “A Higher Minimum Wage is Good for Tipped Workers,” *Maine Center for Economic Policy*, Apr 4, 2017. <https://www.mecep.org/blog/a-higher-minimum-wage-is-good-for-tipped-workers/>

¹⁰ San Francisco Office of Labor Standards Enforcement, *Historical San Francisco Minimum Wages*, <https://sfgov.org/olse/historical-wage-rates-definition-government-supported-employee>

¹¹ Oregon Bureau of Labor and Industries, *Oregon Minimum Wage*. <https://www.oregon.gov/boli/workers/pages/minimum-wage.aspx>

¹² For a list of occupations see <https://www.epi.org/publication/minimum-wage-simulation-model-technical-methodology/>

¹³ National Women’s Law Center, *Tipped Workers by State*, Feb 2021. <https://nwlc.org/wp-content/uploads/2021/02/Women-Tipped-Workers-State-by-State-2021-v3.pdf>

¹⁴ James Myall, “State of Working Maine 2020,” *Maine Center for Economic Policy*, Nov 9, 2020. <https://www.mecep.org/maines-economy/report-state-of-working-maine-2020/>



Housing Needs Assessment

Portland city



Housing Needs Assessment

Portland city

Introduction

The Housing Needs Assessment reviews demographic, economic, housing market, and affordability trends in Portland city to help identify trends and challenges in the local housing market and inform local housing priorities and policies.

Housing priorities should be informed by both a community's values and the conditions in its housing market. An analysis of housing market conditions can identify where a housing market is failing to meet the needs of community members. After this is completed, a community's values then determine which failures in the housing market a community should prioritize.

The following assessment utilizes data from a variety of sources, each listed at the bottom of the chart, graph, or map. For more information on these sources, please see the "Sources" Section of the document.

Population Trends

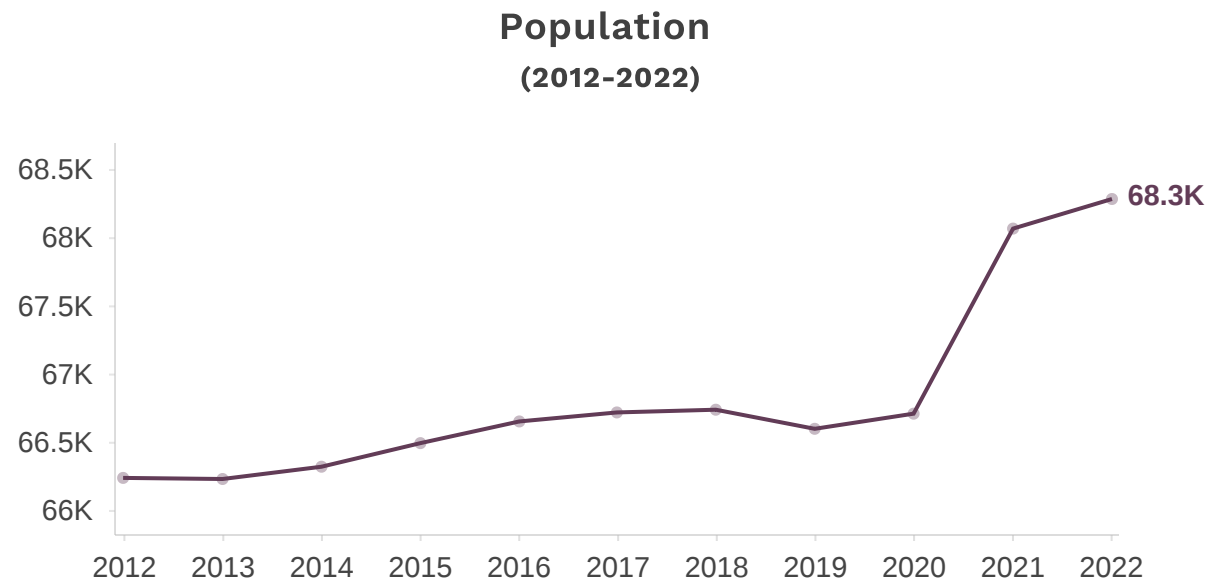
Portland city

Population Trends

To assess current and future housing needs, it is important to understand a region's demographic trends. Changes in total population, household size, and age distribution impact the amount and type of housing needed, and an understanding of economic and racial disparities within the region can highlight which groups are likely to face inequitable access to affordable, quality homes.

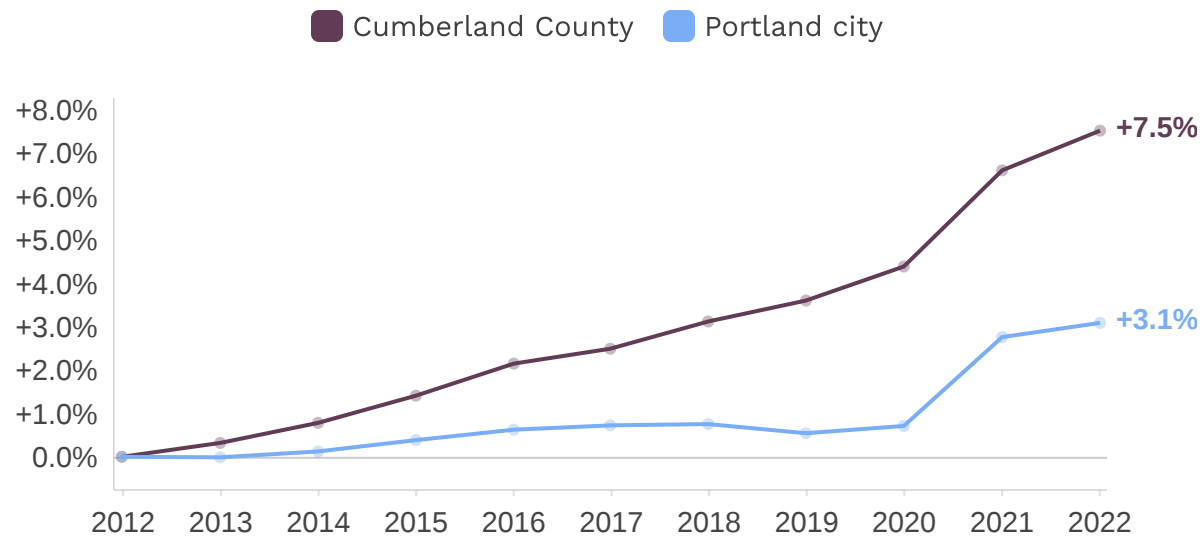
Population

From 2012 to 2022, Portland city's population increased by 3.1% while Cumberland County's population increased by 7.5%.



Source: American Community Survey (ACS), US Census Bureau

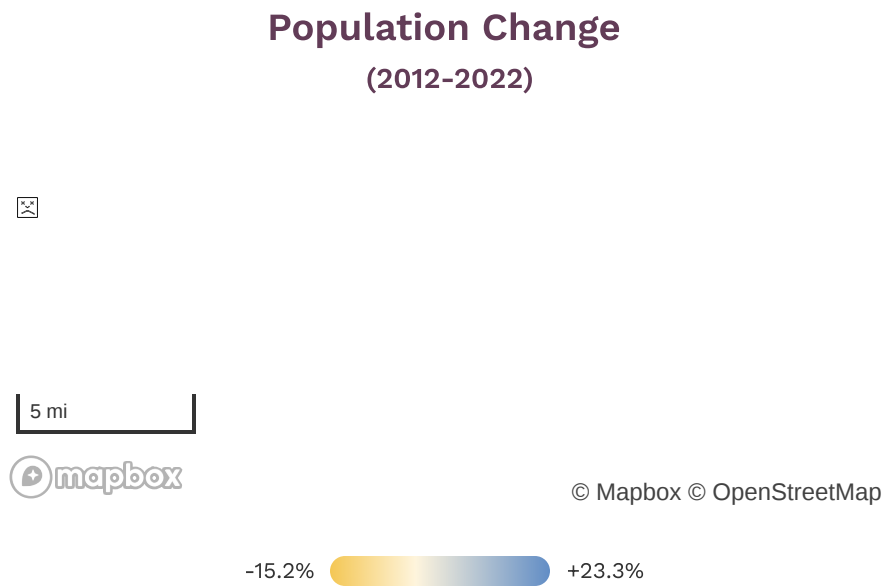
Comparative Population Change (2012-2022)



Source: American Community Survey (ACS), US Census Bureau

Population Growth and Density

On average, there were 3,170 people per square mile in Portland city in 2022.



Where shown, pre-2020 tract-level data has been mapped onto 2020 vintage census tracts using a tract-to-tract crosswalk.

Source: American Community Survey (ACS), US Census Bureau

Regional Population Density Comparison (2022)



5 mi



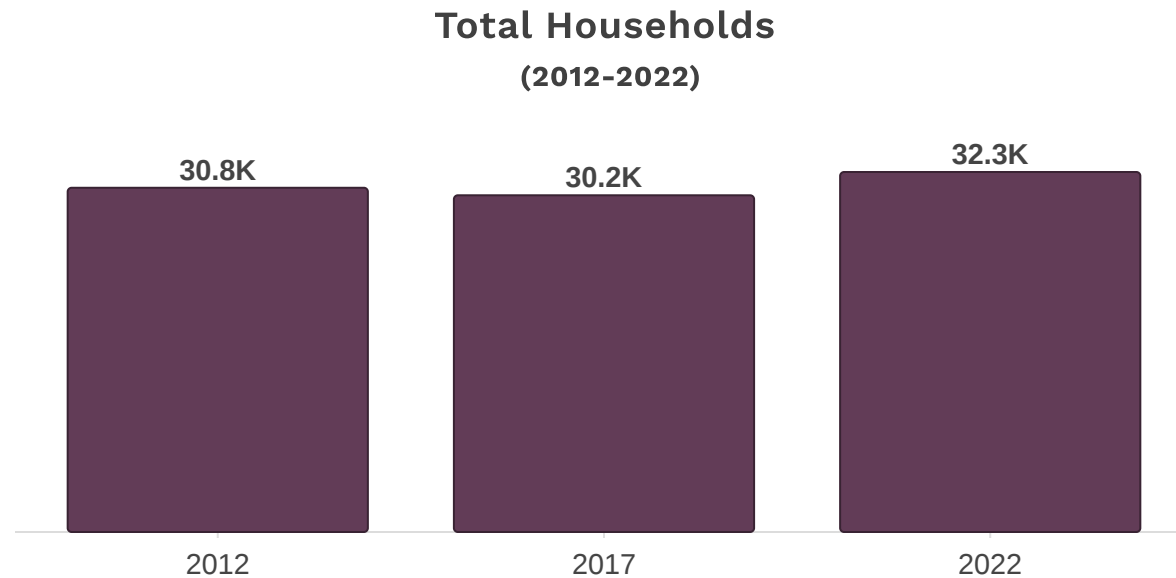
© Mapbox © OpenStreetMap

283 22,645

Source: American Community Survey (ACS), US Census Bureau

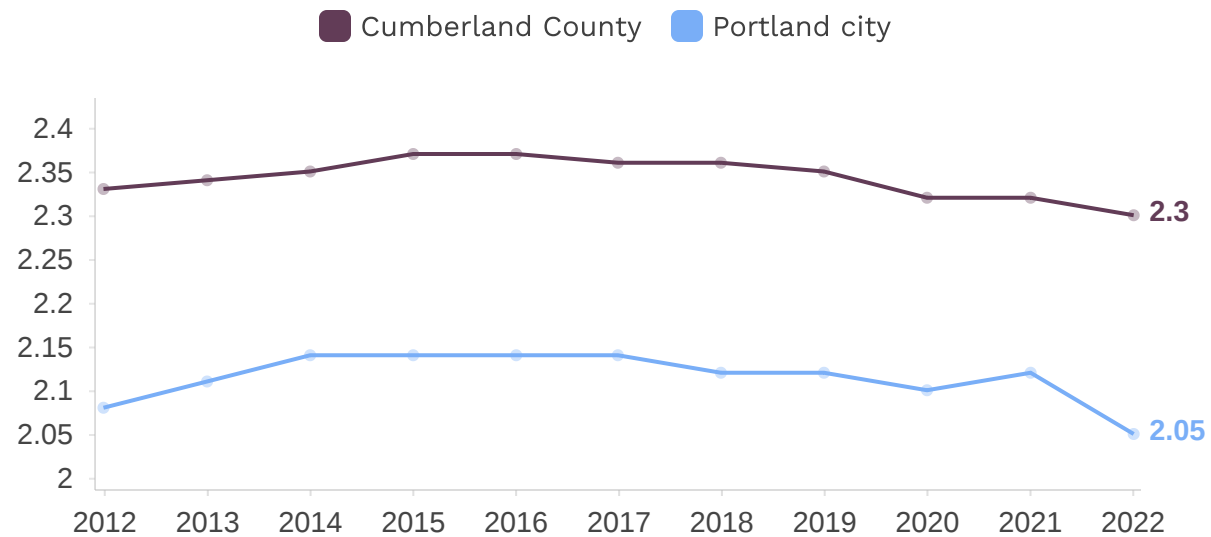
Households and Household Size

In 2022, there were 32,253 households in Portland city. From 2012 to 2022, the total number of households increased by 4.6%. 35.7% of all households were 2 person households.



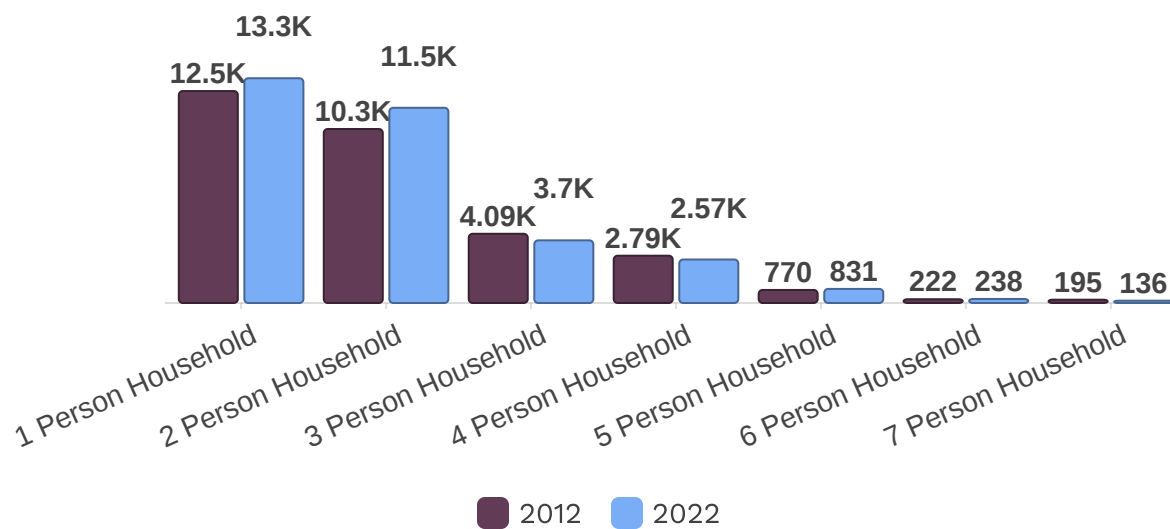
Source: American Community Survey (ACS), US Census Bureau

Average Household Size (2012-2022)



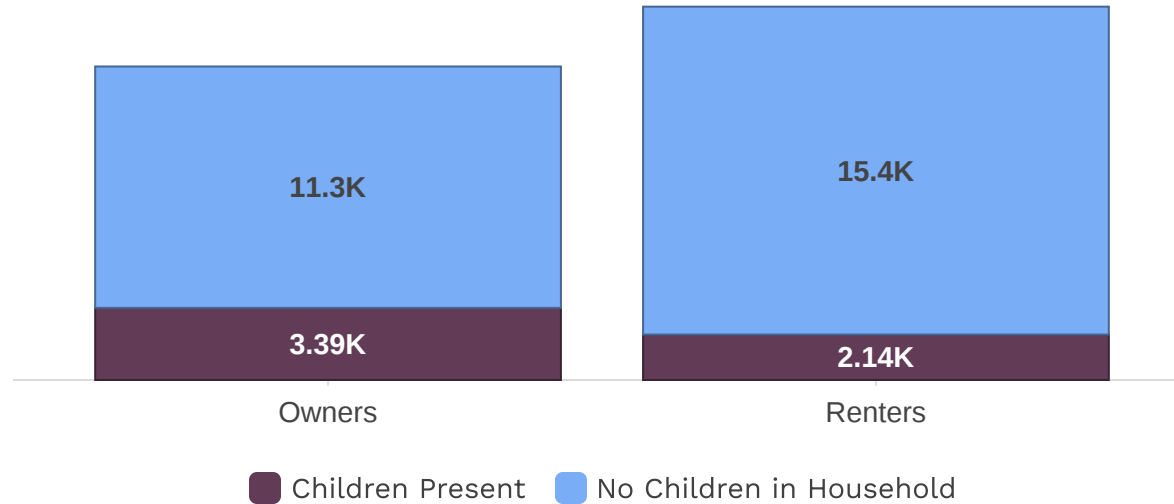
Source: American Community Survey (ACS), US Census Bureau

Distribution of Household Size



Source: American Community Survey (ACS), US Census Bureau

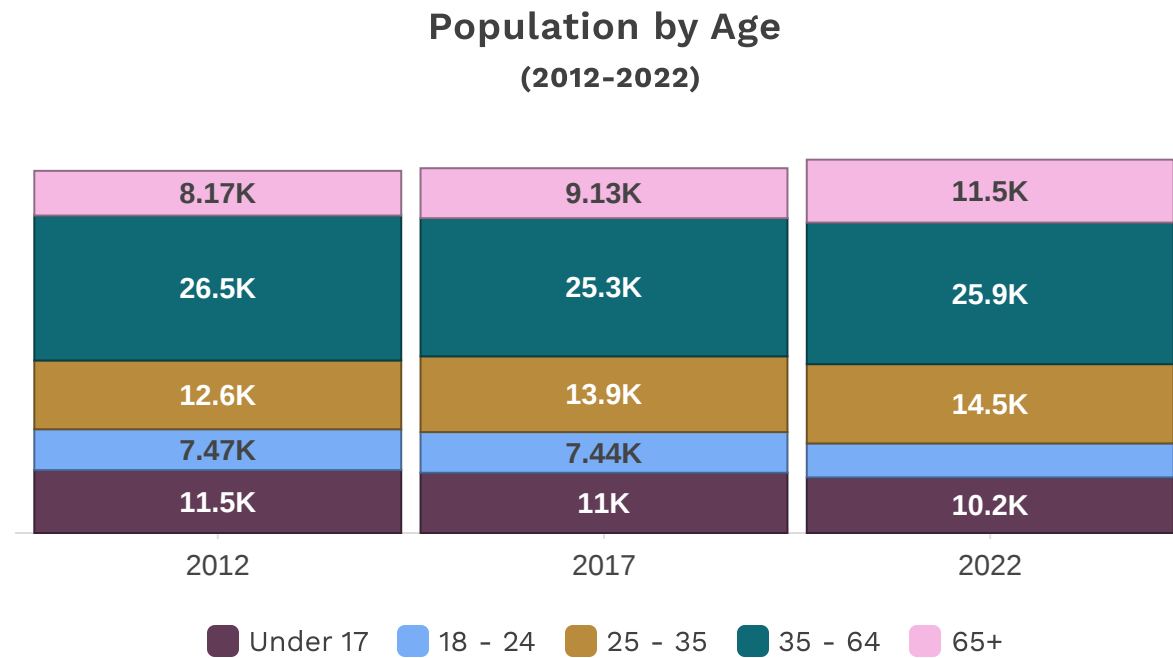
Households by Tenure and Presence of Children (2022)



Source: American Community Survey (ACS), US Census Bureau

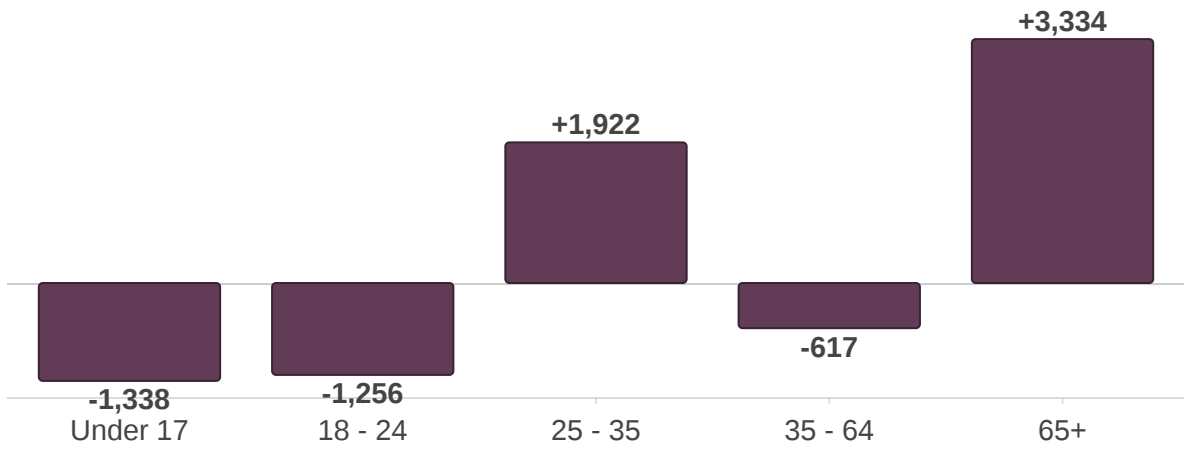
Age

37.9% of residents in Portland city were between the ages of 35 - 64 in 2022, the largest share of all age groups. 16.8% of residents in Portland city were 65 years or older, up from 15.3% in 2021.



Source: American Community Survey (ACS), US Census Bureau

**Change in Age Distribution
(2012-2022)**

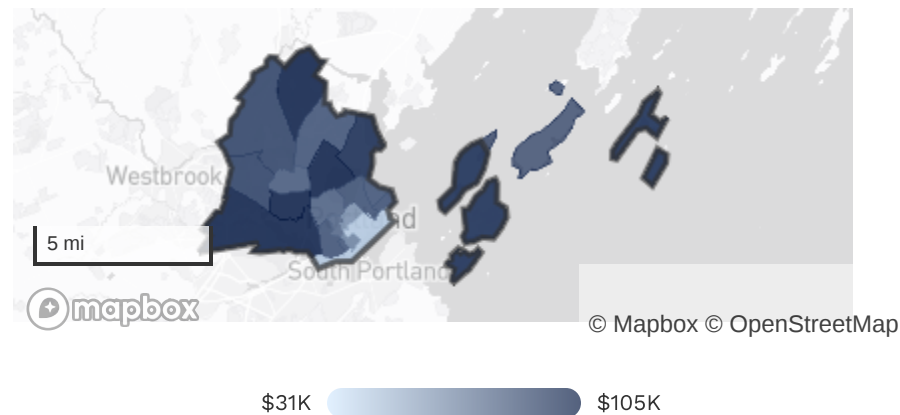


Source: American Community Survey (ACS), US Census Bureau

Median Income

Portland city's median household income increased more than Cumberland County between 2012 and 2022. Portland city's median household income increased by \$27,011 (60.7%), while Cumberland County's median household income increased by \$30,551 (53.4%).

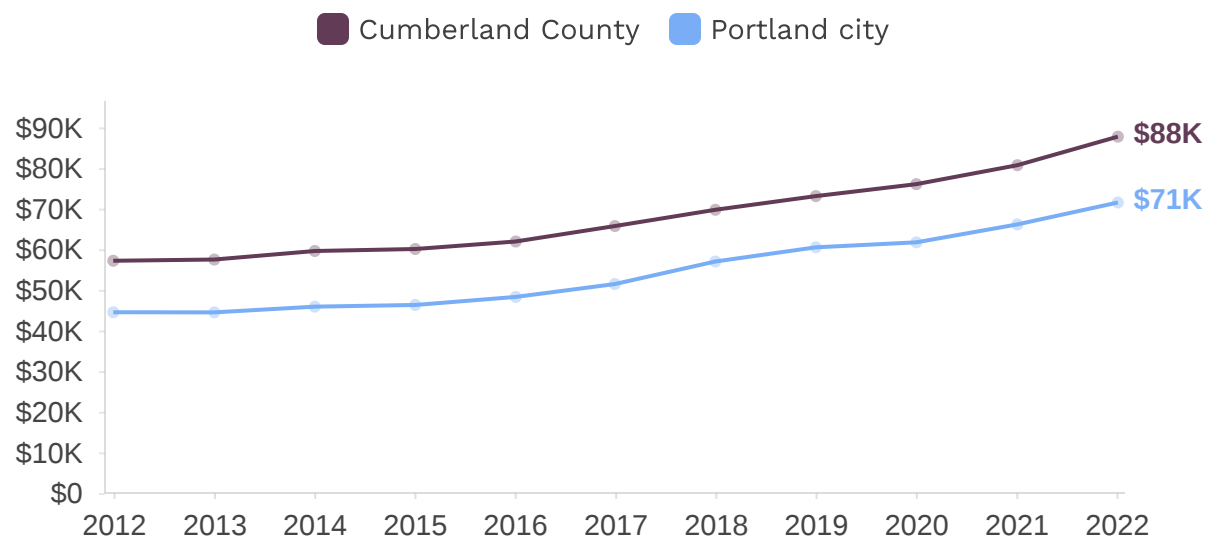
Regional Median Household Income Comparison (2022)



Dollar values are nominal.

Source: American Community Survey (ACS), US Census Bureau

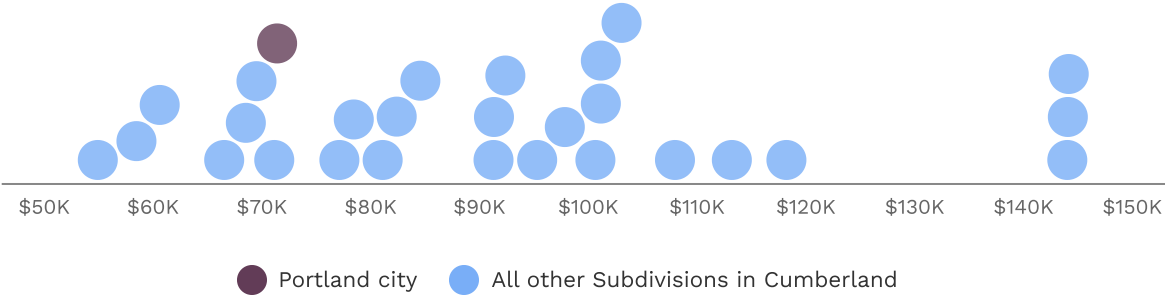
Median Household Income Over Time



Source: American Community Survey (ACS), US Census Bureau

Dollar values are nominal.

Median Household Income Comparison (2022)

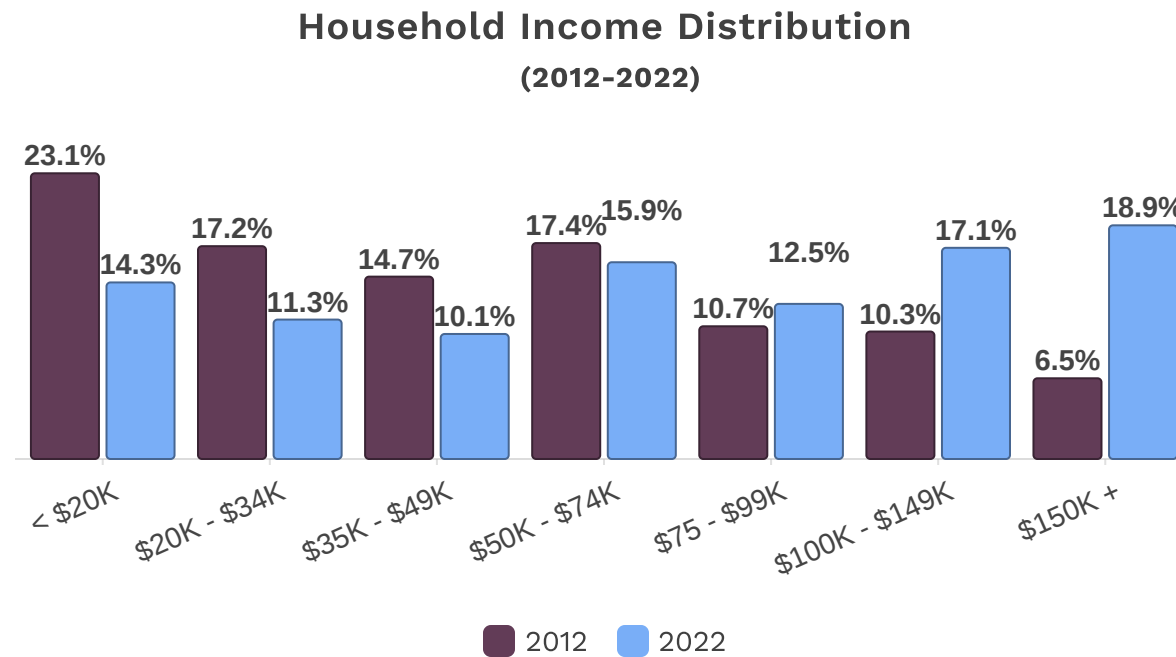


Dollar values are nominal.

Source: American Community Survey (ACS), US Census Bureau

Income Distribution

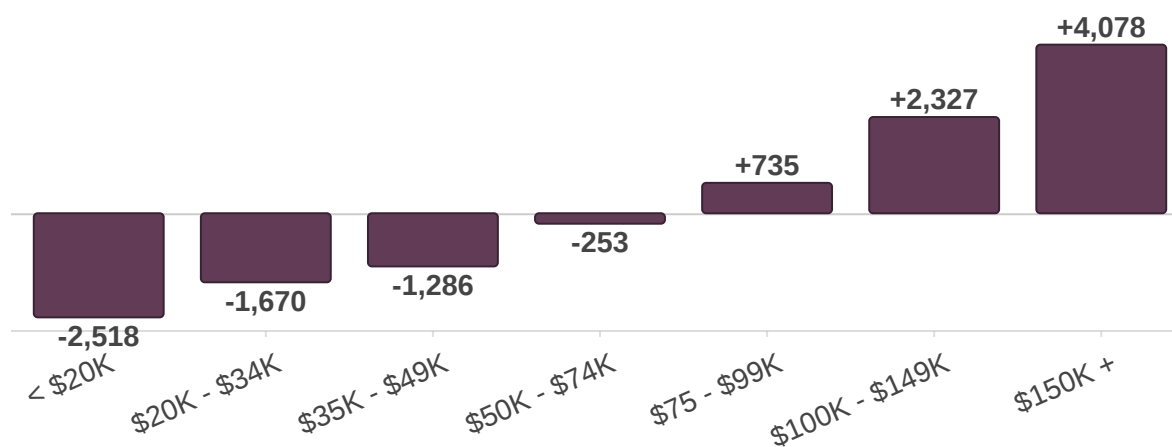
The number of Portland city households earning \$150K + increased by 4,078 households (202.8%) from 2012 to 2022. The number of Portland city households earning below < \$20K decreased by 2,518 households (35.4%).



Source: American Community Survey (ACS), US Census Bureau

Dollar values are nominal.

Change in Households by Income Group (2012-2022)

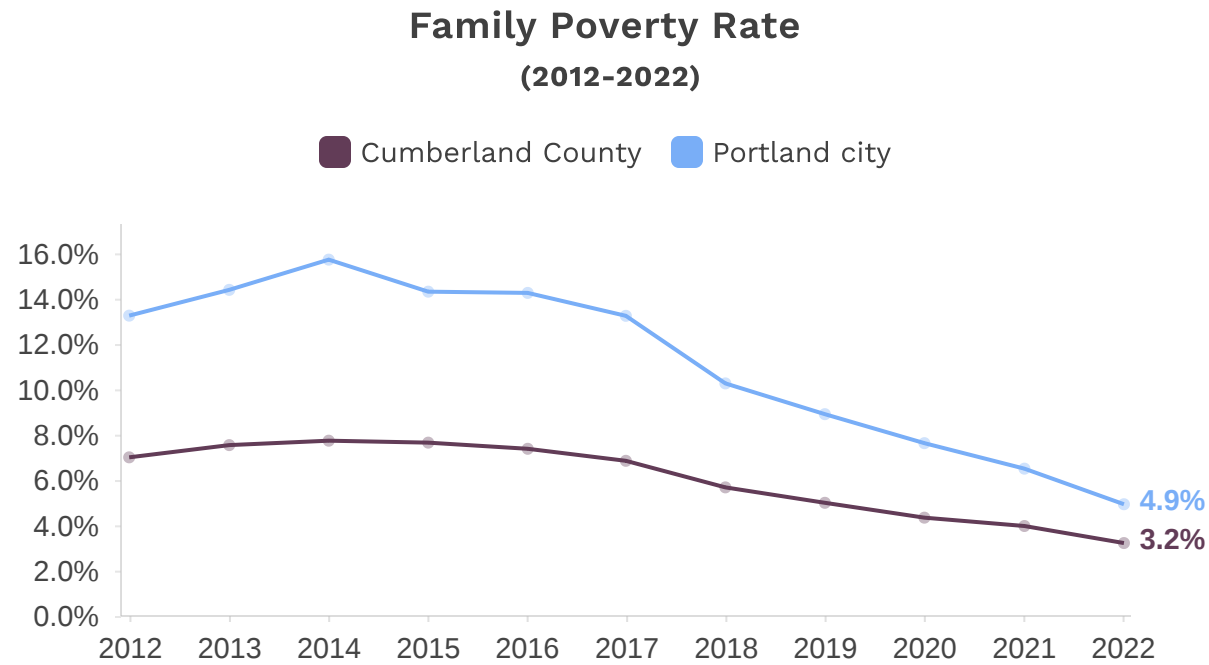


Source: American Community Survey (ACS), US Census Bureau

Dollar values are nominal.

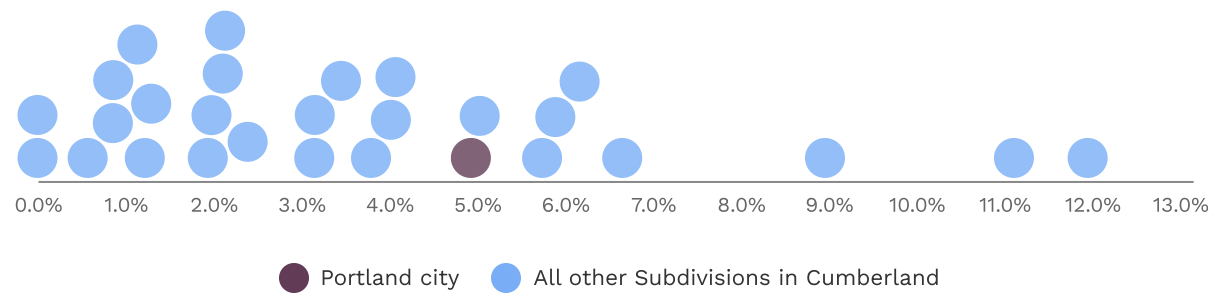
Family Poverty Rate

In 2022, 4.9% of families in Portland city lived below the poverty line, down 8.3% from 2012.



Source: American Community Survey (ACS), US Census Bureau

Family Poverty Rate Compared to Peer Regions (2022)

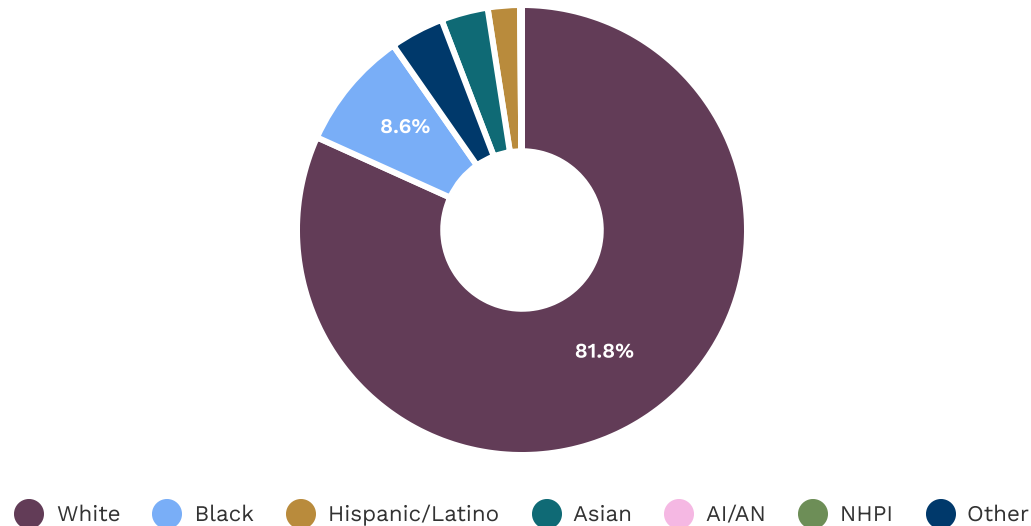


Source: American Community Survey (ACS), US Census Bureau

Racial and Ethnic Composition

In 2022, the racial/ethnic composition of households in Portland city was 85.9% white, 6.1% Black, 2.8% Asian, and 1.8% Hispanic / Latino. White households were the largest racial group (85.9%) within Portland city. The share of Black households changed from 4.3% in 2012 to 6.1% in 2022.

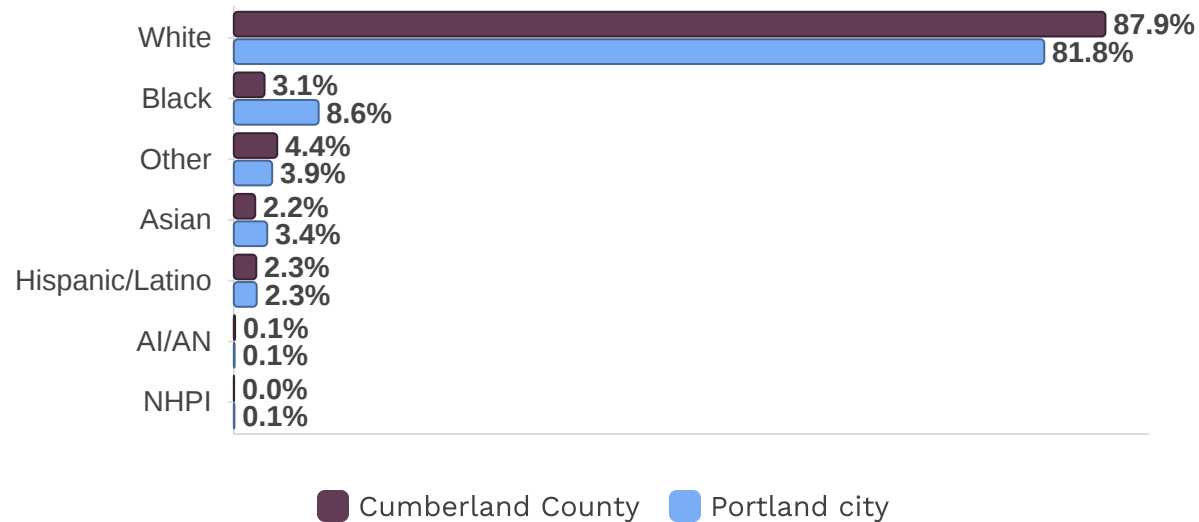
Racial and Ethnic Distribution (Population)
(2022)



Hispanic/Latino refers to those of any race whose ethnicity is Hispanic or Latino. All other groups include non-Hispanic individuals only. AI/AN - American Indian and Alaska Native. NHPI - Native Hawaiian and Other Pacific Islander. Other - Some Other Race or Two or More Races.

Source: American Community Survey (ACS), US Census Bureau

Racial and Ethnic Comparison (Population) (2022)



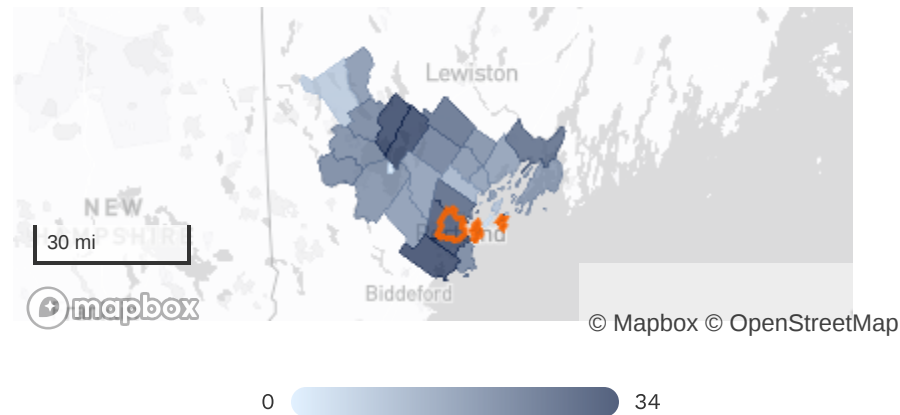
Source: American Community Survey (ACS), US Census Bureau

Hispanic/Latino refers to those of any race whose ethnicity is Hispanic or Latino. All other groups include non-Hispanic individuals only. AI/AN - American Indian and Alaska Native. NHPI - Native Hawaiian and Other Pacific Islander. Other - Some Other Race or Two or More Races.

Dissimilarity Index (Measure of Racial Segregation)

The dissimilarity index demonstrates the degree of racial segregation within specific geographic regions. A dissimilarity index of 0 demonstrates an environment of integration under which groups (in this case racial or ethnic groups) are distributed in the same proportions across all neighborhoods. A dissimilarity index of 100 indicates total segregation such that the members of one group are located in completely different neighborhoods than the second group.

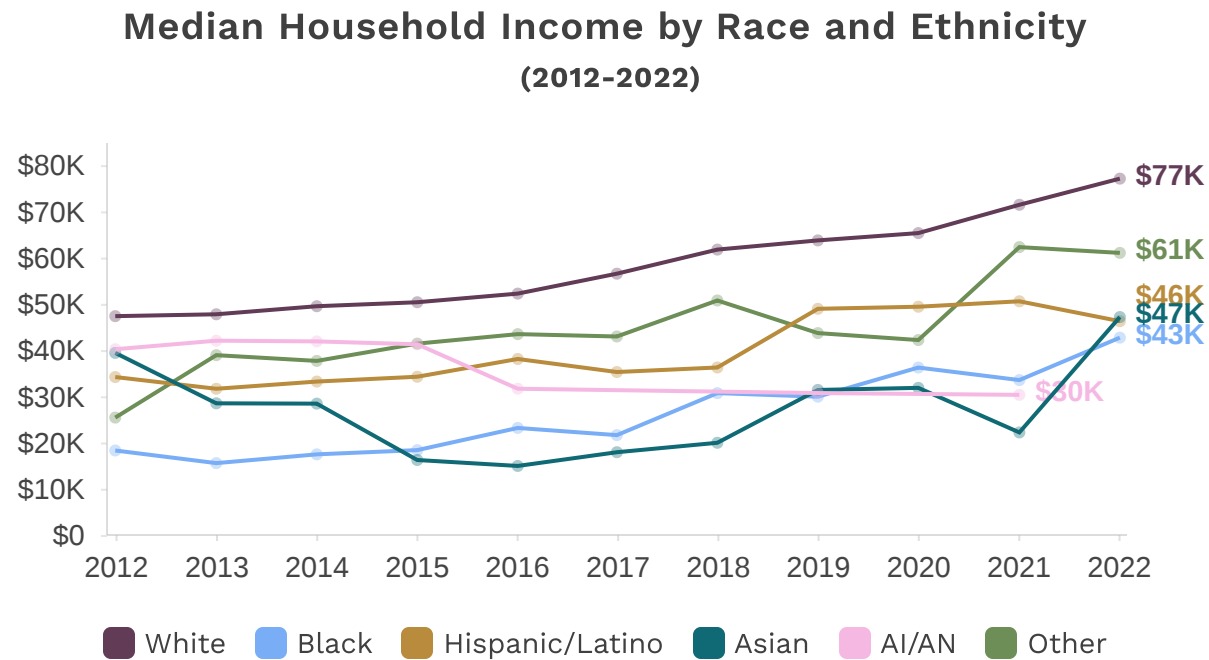
Racial Dissimilarity Index (2022)



Source: American Community Survey (ACS), US Census Bureau, and TIGER/Line Shapefiles

Income by Race and Ethnicity

The income difference in 2022 between the median Black and white household was \$34,394.

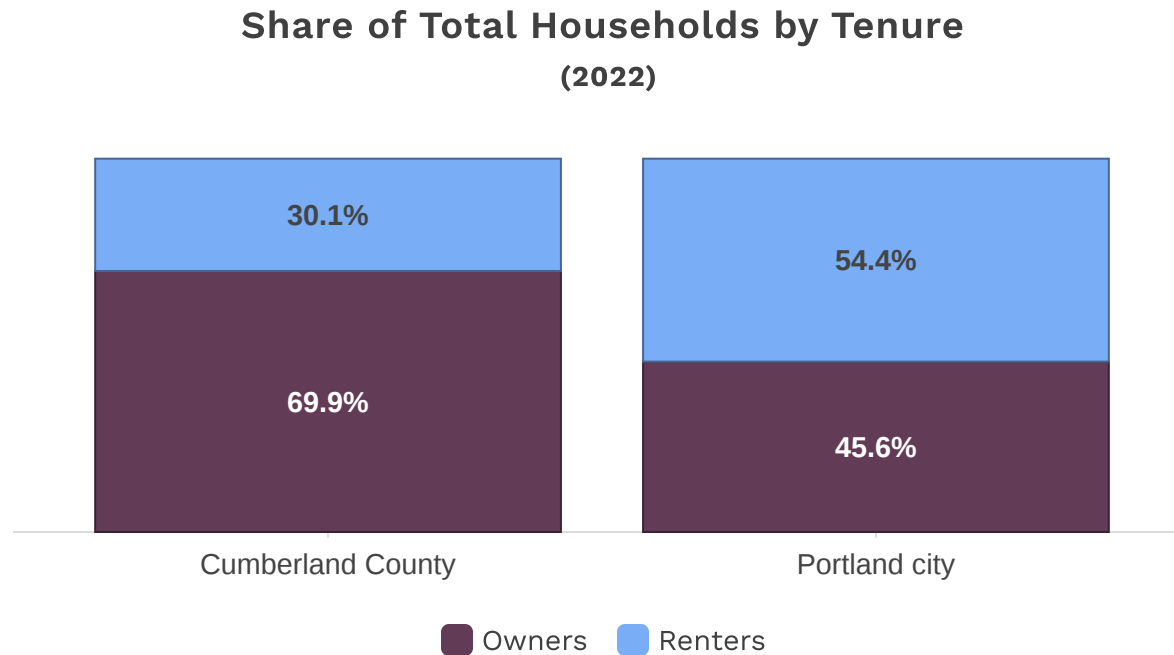


Source: American Community Survey (ACS), US Census Bureau

Dollar values are nominal. Values may not be accurate for smaller geographies or geographies with very few households of a specific race or ethnicity. Race and ethnicity is provided for the head of household only. White refers to non-Hispanic White heads of household only. Hispanic/Latino refers to those of any race whose ethnicity is Hispanic or Latino. All other groups include both Hispanic and non-Hispanic individuals. AI/AN - American Indian or Alaska Native; NHPI - Native Hawaiian or Pacific Islander; Other - Some Other Race and Two or More Races.

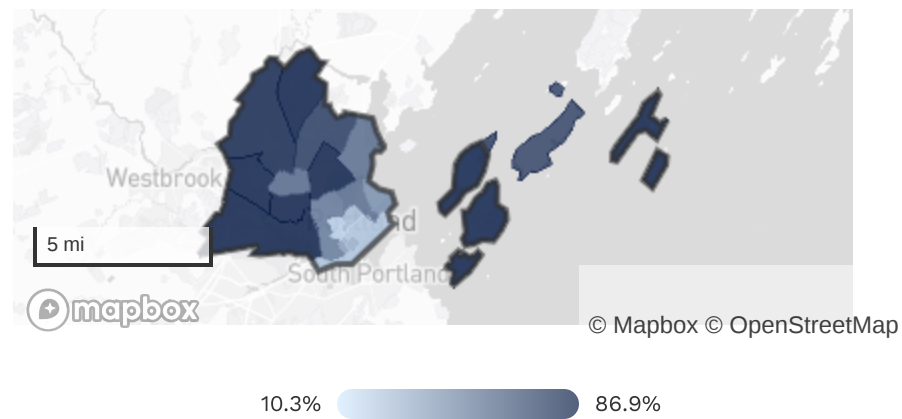
Tenure

In 2022, 54.4% of households in Portland city were renters, compared with 30.1% in Cumberland County.



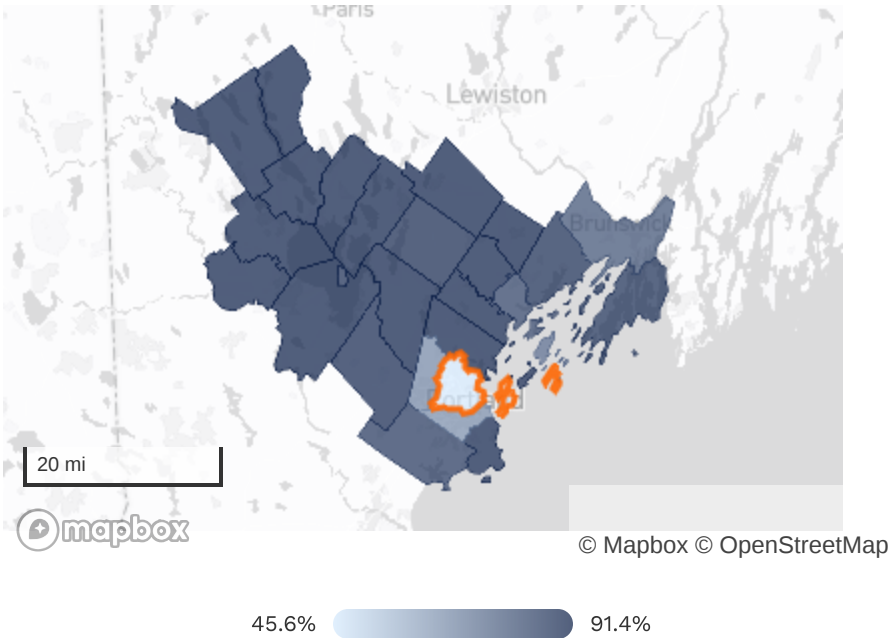
Source: American Community Survey (ACS), US Census Bureau

Homeownership Rate (2022)



Source: American Community Survey (ACS), US Census Bureau

Homeownership Rates by Peer Regions (2022)

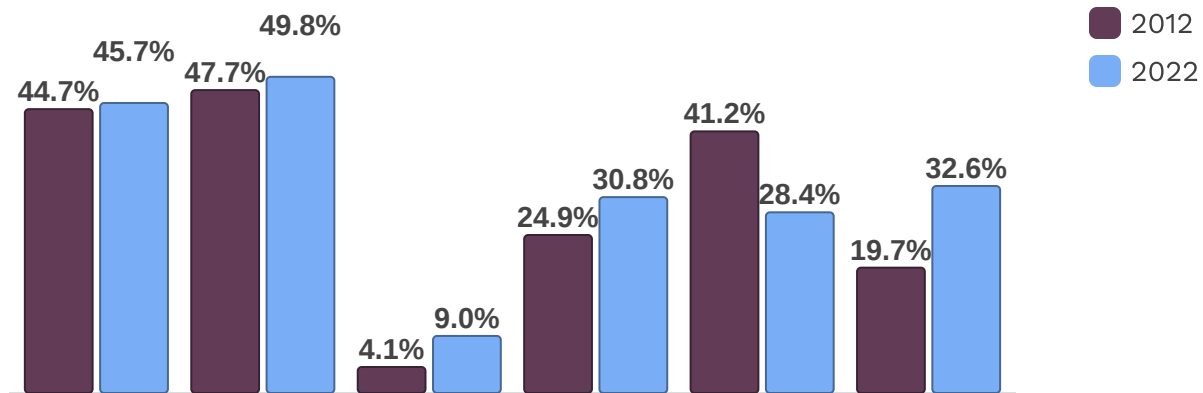


Source: American Community Survey (ACS), US Census Bureau

Homeownership by Race and Ethnicity

Between 2012 and 2022, the rate of homeownership in Portland city increased by 2.2%. In Cumberland County, the homeownership rate rose by 2.6%. For Black households in Portland city, homeownership rates were -40.8% less than white households in 2022.

**Homeownership Rate by Householder Race and Ethnicity
(2012-2022)**

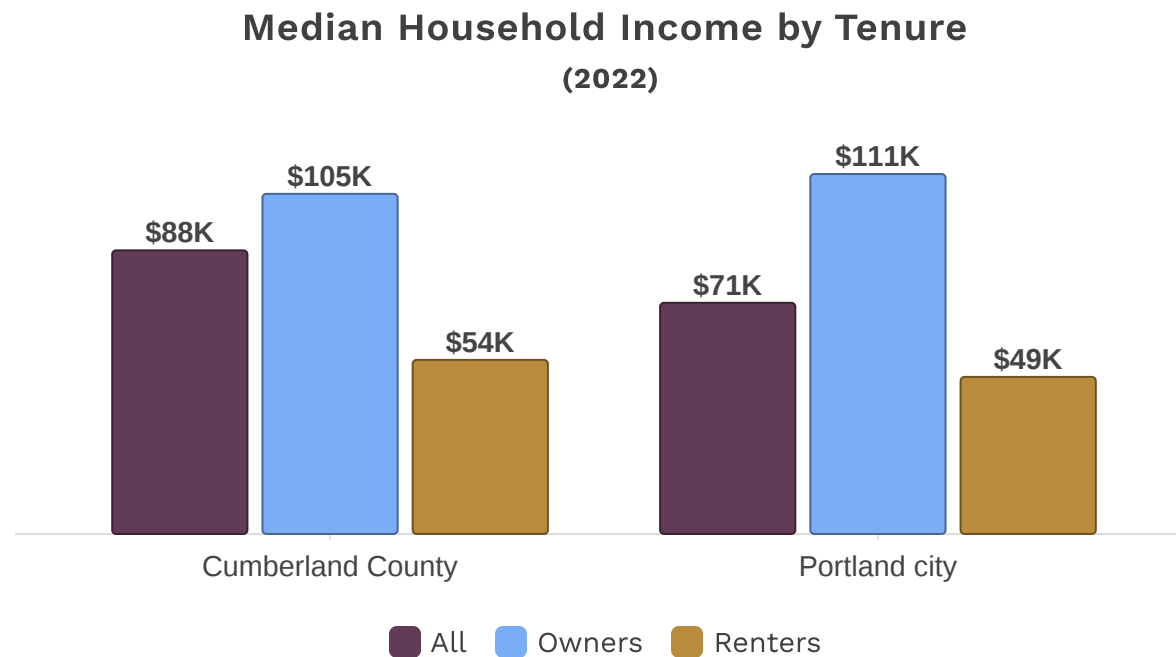


Source: American Community Survey (ACS), US Census Bureau

Values may not be accurate for smaller geographies or geographies with very few households of a specific race or ethnicity. White refers to non-Hispanic White heads of household only. Hispanic/Latino refers to those of any race whose ethnicity is Hispanic or Latino. All other groups include both Hispanic and non-Hispanic individuals. AI/AN - American Indian or Alaska Native; NHPI - Native Hawaiian or Pacific Islander; Other - Some Other Race and Two or More Races.

Median Income and Tenure

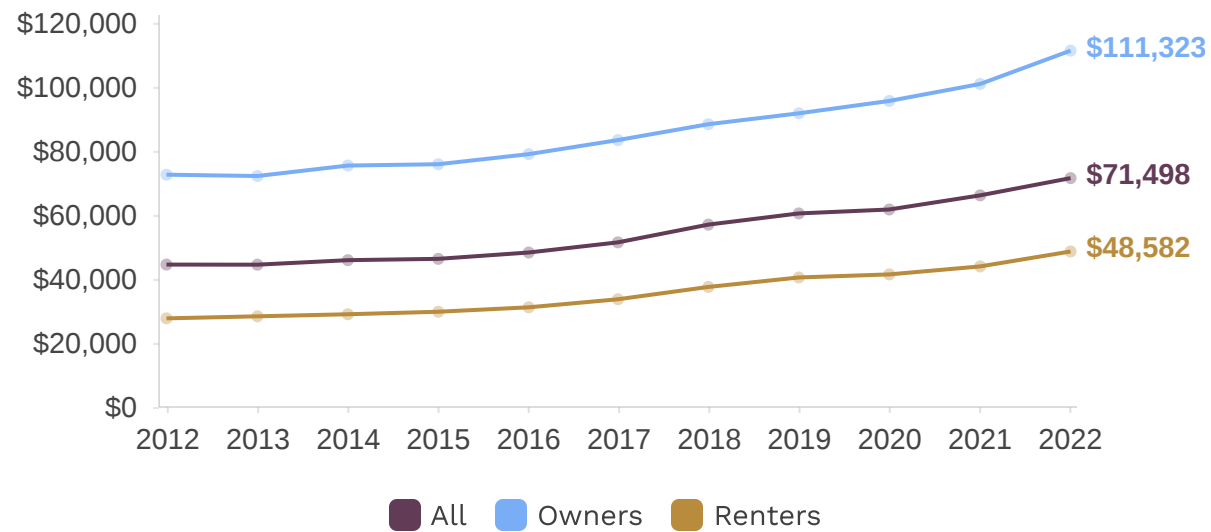
In 2022, median income for owner households was \$62,741 more than renter households in Portland city. For Cumberland County, the difference between owner and renter households was \$51,343.



Source: American Community Survey (ACS), US Census Bureau

Dollar values are nominal.

Median Household Income Over Time by Tenure (2012-2022)

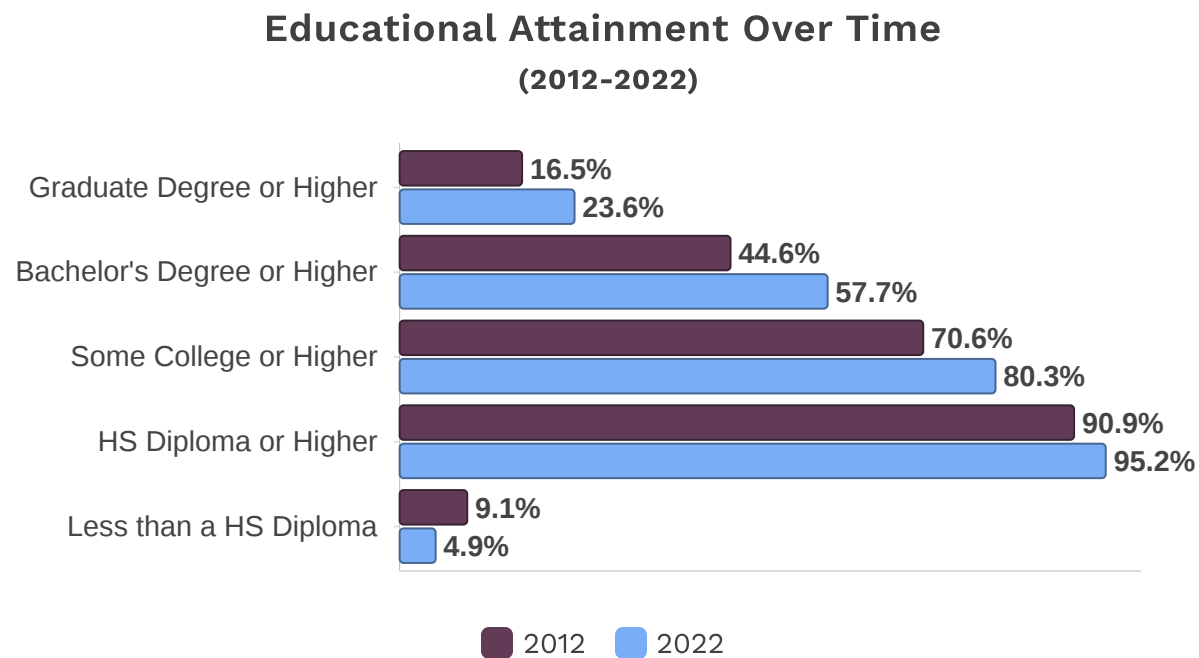


Source: American Community Survey (ACS), US Census Bureau

Dollar values are nominal.

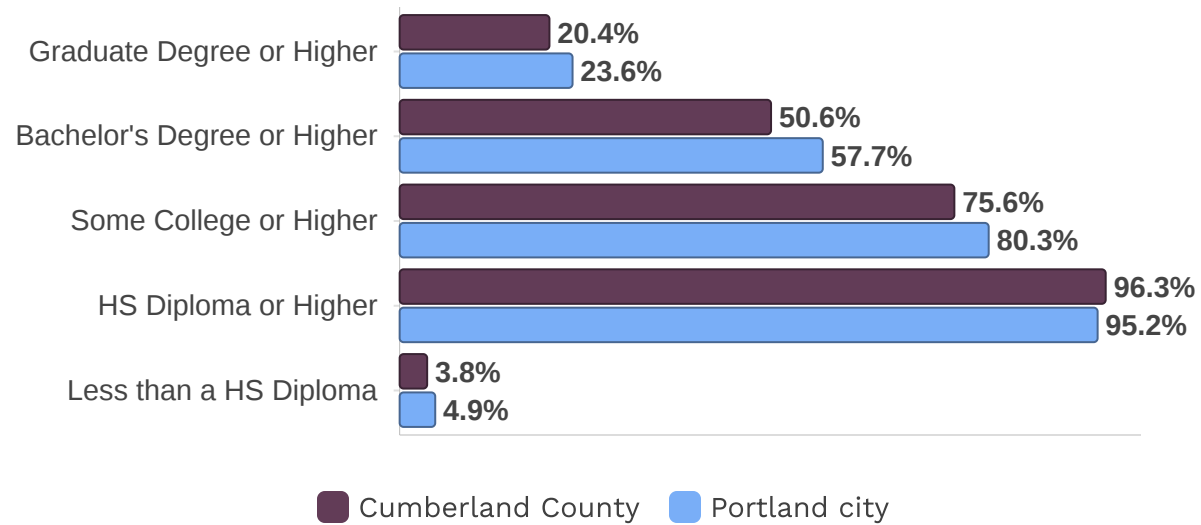
Education

57.7% of the population in Portland city had at least a college degree in 2022, up 13.1% from 2012. 95.2% of the population had a high school diploma, up 4.3% from 2012.



Source: American Community Survey (ACS), US Census Bureau

Comparative Educational Attainment (2022)



Source: American Community Survey (ACS), US Census Bureau

Median Earnings by Educational Attainment

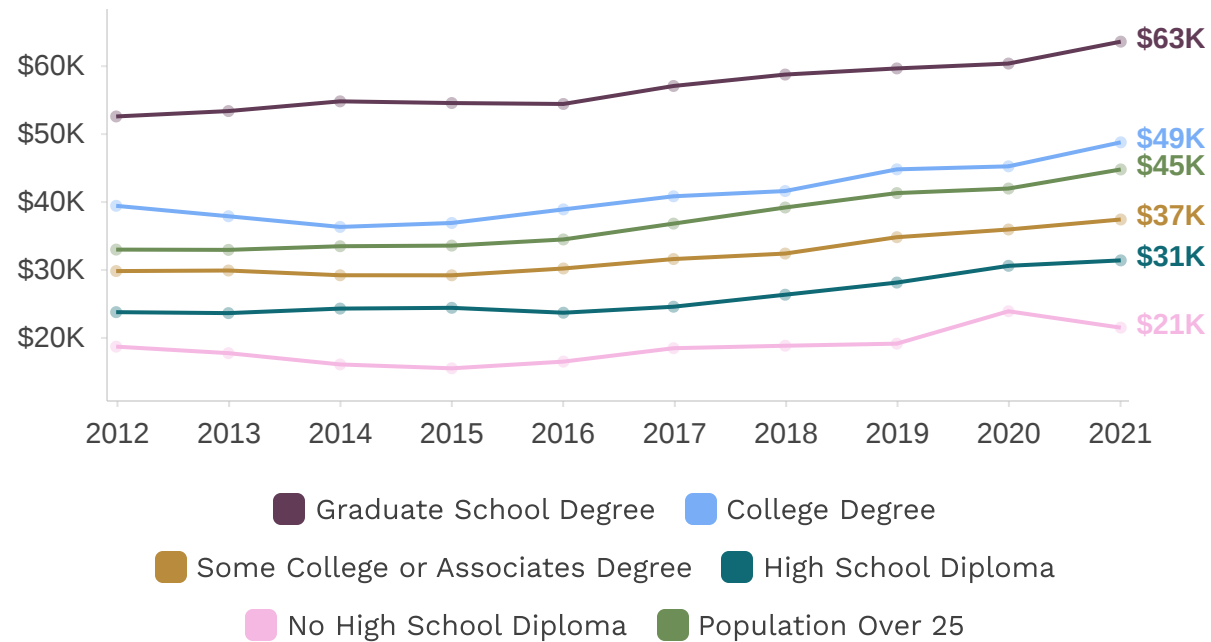
In 2022, residents with a college degree earned on average \$17,115 more than residents with only a high school diploma.

Median Individual Income by Educational Attainment (2022)

Education Level ▲	Cumberland County	Portland city
No High School Diploma	\$30,226	\$20,326
High School Diploma	\$39,336	\$34,002
Some College	\$46,458	\$41,436
College Degree	\$58,206	\$51,117
Graduate Degree	\$76,244	\$68,212
Population Over 25	\$53,078	\$48,760

Source: American Community Survey (ACS), US Census Bureau

Median Income Over Time by Educational Attainment (2012-2022)

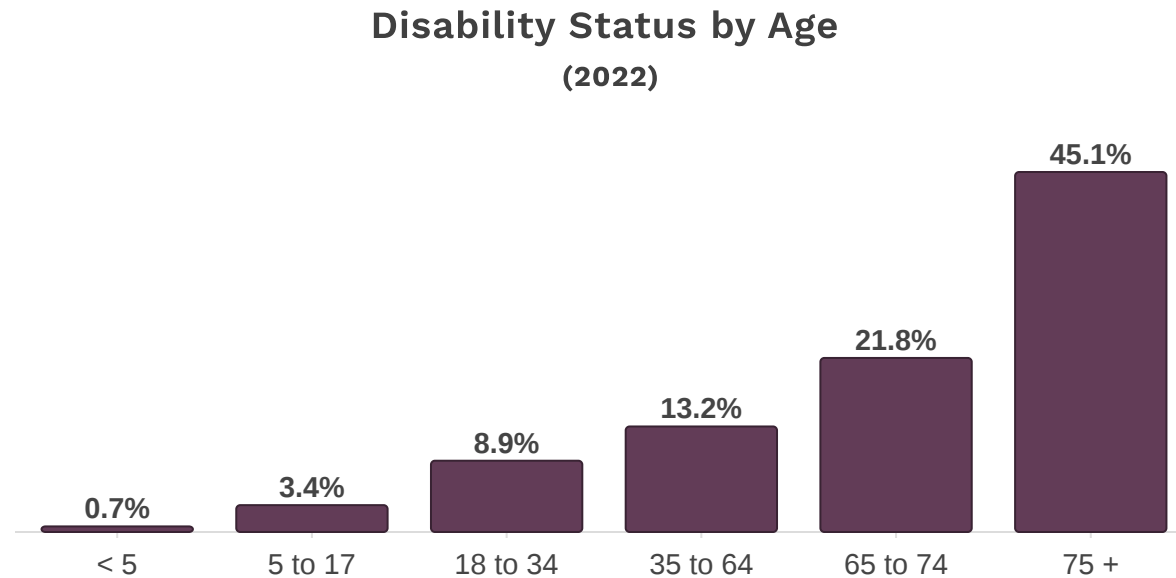


Source: American Community Survey (ACS), US Census Bureau

Dollar values are nominal.

Disability

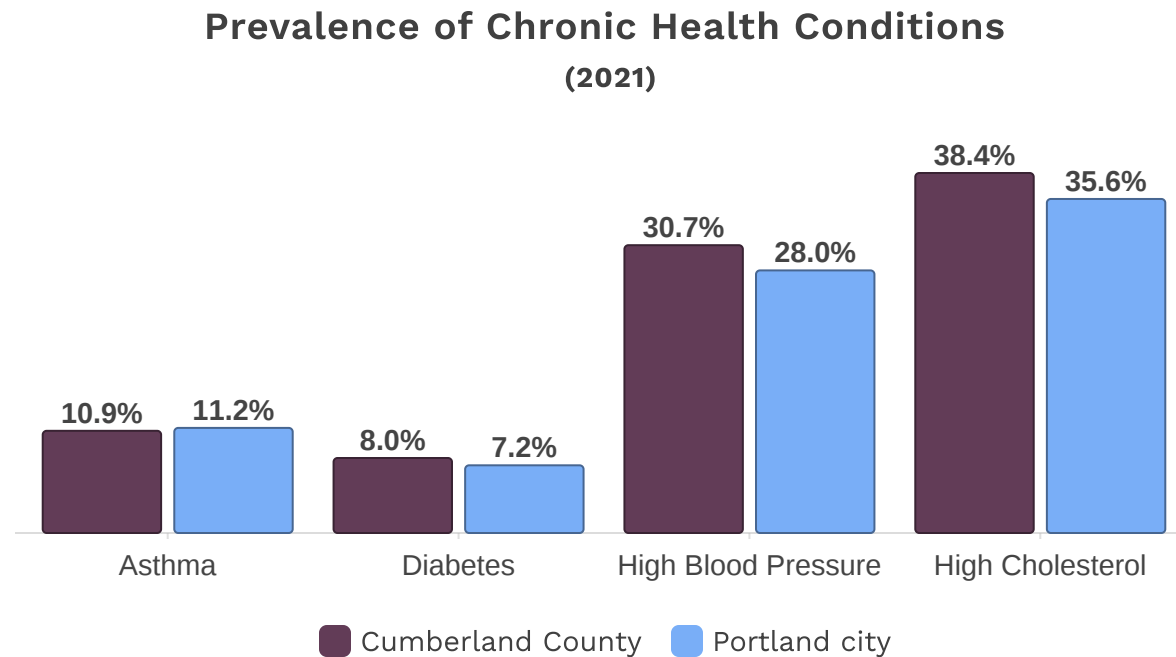
In 2022, 45.1% of people aged 75 and older had a disability in Portland city. The share of all residents with a disability increased by 0.9% between 2012 and 2022, more than in Cumberland County overall.



Source: American Community Survey (ACS), US Census Bureau

Health Outcomes

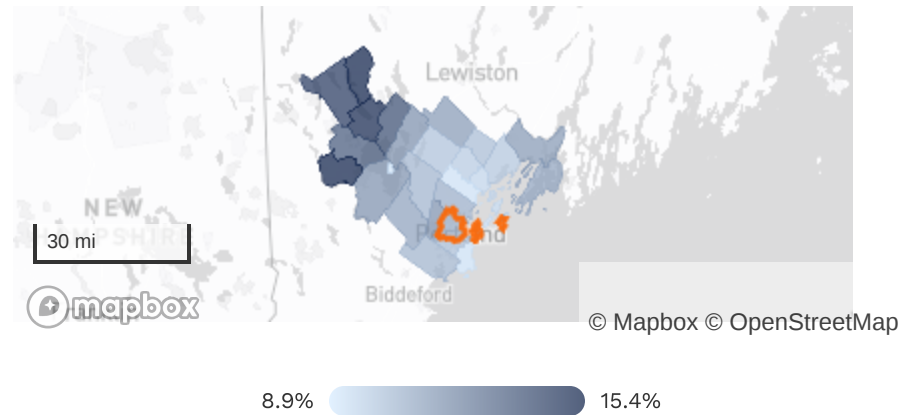
In 2021, 10.8% of the population over 18 years old in Portland city had poor or fair health, as defined by the American Community Survey.



Source: PLACES, US Centers for Disease Control and Prevention (CDC)

Note: The latest year of this dataset is 2021.

Regional Rates of Poor or Fair Health Comparison (2021)



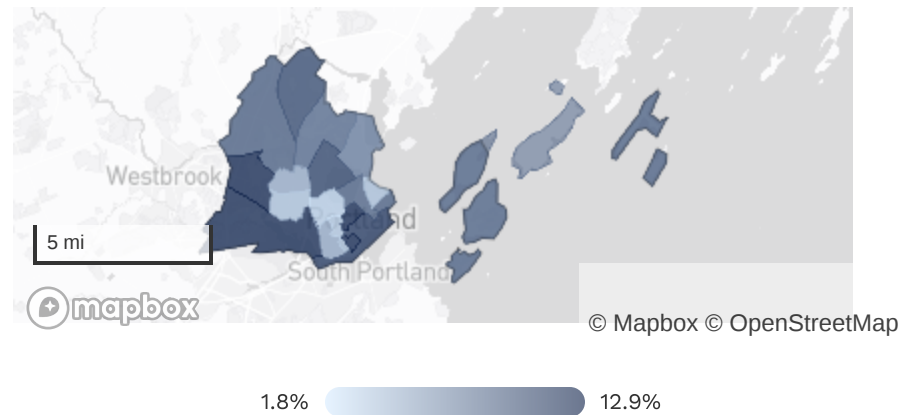
Note: The latest year of this dataset is 2021.

Source: PLACES, US Centers for Disease Control and Prevention (CDC)

Internet Access

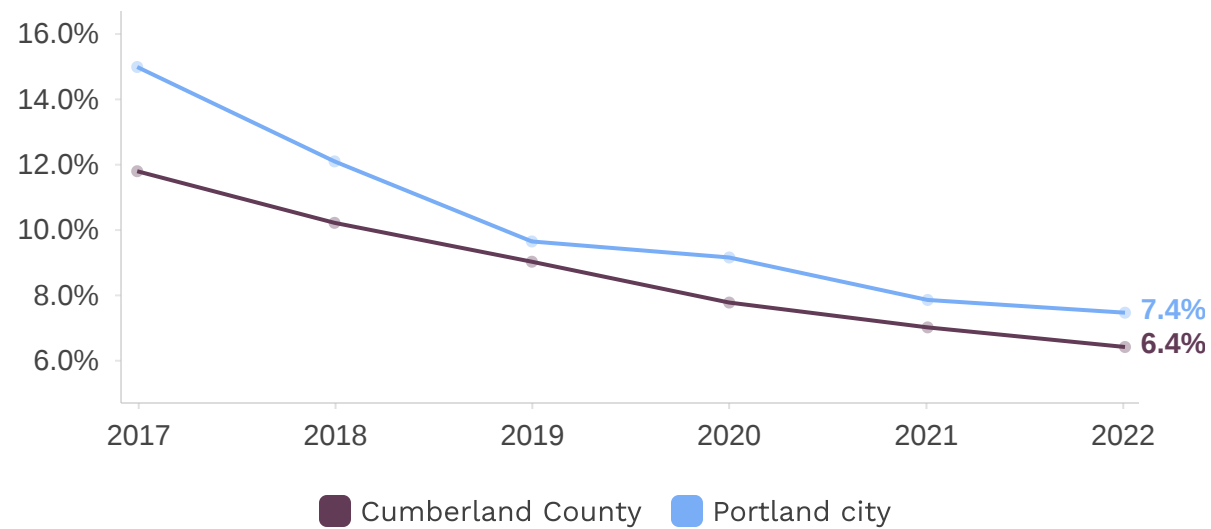
In 2022, 2,399 households in Portland city did not have internet access in their home (7.4% of all households). Internet access refers to whether or not a household uses or connects to the internet, regardless of whether or not they pay for the service to do so.

Share of All Households Without Internet Access (2022)



Source: American Community Survey (ACS), US Census Bureau

Share of All Households Without Internet Access Over Time (2017-2022)



Source: American Community Survey (ACS), US Census Bureau

Economic Trends

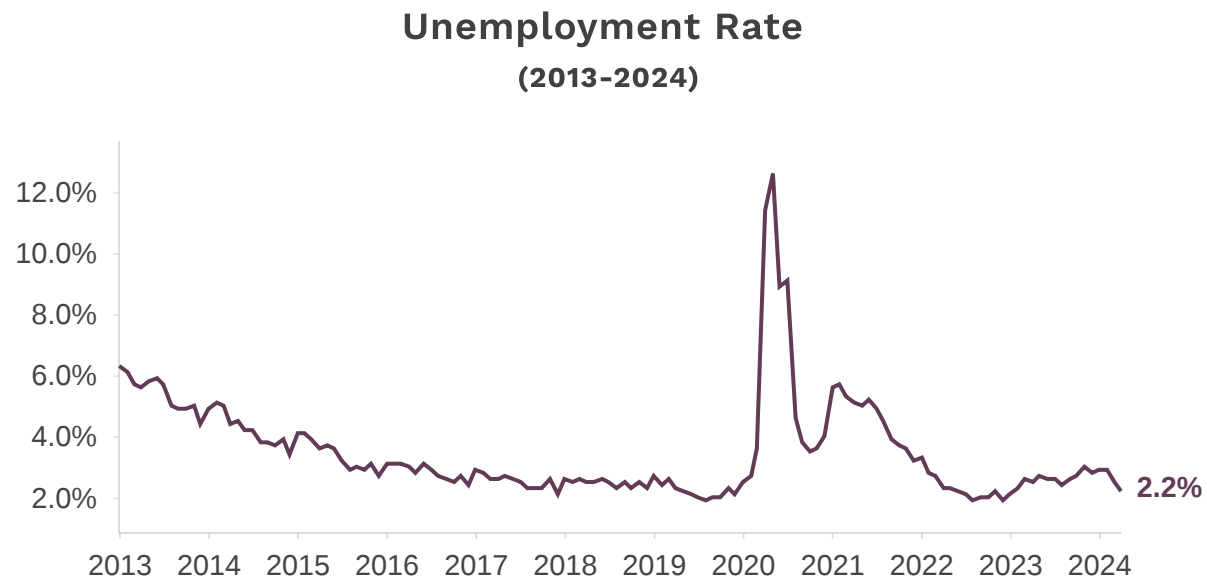
Portland city

Economic Trends

Economic trends in a region, including changes in employment, industries and locations of jobs, impact current and future housing needs. Information about economic trends offers insight into where new housing may be needed and what households can afford to pay for housing based on wages.

Employment

Between 2013 to 2023, the unemployment rate decreased from 5.4% to 2.6% in Portland city.



Source: Local Area Unemployment Statistics (LAUS), US Bureau of Labor Statistics (BLS), except for data for the US overall, which comes from the Current Population Survey (CPS) Labor Force Statistics, US BLS.

Top Occupations and Their Wages

The occupations in Portland-South Portland CBSA, ME with the largest number of employees in 2023 were:

- 1. Retail Salespersons (6,150 workers; \$35,780 median annual wage);
- 2. Home Health and Personal Care Aides (6,060 workers; \$36,520); and,
- 3. General and Operations Managers (5,390 workers; \$99,860).

Note that this data is shown for Portland-South Portland CBSA, ME. Metropolitan areas are the lowest geographic level for data from the Occupational Employment and Wage Statistics (OEWS).

Top 5 Occupations by Total Employment
(2023)



Source: Occupational Employment and Wage Statistics (OEWS), US Bureau of Labor Statistics (BLS)

Employment data are shown for the 5 detailed occupations in Portland-South Portland CBSA, ME with the largest total employment across all industries.

Median Annual Wages in 5 Largest
Occupations by Total Employment
(2023)



Source: Occupational Employment and Wage Statistics (OEWS), US Bureau of Labor Statistics (BLS)

Median annual wages are shown for the 5 detailed occupations in Portland-South Portland CBSA, ME with the largest total employment across all industries.

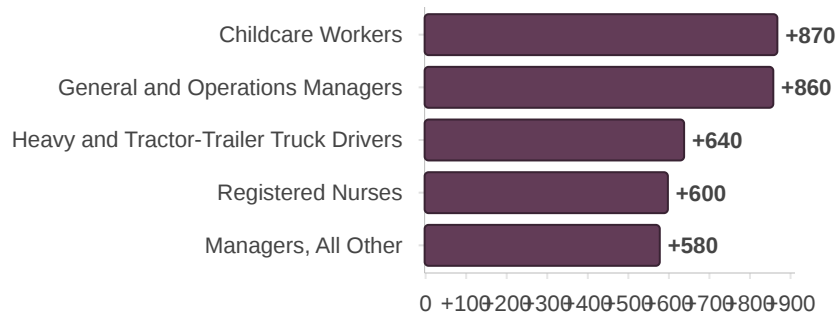
Occupations with the Largest Job Growth

The occupations in Portland-South Portland CBSA, ME that saw the largest net increase in the number of employees between 2018 and 2023 were:

1. Childcare Workers (+870 workers; \$34,340 median annual wage in 2023);
2. General and Operations Managers (+860 workers; \$99,860); and,
3. Heavy and Tractor-Trailer Truck Drivers (+640 workers; \$51,880).

Note that this data is shown for Portland-South Portland CBSA, ME. Metropolitan areas are the lowest geographic level for data from the Occupational Employment and Wage Statistics (OEWS).

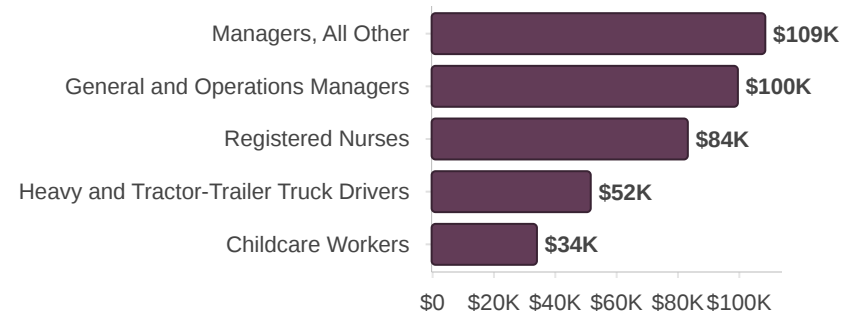
Occupations with the Largest 5-Year Job Growth (2018-2023)



Source: Occupational Employment and Wage Statistics (OEWS, US Bureau of Labor Statistics (BLS))

Job growth data are shown for the 5 detailed occupations in Portland-South Portland CBSA, ME with the largest net increase in employment across all industries.

Median Annual Wages (2023) in Occupations with the Largest 5-Year Job Growth (2018-2023)

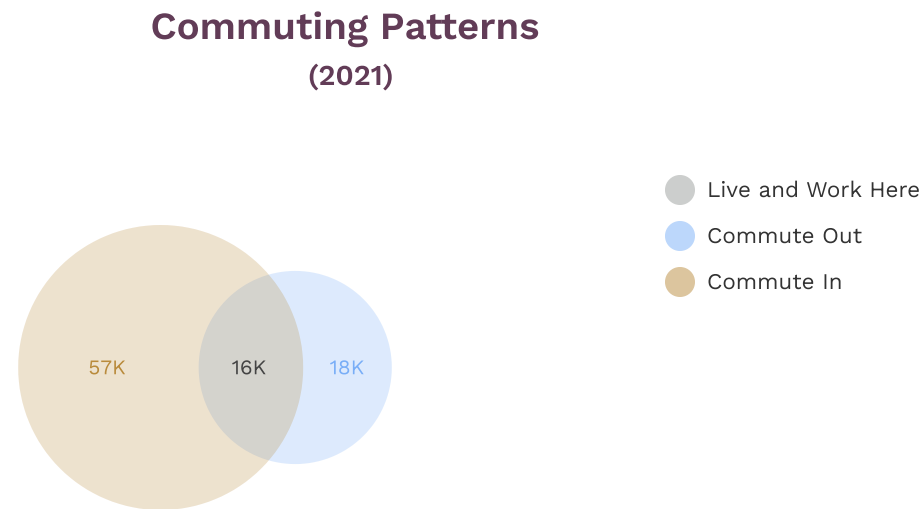


Source: Occupational Employment and Wage Statistics (OEWS, US Bureau of Labor Statistics (BLS))

Median annual wages from 2023 are shown for the 5 detailed occupations in Portland-South Portland CBSA, ME with the largest net increase in employment across all industries.

Commuting Patterns

Among the employed residents of Portland city, 47.7% (16,024 workers) both live and work in Portland city, while 52.3% (17,567 workers) commute out for work. An additional 57,102 workers come to Portland city for work but live elsewhere, meaning 78.1% of the people who work in Portland city do not live in Portland city.



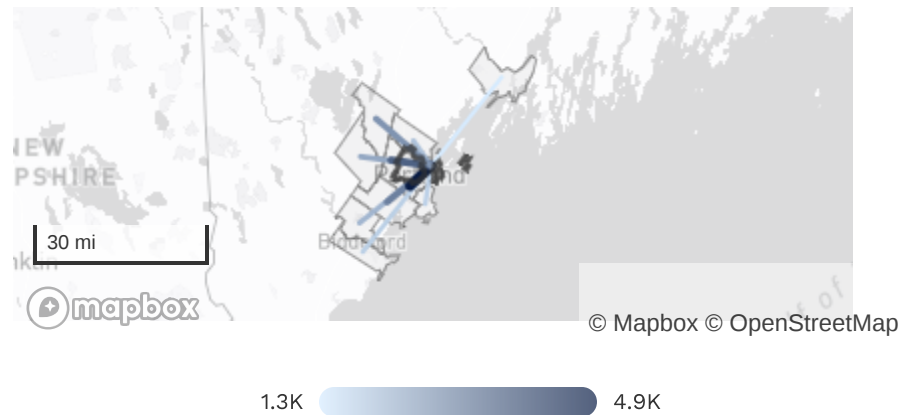
Note: The latest year of this dataset is 2021.

Source: U.S. Census Bureau, Longitudinal Employer-Household Dynamics (LEHD) Origin-Destination Employment Statistics (LODES), Origin-Destination Files

Commuter Inflow

The main points of origin of commuter households into Portland city in 2021 were South Portland city (4,867 commuters), Westbrook city (3,457 commuters), Scarborough town (2,986 commuters), and Windham town (2,659 commuters).

Top Commuter Origins (2021)



Note: The latest year of this dataset is 2021.

Source: U.S. Census Bureau, LEHD Origin-Destination Employment Statistics (LODES)

Total Commuters by Origin (2021)

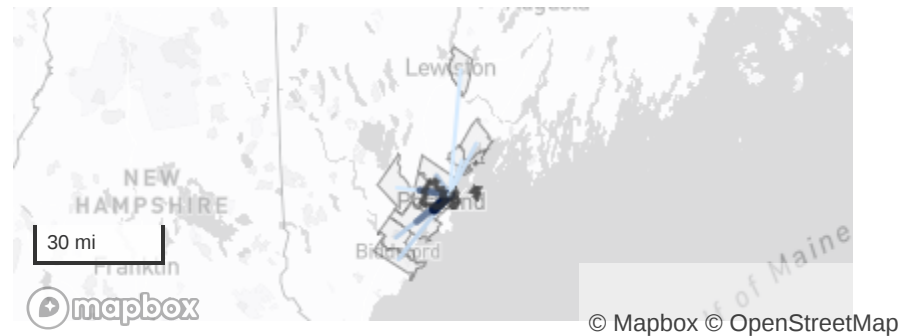
Origin	2021 ▲
Brunswick town	1,319
Cape Elizabeth town	1,712
Biddeford city	1,737
Falmouth town	1,950
Saco city	2,132
Gorham town	2,352
Windham town	2,659
Scarborough town	2,986
Westbrook city	3,457
South Portland city	4,867

Source: U.S. Census Bureau, LEHD Origin-Destination Employment Statistics (LODES)

Commuter Outflow

The main destinations of commuting households out of Portland city in 2021 were South Portland city (3,267 commuters), Westbrook city (1,982 commuters), Scarborough town (1,748 commuters), and Falmouth town (880 commuters).

Top Commuter Destinations (2021)



411 3.3K

Note: The latest year of this dataset is 2021.

Source: U.S. Census Bureau, LEHD Origin-Destination Employment Statistics (LODES)

Total Commuters by Destinations (2021)

Destination	2021 ▲
Lewiston city	411
Gorham town	412
Yarmouth town	472
Freeport town	545
Biddeford city	660
Saco city	747
Falmouth town	880
Scarborough town	1,748
Westbrook city	1,982
South Portland city	3,267

Source: U.S. Census Bureau, LEHD Origin-Destination Employment Statistics (LODES)



Housing Supply Trends

Portland city

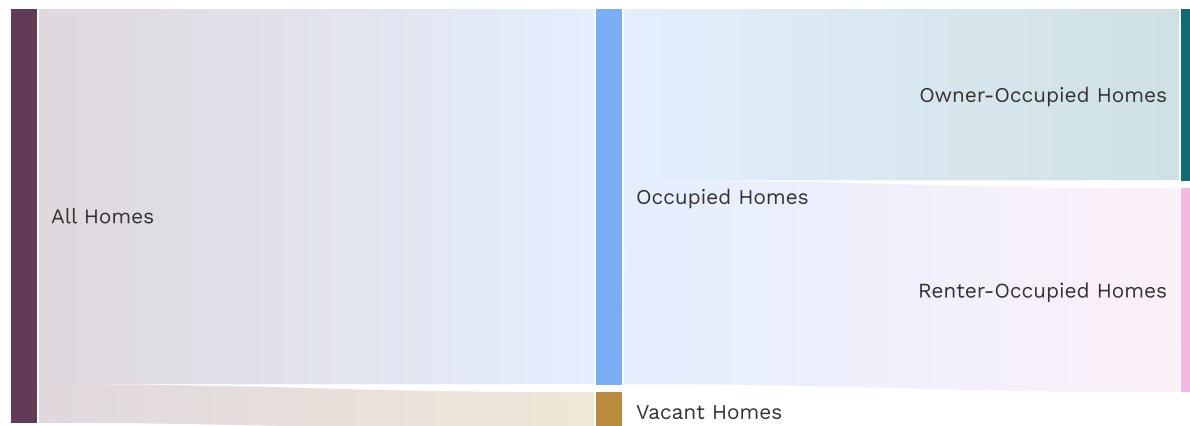
Housing Supply Introduction

This section explores overall housing supply— the total number of homes in a region, as well as their type, tenure, quality, and cost. The overall availability of housing for rent and for sale is an important indicator of a housing market’s ability to welcome new households and support housing choice for existing residents. Housing availability and affordability are closely linked; the Affordable Housing Supply section focuses on affordability trends and the supply of both naturally occurring and publicly subsidized affordable homes for lower income households.

Total Housing Stock

Of the total 32,253 occupied homes in Portland city in 2022, 45.6% were owner-occupied homes and 54.4% were renter-occupied homes. Out of all homes, 9.4% of homes were vacant.

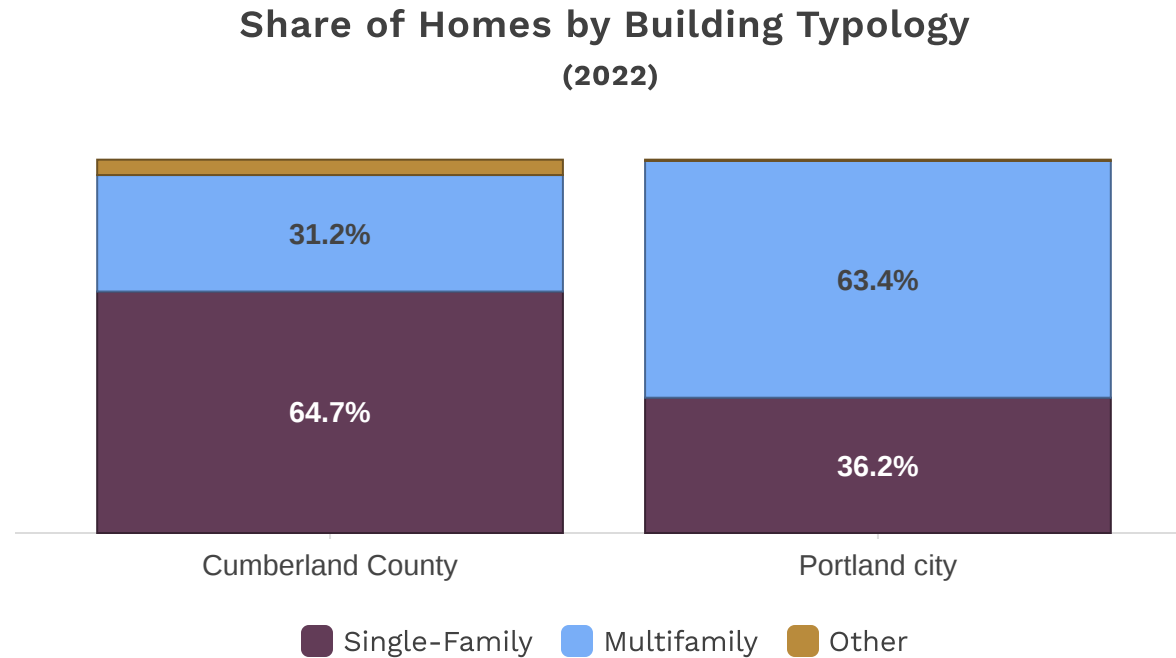
Renter and Owner Occupied Housing Stock (2022)



Source: American Community Survey (ACS), US Census Bureau

Homes by Typology

Multifamily housing made up the largest share of housing in Portland city in 2022 (63.4%, or 22,568 homes). Single family housing was next with 12,897 homes (36.2%). The number of homes in multifamily buildings (2+ units) increased by 1,897 homes between 2012 and 2022.

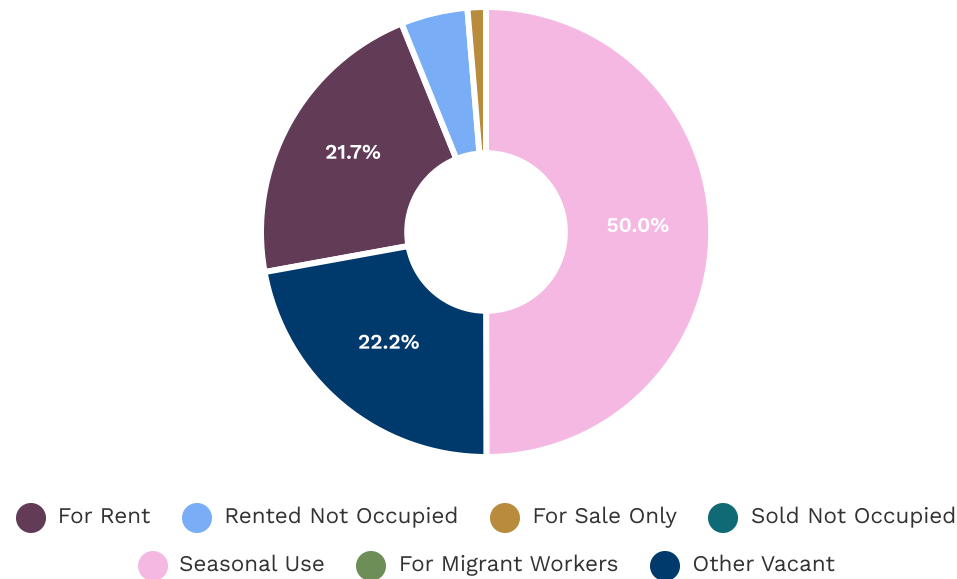


Source: American Community Survey (ACS), US Census Bureau

Vacancy Trends

When determining the share of housing stock available for new renters and owners, only homes that are 'for rent' and 'for sale only' can be occupied by new renters and owners. So while 3,332 of homes were vacant in Portland city in 2022, only 21.7% of these homes were vacant and for rent, and 1.3% were vacant and for sale. 50.0% of all vacant homes were for seasonal use, in which the home is unoccupied most of the year.

Status of Vacant Homes
(2022)



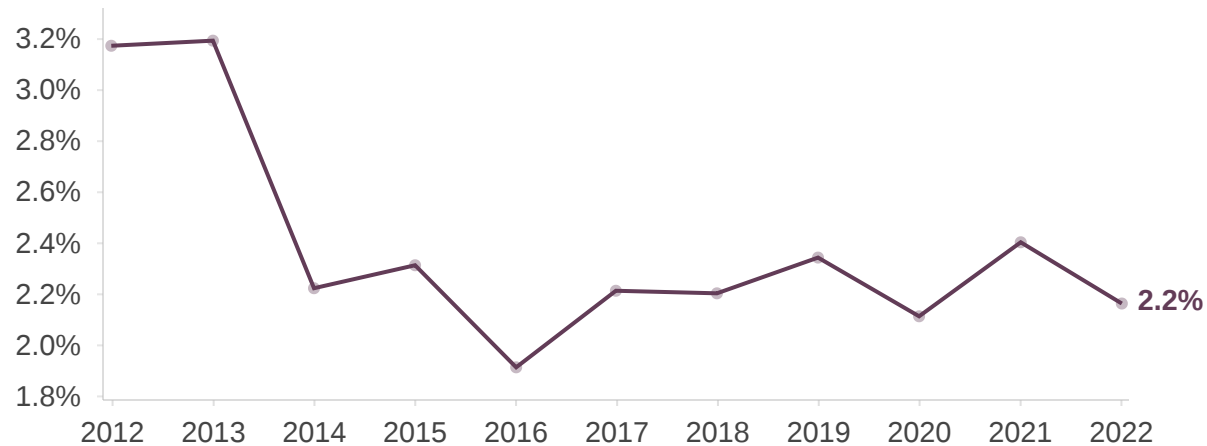
"Other Vacant" may include homes foreclosed on, in need of repair, or if the status is vacant and reason unknown.

Source: American Community Survey (ACS), US Census Bureau

Vacancy Indicators

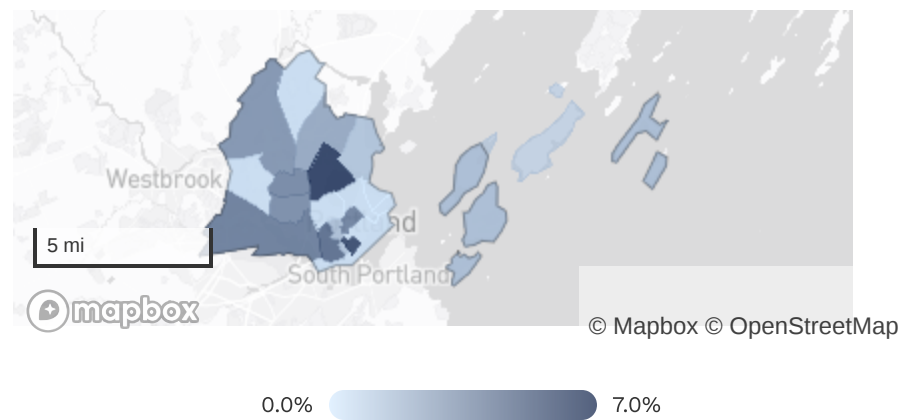
The share of vacant and available homes in Portland city decreased by 1.0%, or by 309 homes, between 2012 to 2022. This indicates that the housing market was more constrained in 2022 compared to 2012.

**Share of Homes That Are Vacant and Available Over Time
(2012-2022)**



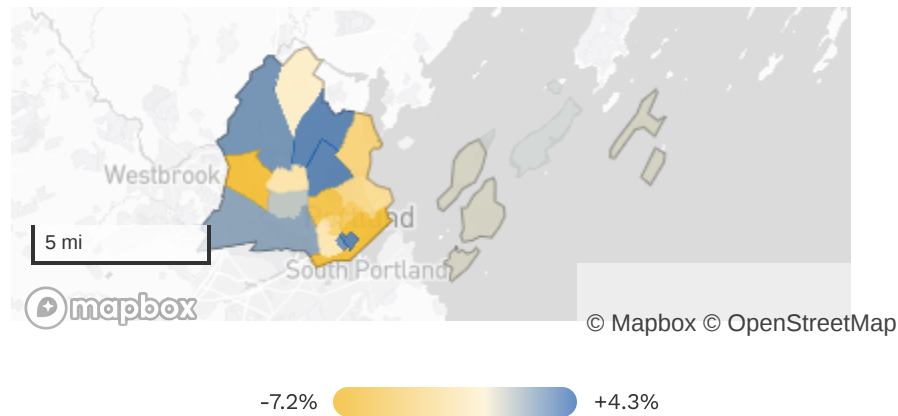
Source: American Community Survey (ACS), US Census Bureau

Share of Homes That Are Vacant and Available (2022)



Source: American Community Survey (ACS), US Census Bureau

Change in Share of Homes That Are Vacant and Available (2012-2022)

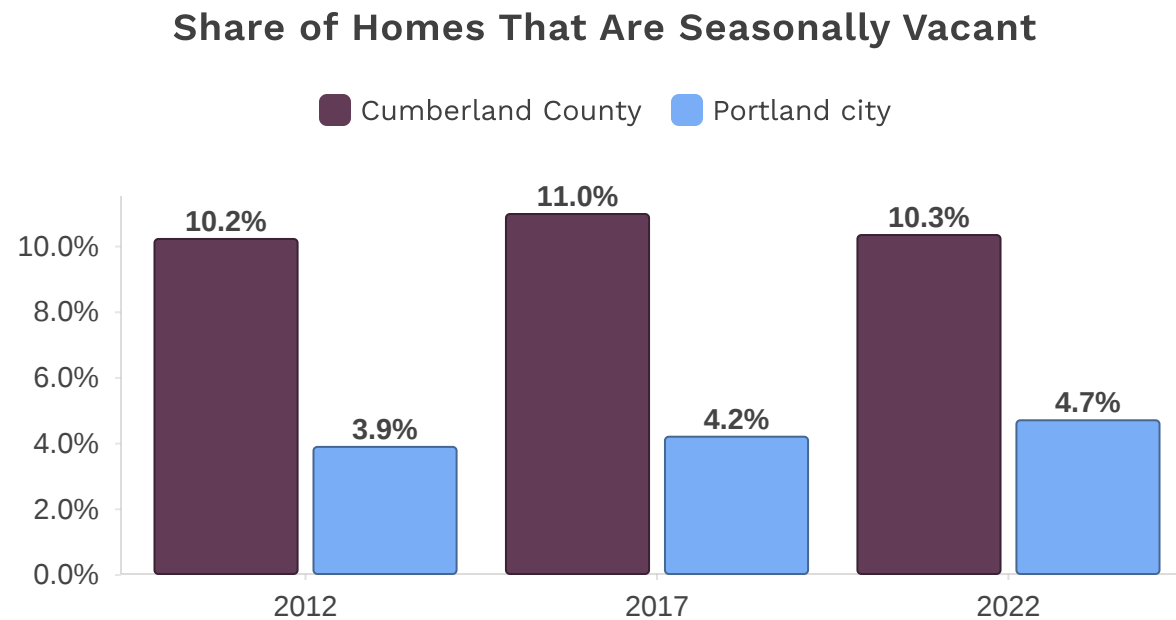


Where shown, pre-2020 tract-level data has been mapped onto 2020 vintage census tracts using a tract-to-tract crosswalk.

Source: American Community Survey (ACS), US Census Bureau

Seasonal Vacancies

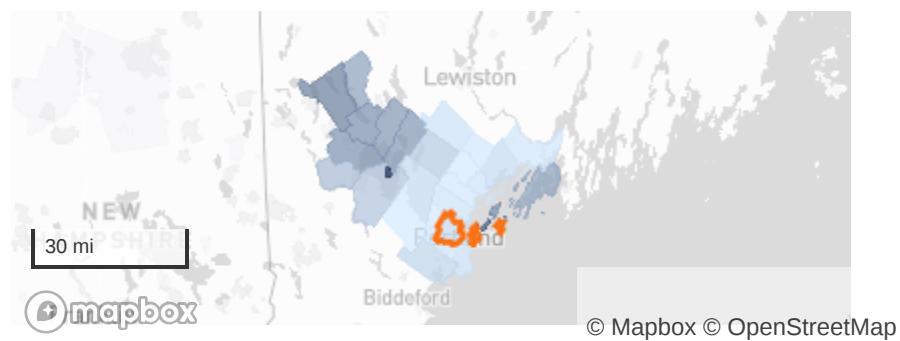
Housing that is seasonally vacant can make up a substantial part of some markets, particularly in vacation destinations. In Portland city, 4.7% of all homes in 2022 were seasonally vacant—that is, they were reported as being vacant for seasonal, recreational, or occasional use, or for migrant workers. The seasonal vacancy rate has increased since 2012, when 3.9% of homes were seasonally vacant.



Source: American Community Survey (ACS), US Census Bureau

Seasonal vacancies include homes that are used "for seasonal, recreational, or occasional use" and "for migrant workers."

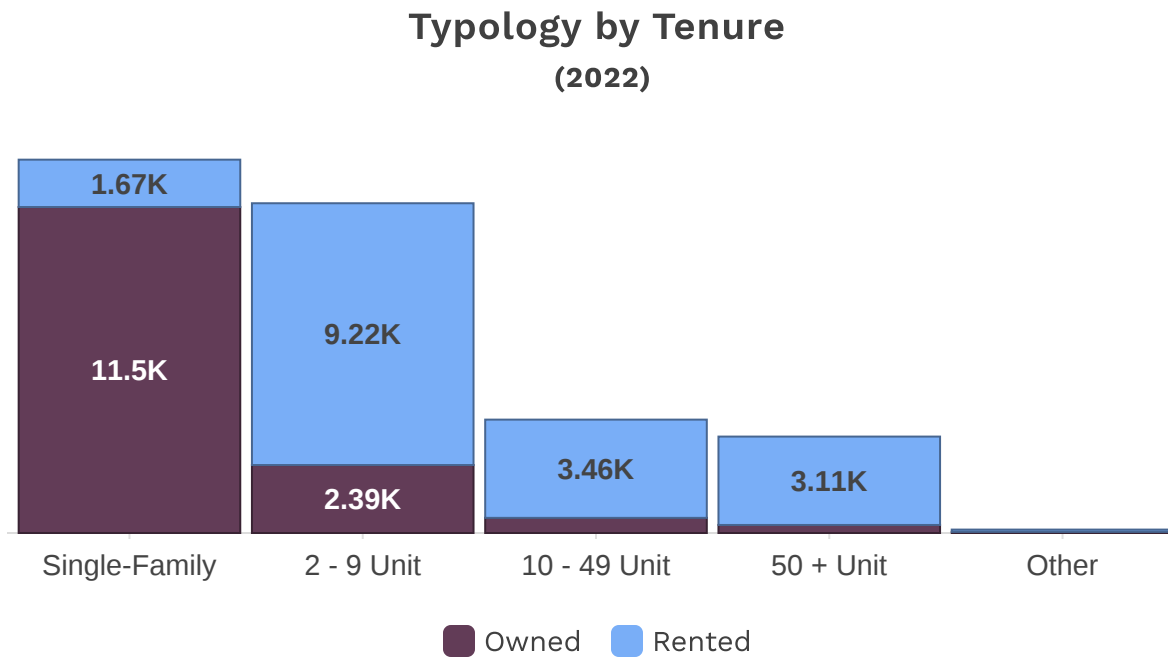
Regional Comparison of the Seasonal Vacancy Rate (2022)



Source: American Community Survey (ACS), US Census Bureau

Typology by Tenure

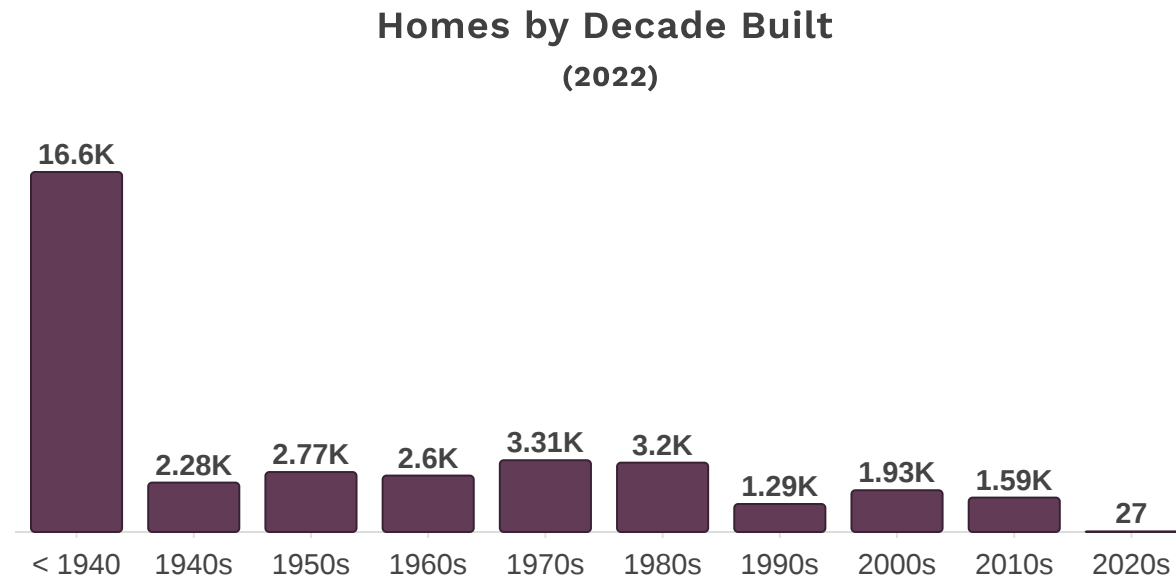
In 2022, 1,667 single family homes in Portland city were occupied by renters. For homes occupied by owners, the majority were single family, with 11,474 homes.



Source: American Community Survey (ACS), US Census Bureau

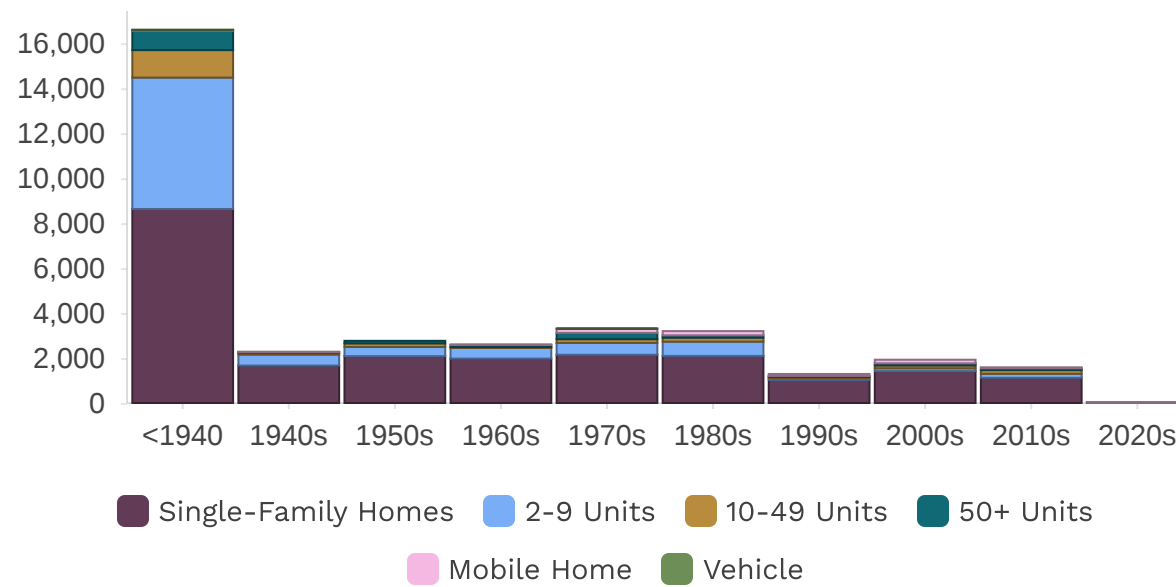
Homes by Decade Built

Of the 35,585 homes in Portland city, 1,586 homes (4.5%) were built between 2010 and 2019. This was less than between 2000 and 2009, when 1,926 homes (5.4%) were built.



Source: American Community Survey (ACS), US Census Bureau

Homes by Decade Built and Typology (2022)

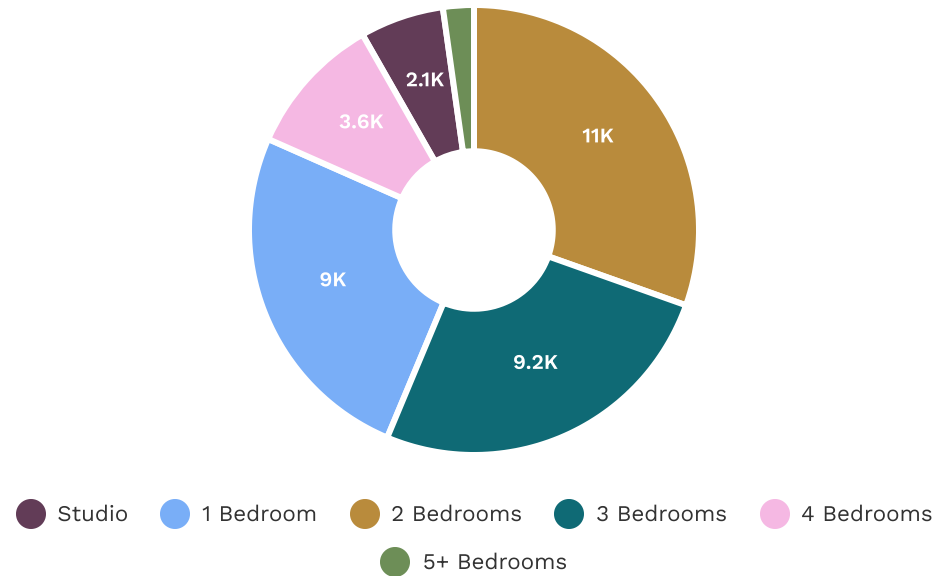


Source: Public Use Microdata Sample (PUMS), US Census Bureau

Vehicle refers to house boats, RVs, camper vans, and other homes.

Homes by Number of Bedrooms

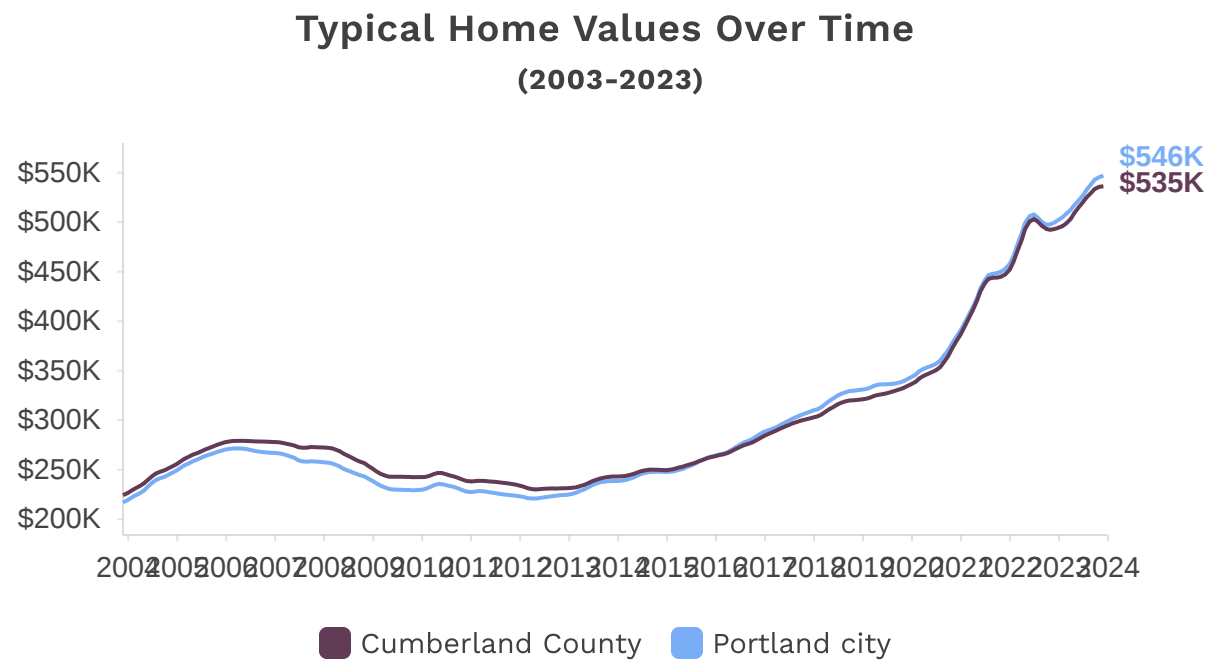
Homes by Number of Bedrooms
(2022)



Source: American Community Survey (ACS), US Census Bureau

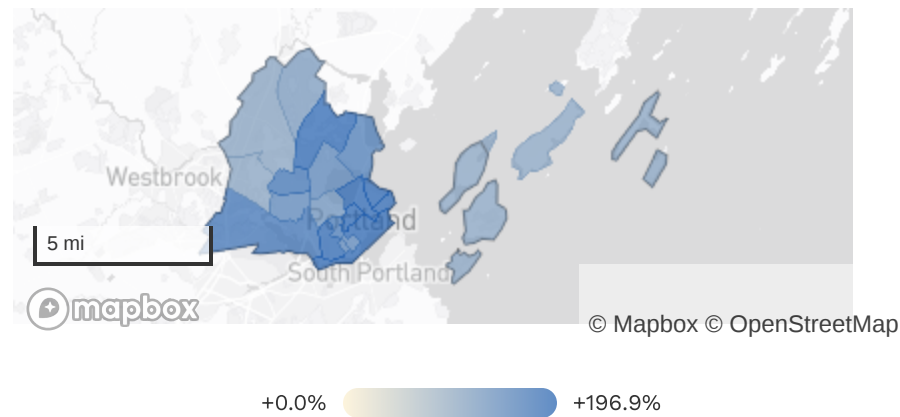
Home Values

Home values in Portland city increased by 129.9% from 2013 to 2023, compared to home values across Cumberland County, which increased by 121.2%.



Source: Zillow Research, Zillow Home Value Index, All Homes Time Series

Change in Median Home Values (2012-2022)

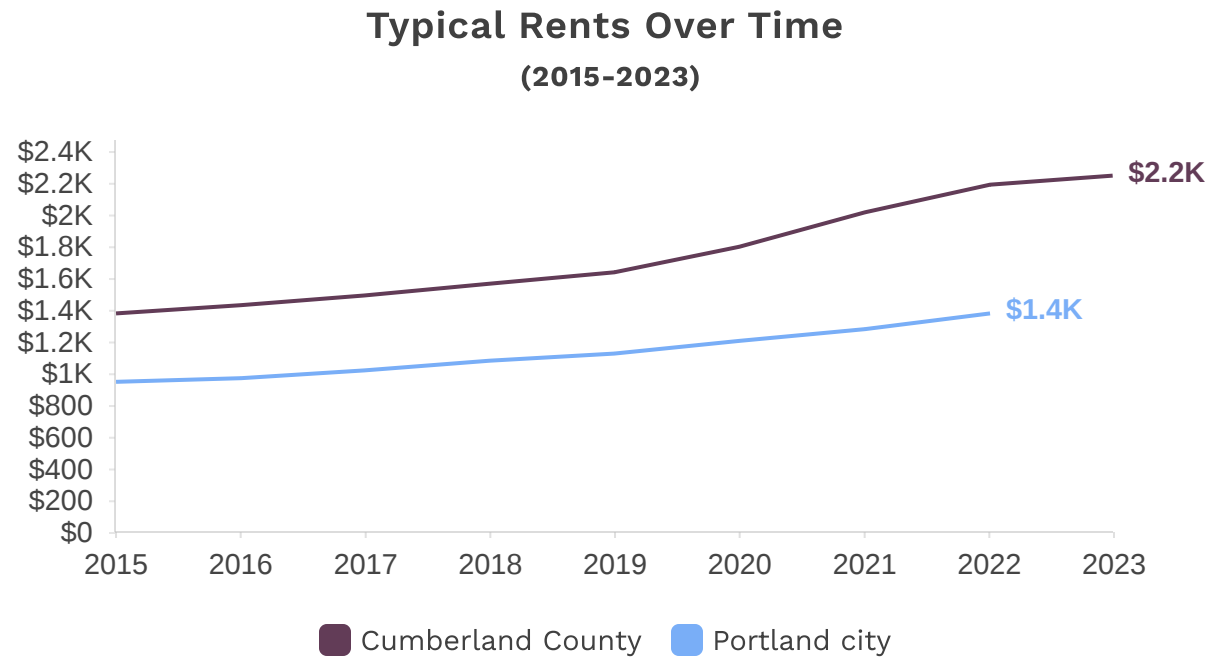


Where shown, pre-2020 tract-level data has been mapped onto 2020 vintage census tracts using a tract-to-tract crosswalk, using the number of owner-occupied homes as weights. Dollar values are nominal.

Source: American Community Survey (ACS), US Census Bureau

Rents

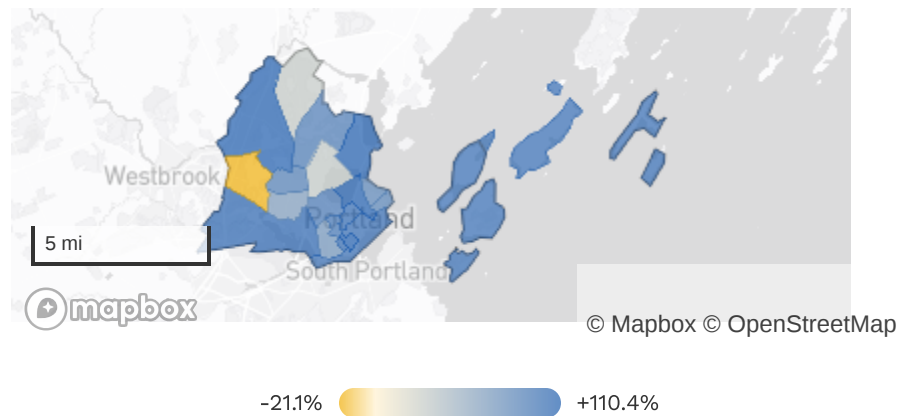
According to the ACS, the median gross rent in Portland city was \$1,377 in 2023. Rent increased by \$431 (45.6%) from 2015 to 2023.



Source: Depending on data availability, rent data comes from Zillow where available, or else from the American Community Survey (ACS).

Data for Portland city comes from the ACS. Data for Cumberland County comes from Zillow. Dollar values are nominal. Where shown, Zillow rents reflect December typical rent values only.

Change in Median Rents (2012-2022)



Where shown, pre-2020 tract-level data has been mapped onto 2020 vintage census tracts using a tract-to-tract crosswalk, using the number of renter-occupied homes as weights. Dollar values are nominal.

Source: American Community Survey (ACS), US Census Bureau, and HUD-USPS Census Tract Crosswalk File



Affordable Housing Supply

Portland city

Affordable Housing Introduction

Based on a decades-old [standard](#) set by Congress and implemented in U.S. Department of Housing and Urban Developing (HUD) programs, housing is considered affordable when housing and utility costs combined are less than 30% of a household's income.

Households that pay more than 30% of income towards these costs are considered “cost-burdened.” The more a household spends on housing costs, the less residual income it has available for other basic household needs such as food and childcare. Even in healthy housing markets, some households will require assistance to afford market-rate rents because they do not have incomes or their incomes are too low.

This section examines two different types of housing that can be considered affordable: deed-restricted affordable homes, many of which receive subsidy, and unrestricted affordable homes, which are often referred to as “Naturally Occurring Affordable Housing” or “NOAH.”

Area Median Income

AMI stands for Area Median Income, which is a measure of the median income of a specific geographic area (known as Fair Market Rent (FMR) Areas) calculated by HUD to determine eligibility for housing assistance programs. 100% AMI reflects the median income for a given household size.

HUD calculates AMI annually for each metropolitan area and non-metropolitan county in the United States. The calculation is based on the income levels of all households in the area, regardless of their tenure status (i.e., whether they own or rent their homes). The AMI for a specific area is then used as a benchmark for determining eligibility for various housing assistance programs.

This report displays 2022 AMI data to align with the latest demographic and housing unit data from the US Census Bureau, but additional years of data are available through [HUD](#).

Area Median Income by Household Size (2022)

AMI ▲	1	2	3	4	5	6
30% AMI	\$23,460	\$26,820	\$30,180	\$33,510	\$36,210	\$38,8...
50% AMI	\$39,100	\$44,700	\$50,300	\$55,850	\$60,350	\$64,8...
60% AMI	\$46,920	\$53,640	\$60,360	\$67,020	\$72,420	\$77,760
80% AMI	\$62,560	\$71,520	\$80,4...	\$89,360	\$96,560	\$103,6...
Area Median Income (100% AMI)	\$78,200	\$89,4...	\$100,...	\$111,700	\$120,7...	\$129,6...

Source: US Department of Housing and Urban Development (HUD)

Source Notes

Data shown for Portland city come from the Portland, ME HUD Metro FMR Area. Census geographies may not directly align with HUD FMR Areas. To find another HUD FMR Area, explore the [HUD FMR Areas map](#) and access AMI data for other HUD FMR Areas from [HUD's data portal](#).

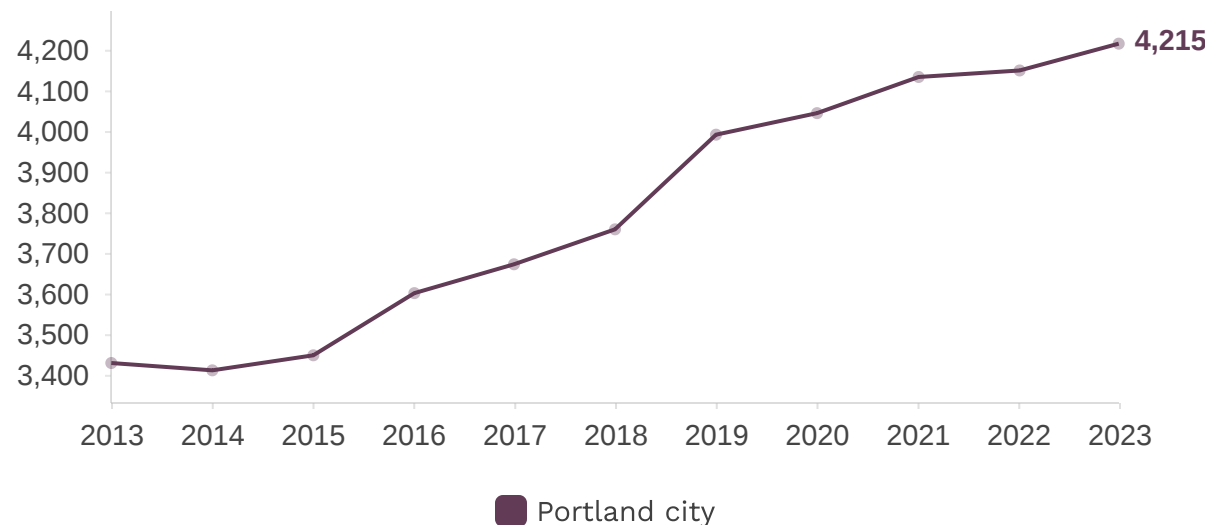
Source: US Department of Housing and Urban Development (HUD)

Deed-Restricted Affordable Homes

Deed-restricted homes commonly receive government subsidy to provide affordable rents and typically have some form of covenant that restricts rent growth. Throughout this report, “deed-restricted affordable housing” refers to state- and federally-assisted rental housing inventoried in the [National Housing Preservation Database \(NHPD\)](#). Deed-restricted homes that receive no public assistance, like some restricted by local statutes or in community land trusts, and those that only receive local government subsidy, such as New York City’s 421-a local tax incentive, are not captured in this dataset.

In Portland city in 2022, 47.4% of the rental homes affordable below 60% of AMI were deed-restricted affordable homes, compared to Cumberland County at 36.9%.

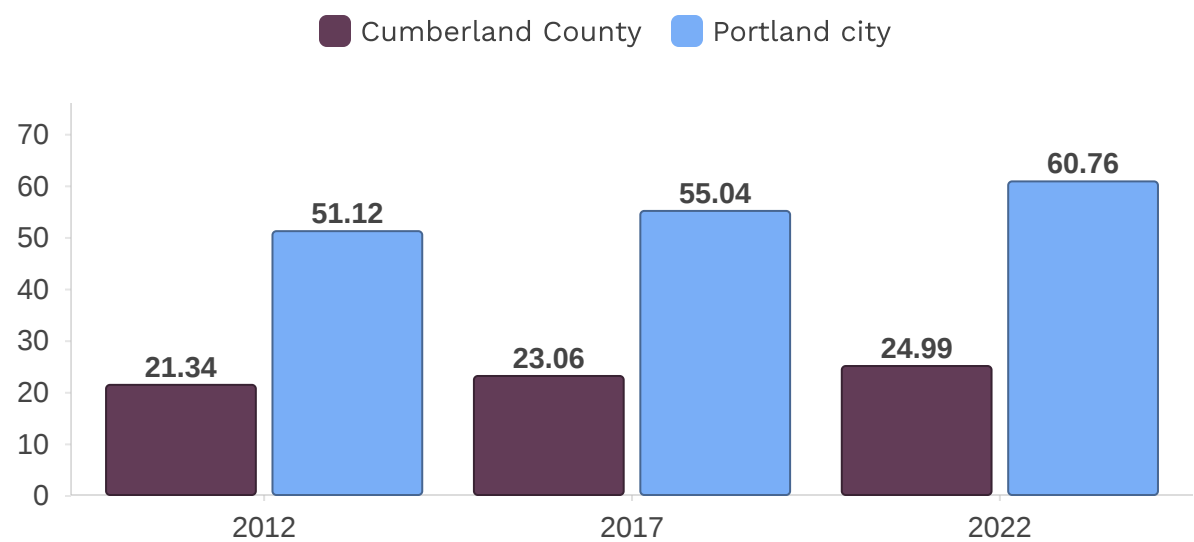
**Total Supply of Deed-Restricted Affordable Homes by Year
(2013-2023)**



Source: National Housing Preservation Database (NHPD)

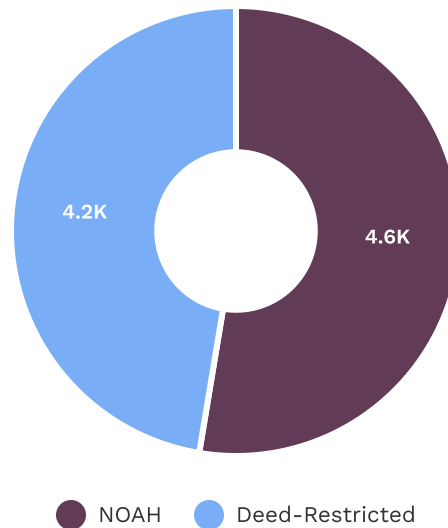
Note: Data reflect the total number of deed-restricted homes in each year with active or inconclusive subsidies based on the earliest start date and latest end date of each property's subsidies.

Deed-Restricted Affordable Homes per 1,000 Population



Source: National Housing Preservation Database (NHPD) and American Community Survey (ACS), US Census Bureau

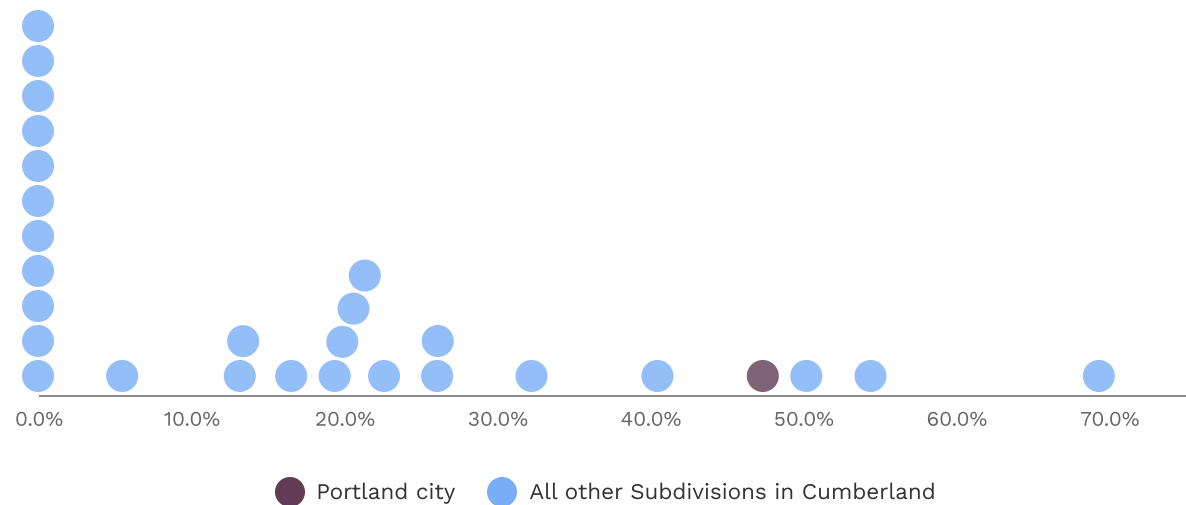
Rental Homes Affordable Under 60% AMI by Deed Restriction Status (2022)



Deed-restricted affordable homes include federally-assisted and some state-assisted homes only. Deed-restricted homes that receive no public assistance or only receive local government subsidy are not included in the deed-restricted category in this chart.

Source: HR&A analysis calculated using data from the American Community Survey (ACS); Public Use Microdata Sample (PUMS); and National Housing Preservation Database (NHPD).

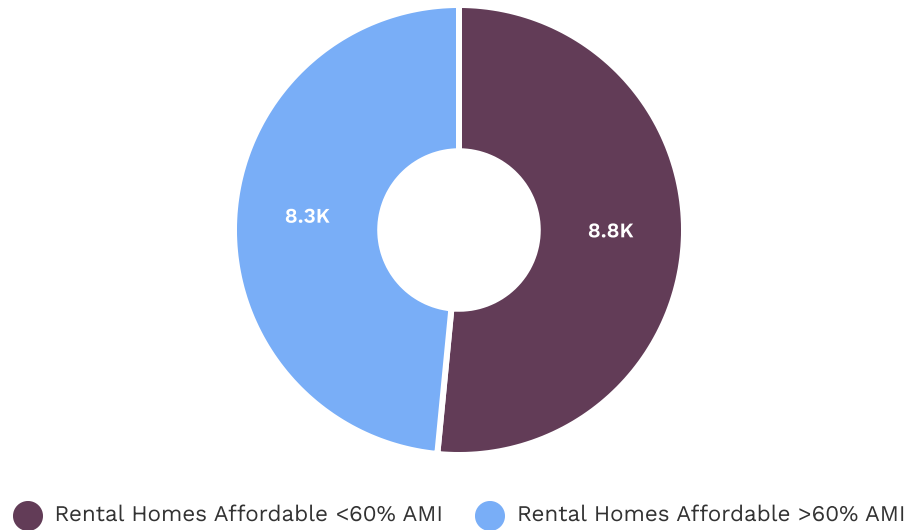
Share of Rental Homes Affordable <60% AMI That Are Deed-Restricted (2022)



Source: HR&A analysis calculated using data from the American Community Survey (ACS); Public Use Microdata Sample (PUMS); and National Housing Preservation Database (NHPD).

Affordable Homes

Share of All Rental Homes Affordable Under 60% AMI
(2022)

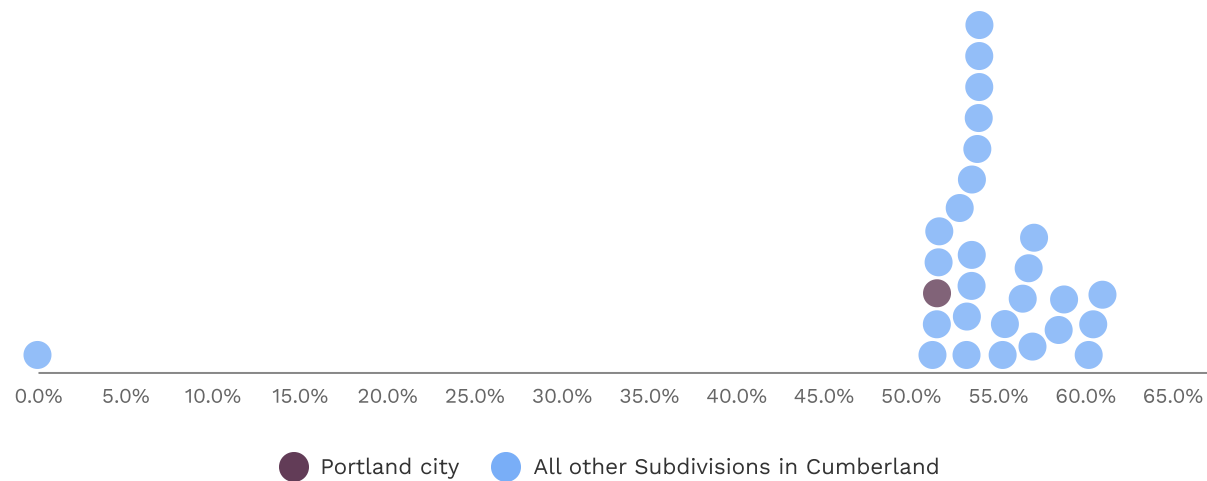


All rental homes includes all deed-restricted and unrestricted rental homes in the market.

Source: HR&A analysis calculated using data from the American Community Survey (ACS); Public Use Microdata Sample (PUMS); and National Housing Preservation Database (NHPD).

Regional Comparison

**Comparative Share of All Rental
Homes Affordable Under 60% AMI
(2022)**

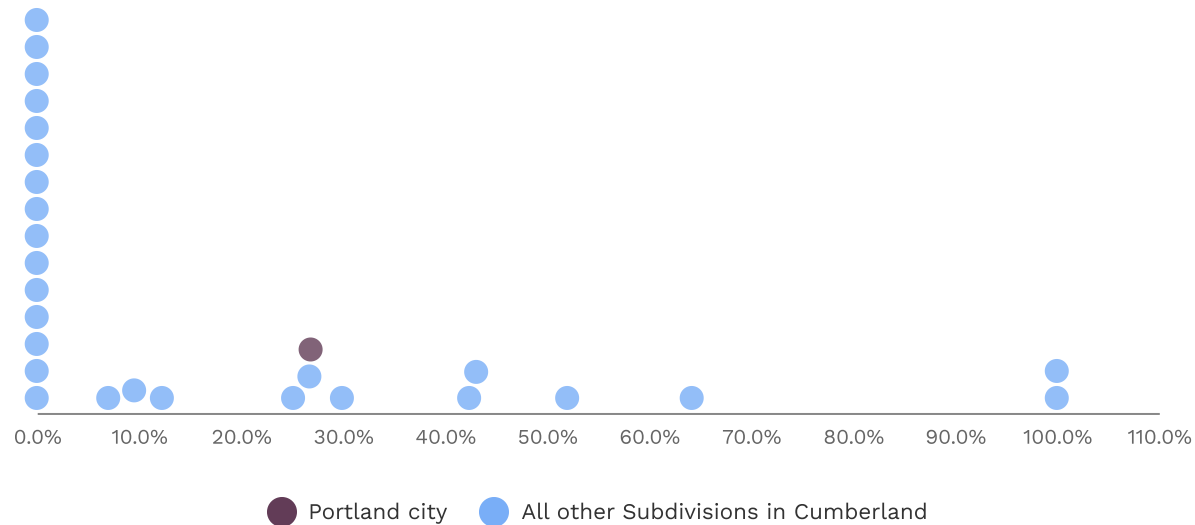


Source: HR&A analysis calculated using data from the American Community Survey (ACS); Public Use Microdata Sample (PUMS); and National Housing Preservation Database (NHPD).

Affordable Housing in Areas of Opportunity

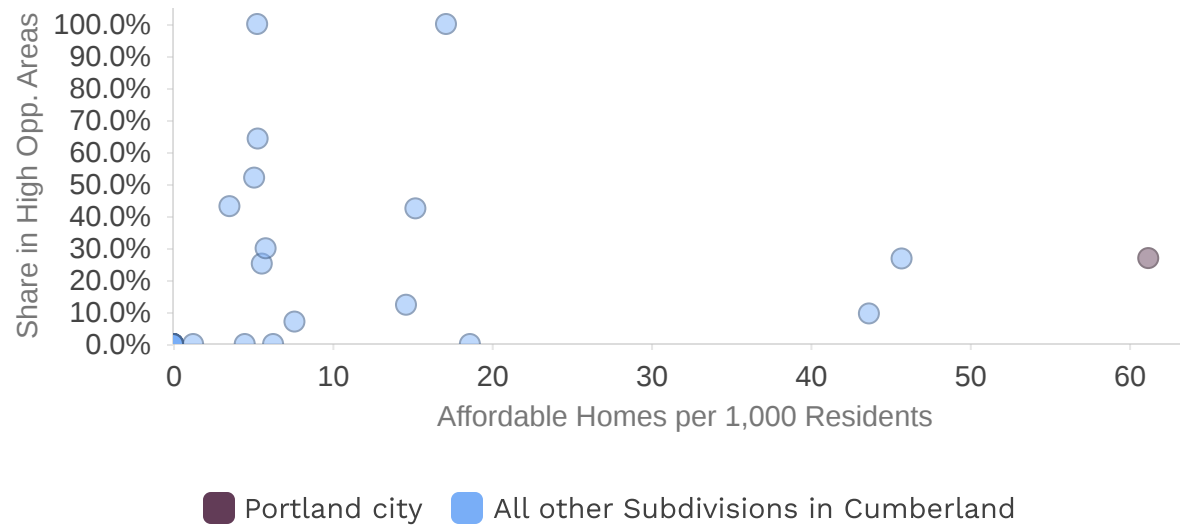
In 2022, 26.9% of the deed-restricted affordable housing stock in Portland city was located in high opportunity areas, which are defined here as properties in census tracts that had a higher median income than Portland city overall.

**Comparative Share of Affordable Housing
Properties Located in High Opportunity Areas
(2022)**



Source: National Housing Preservation Database (NHPD) and American Community Survey (ACS), US Census Bureau

Affordable Homes per Capita Compared to the Share in High Opportunity Areas (2022)



Source: National Housing Preservation Database (NHPD) and American Community Survey (ACS), US Census Bureau



Renter Housing Needs

Portland city

Renter Housing Needs

This section focuses on the housing needs of renters. Information about renter housing needs should be used to inform and shape policies and initiatives that address affordability, accessibility, and quality in the housing market.

Area Median Income

AMI stands for Area Median Income, which is a measure of the median income of a specific geographic area (known as Fair Market Rent (FMR) Areas) calculated by HUD to determine eligibility for housing assistance programs. 100% AMI reflects the median income for a given household size.

HUD calculates AMI annually for each metropolitan area and non-metropolitan county in the United States. The calculation is based on the income levels of all households in the area, regardless of their tenure status (i.e., whether they own or rent their homes). The AMI for a specific area is then used as a benchmark for determining eligibility for various housing assistance programs.

This report displays 2022 AMI data to align with the latest demographic and housing unit data from the US Census Bureau, but additional years of data are available through [HUD](#).

Area Median Income by Household Size (2022)

AMI ▲	1	2	3	4	5	6
30% AMI	\$23,460	\$26,820	\$30,180	\$33,510	\$36,210	\$38,8...
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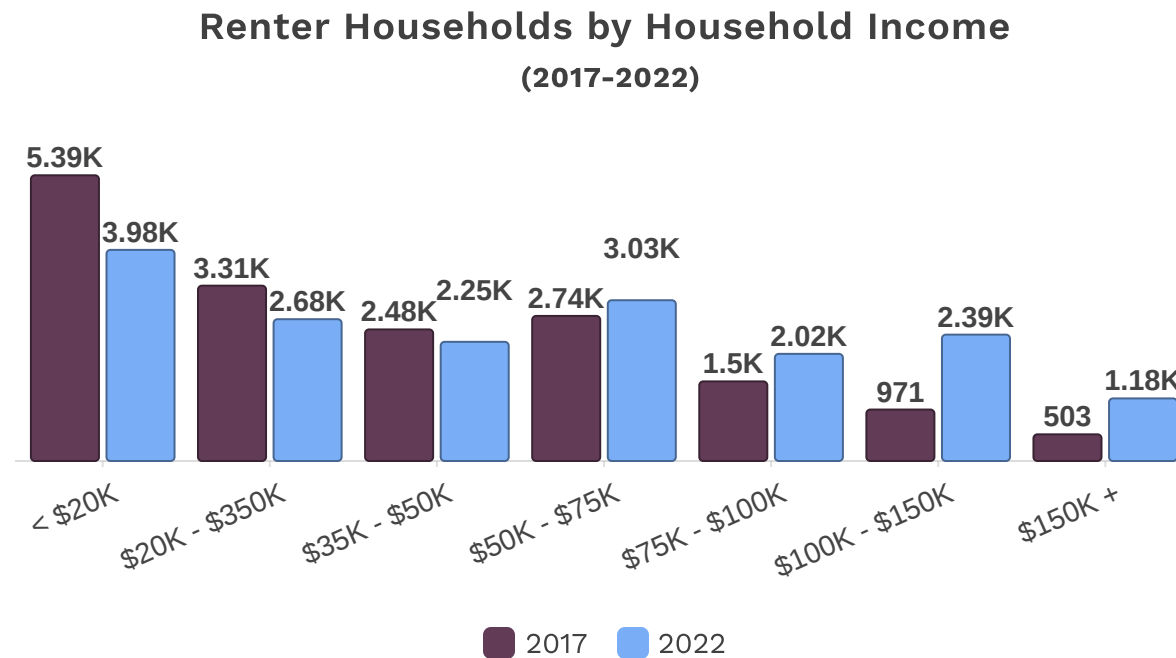
Source: US Department of Housing and Urban Development (HUD)

Source Notes

Data shown for Portland city come from the Portland, ME HUD Metro FMR Area. Census geographies may not directly align with HUD FMR Areas. To find another HUD FMR Area, explore the [HUD FMR Areas map](#) and access AMI data for other HUD FMR Areas from [HUD's data portal](#).

Source: US Department of Housing and Urban Development (HUD)

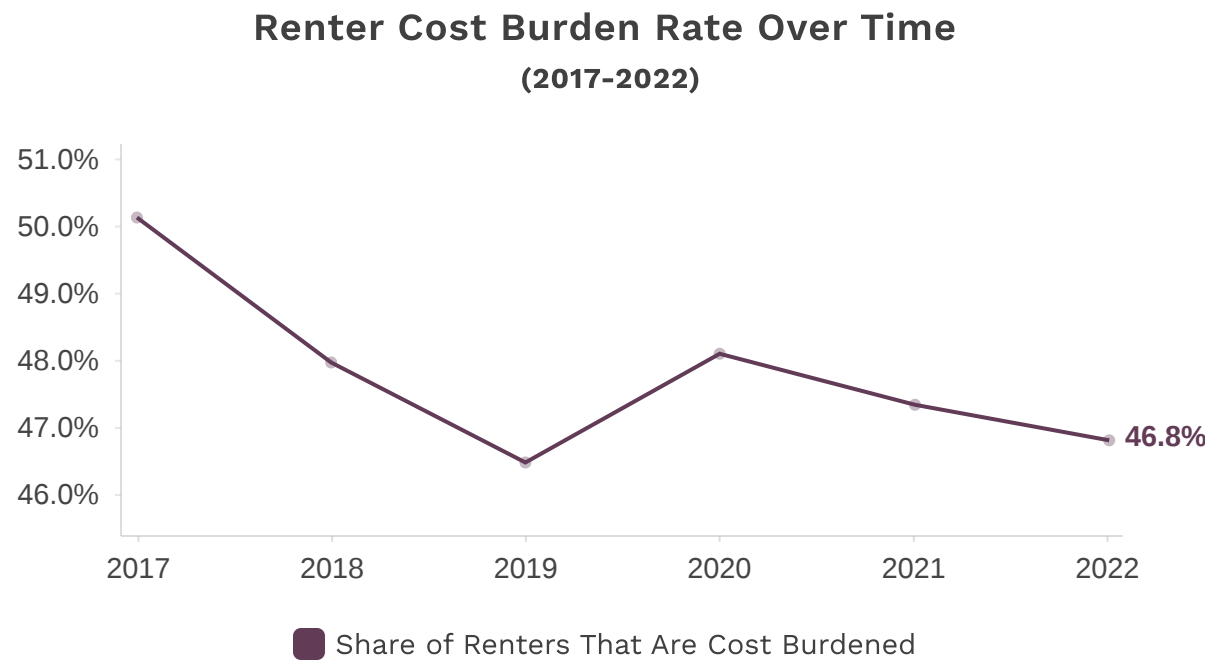
Renter Households by AMI and Income



Source: American Community Survey (ACS), US Census Bureau

Dollar values are nominal.

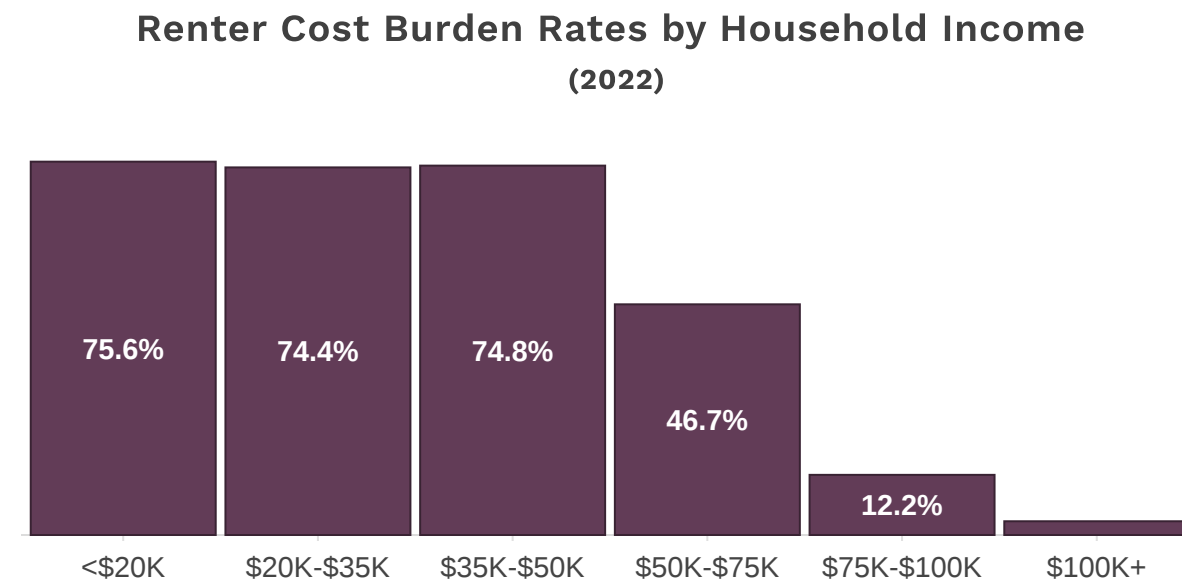
Renter Cost Burden



Source: American Community Survey (ACS), US Census Bureau

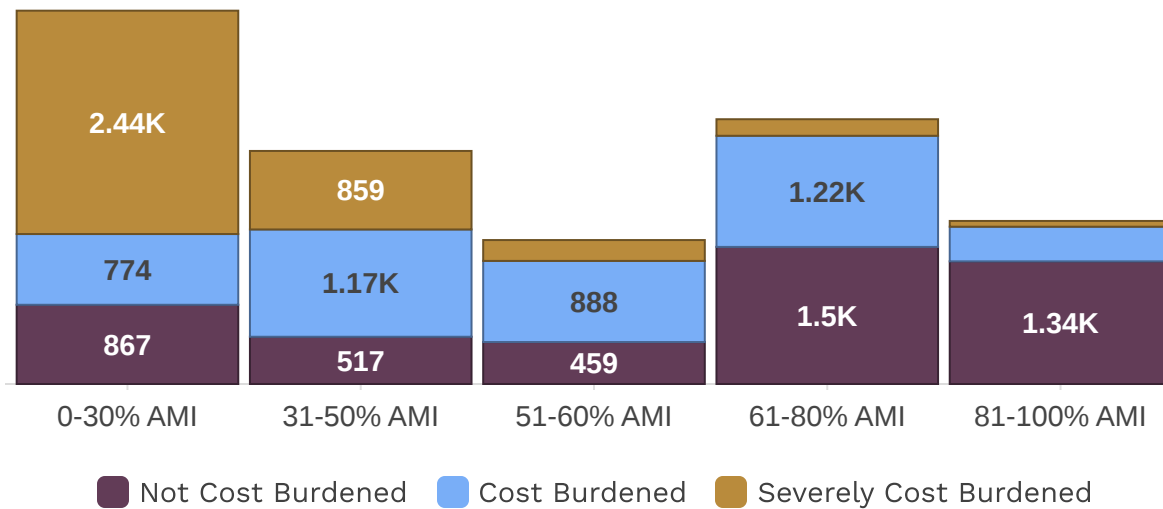
Renter Cost Burden by Income

In 2022, 27.4% of renters in Portland city spent 30-50% of their income on housing (cost burdened), while 22.1% of renters spent more than 50% of their income on housing (severely cost burdened), for a total of 49.5% of all renters.



Source: American Community Survey (ACS)

Renter Cost Burden Rates by AMI (2022)



Source: HR&A analysis calculated using data from the Public Use Microdata Sample (PUMS) and American Community Survey (ACS), US Census Bureau, and from the Multifamily Tax Subsidy Projects (MTSP) Income Limits, US Department of Housing and Urban Development (HUD).

Renter Cost Burden by Cohort

Housing cost burden can sometimes fall disproportionately on specific demographic groups and vulnerable populations, like single parent households or seniors.

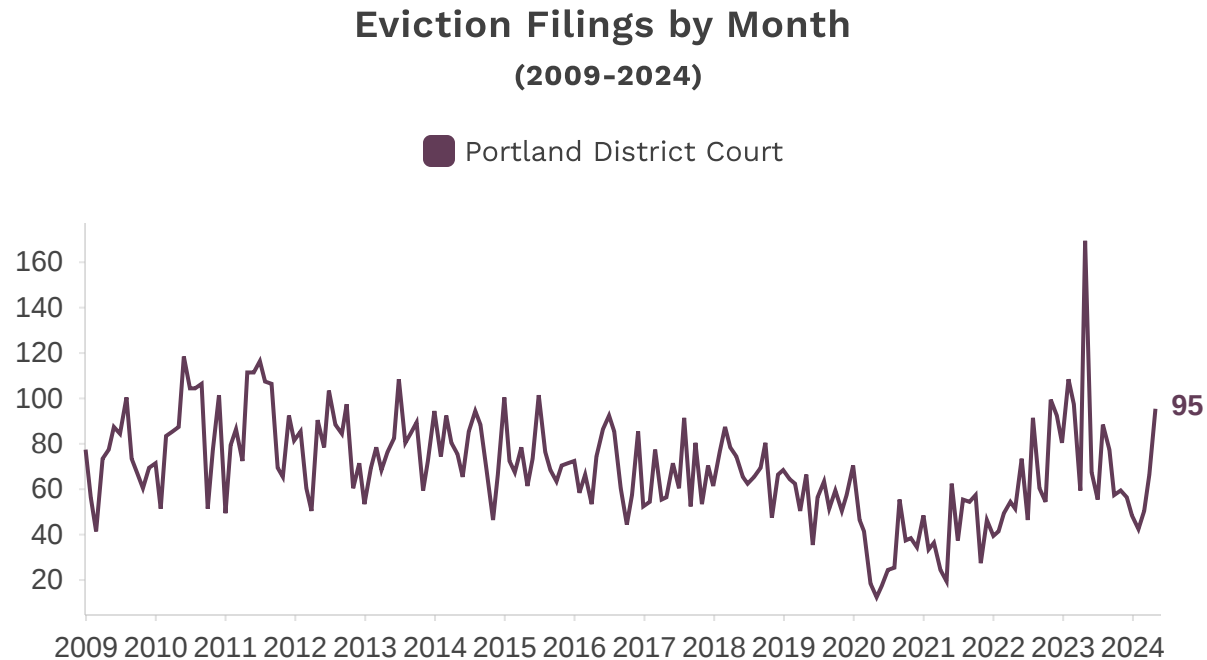
Renter Cost Burden Rates by Cohort (2022)

Cohort	Portland city ▲
Households of Other Races	43.4%
Households with Children	46.4%
All Renter Households	46.8%
Hispanic/Latino Households	47.9%
White Households	47.9%
Senior Households	54.7%
Black Households	64.3%
Asian Households	69.0%
Single-Parent Households	71.8%

Source: Public Use Microdata Sample (PUMS) and American Community Survey (ACS), US Census Bureau

Eviction Filings

In May 2024, 95 eviction cases were filed in Portland District Court.



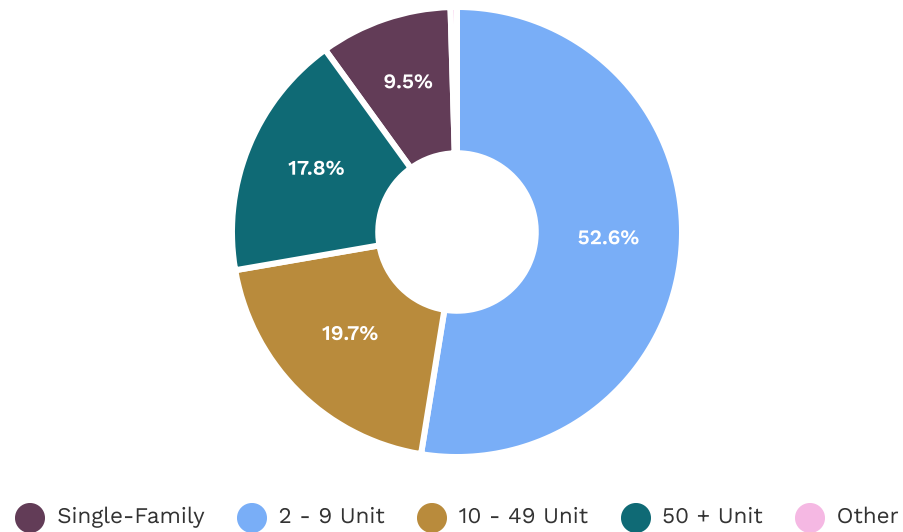
Source: State of Maine Judicial Branch

Data for the State of Maine and its counties includes all eviction cases filed within those jurisdictions. For municipalities, the data reflects eviction filings at the district court serving that municipality, not specific to the municipality itself. Note that where district courts have consolidated, historical data is shown for the individual courts before the mergers.

Rented Homes by Building Typology

There were 17,531 homes occupied by renters in Portland city in 2022.

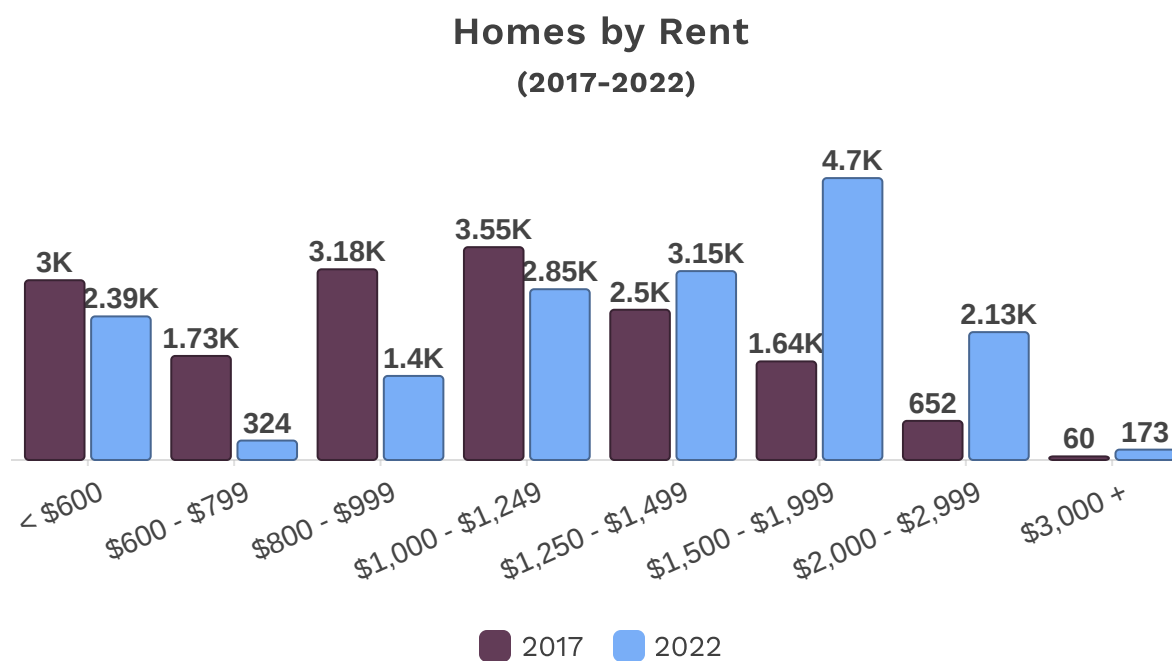
Rented Homes by Building Typology
(2022)



Source: American Community Survey (ACS), US Census Bureau

Homes by Rent

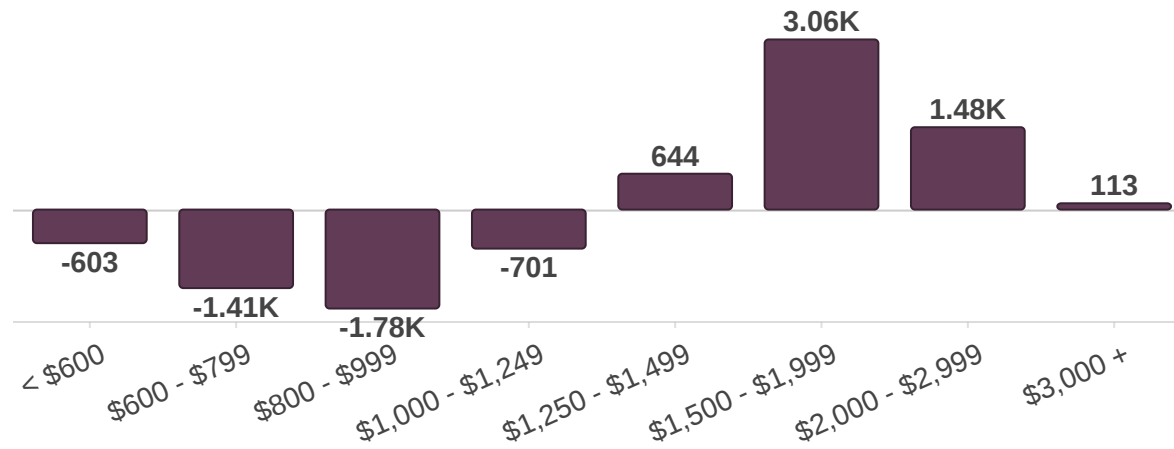
Between 2017 to 2022, the number of homes with rents below \$600 and between \$600-\$799 changed by -20.1% and -81.3% respectively.



Source: American Community Survey (ACS), US Census Bureau

Dollar values are nominal.

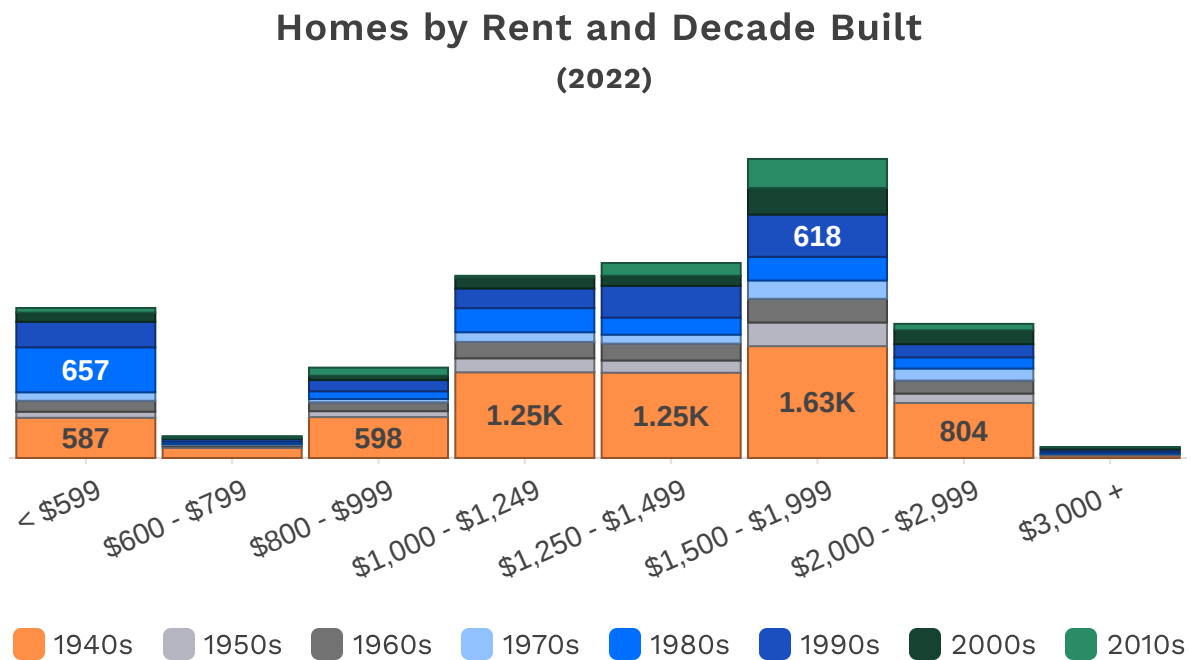
Change in Homes by Rent (2017-2022)



Source: American Community Survey (ACS), US Census Bureau

Dollar values are nominal.

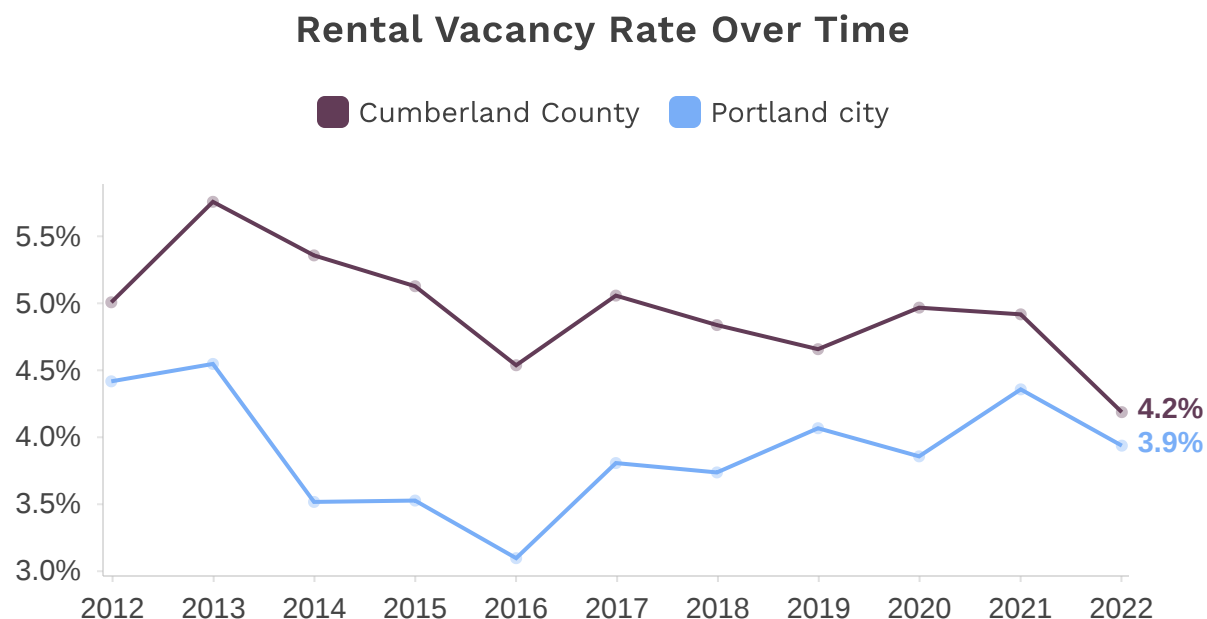
Homes by Rent and Decade Built



Source: Public Use Microdata Sample (PUMS), US Census Bureau

Rental Vacancy Rate

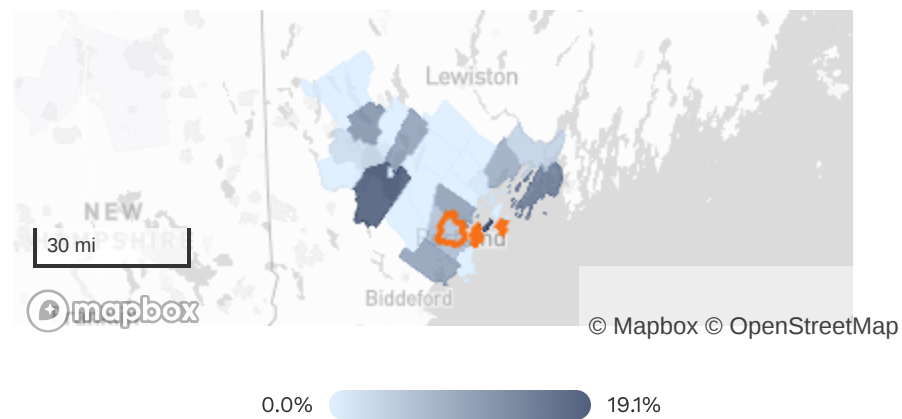
The rental vacancy rate measures the share of all rental housing that is vacant for rent and indicates the availability of rental housing for someone moving homes or moving into the community. In 2022, 3.9% of all rental homes in Portland city were vacant for rent. This reflects a tightening in the rental housing market relative to 2012 when the rental vacancy rate was 4.4%.



Source: American Community Survey (ACS), US Census Bureau

The rental vacancy rate is calculated as homes that are vacant for rent as a percentage of renter-occupied homes, vacant for rent homes, and homes that are vacant and rented but not yet occupied.

Regional Rental Vacancy Rate Comparison (2022)



Source: American Community Survey (ACS), US Census Bureau



Homeowner Housing Needs

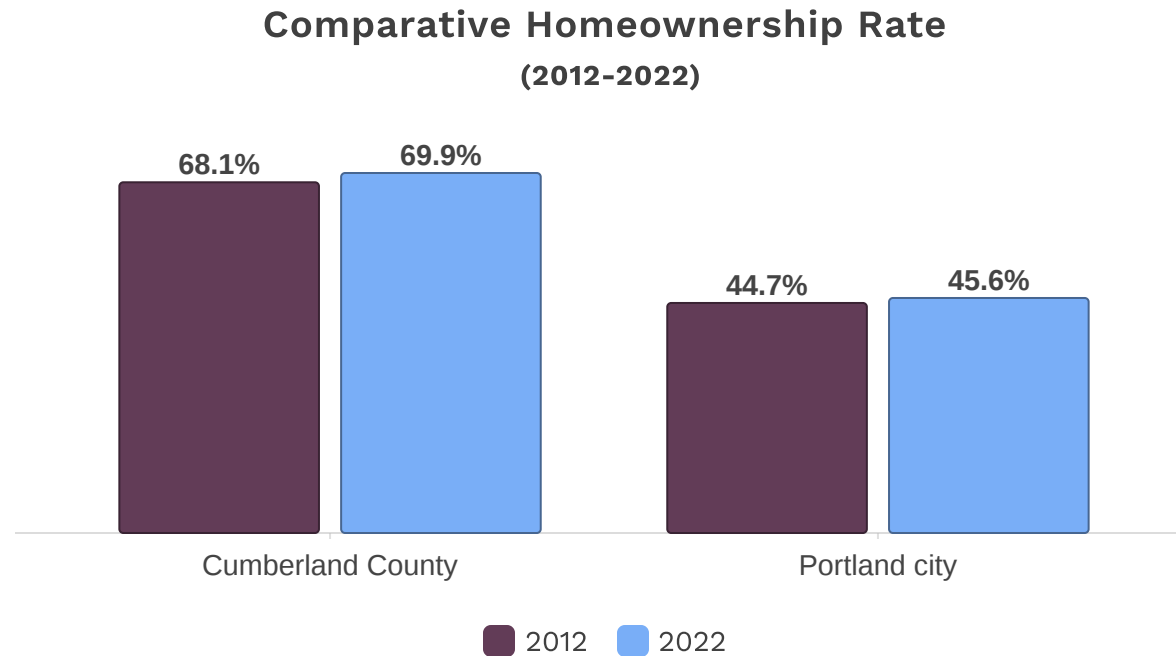
Portland city

Homeowner Housing Needs

Access to homeownership enables households to build assets and housing stability. Homeownership is the largest source of wealth for households in America and disparate access to homeownership and support to sustain ownership contributes to inequality. Barriers to access could include high home prices and a lack of "entry-level" homes; a lack of assets for a down payment; competition from investor-owners, and inequitable access to mortgage loans. Barriers to sustaining ownership include the inability to maintain and repair a home as you age, access to home equity financing and rising property taxes. Tools to expand access to homeownership focus on increasing the supply of entry-level homes and removing structural barriers to ownership.

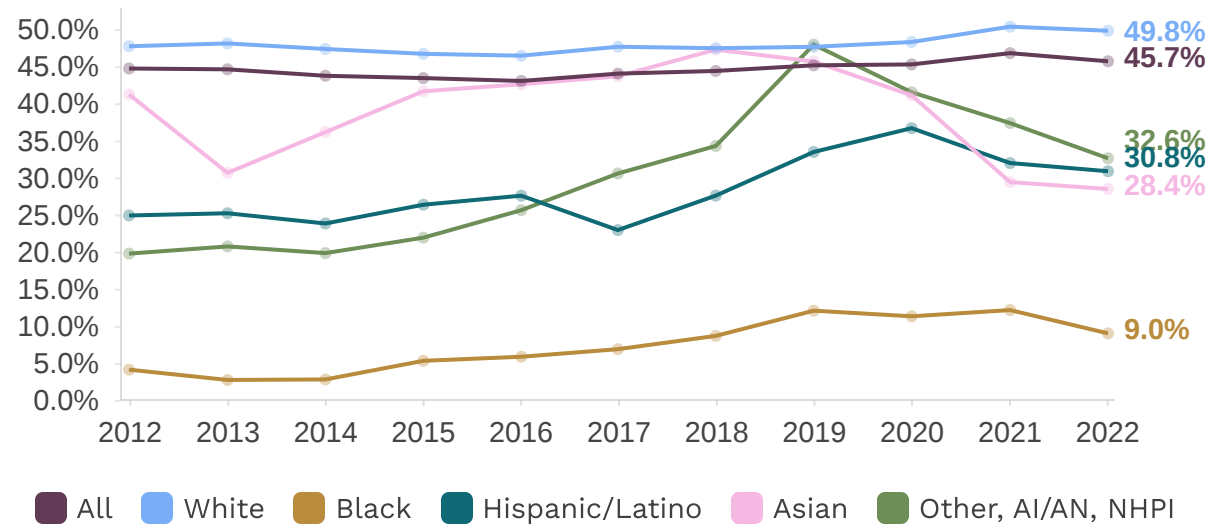
Homeownership Rate

Between 2012 and 2022, the rate of homeownership in Portland city increased by 2.2%. In Cumberland County, the homeownership rate rose by 2.6%. For Black households in Portland city, homeownership rates were -40.8% less than white households in 2022.



Source: American Community Survey (ACS), US Census Bureau

Homeownership Rate by Race and Ethnicity (2012-2022)

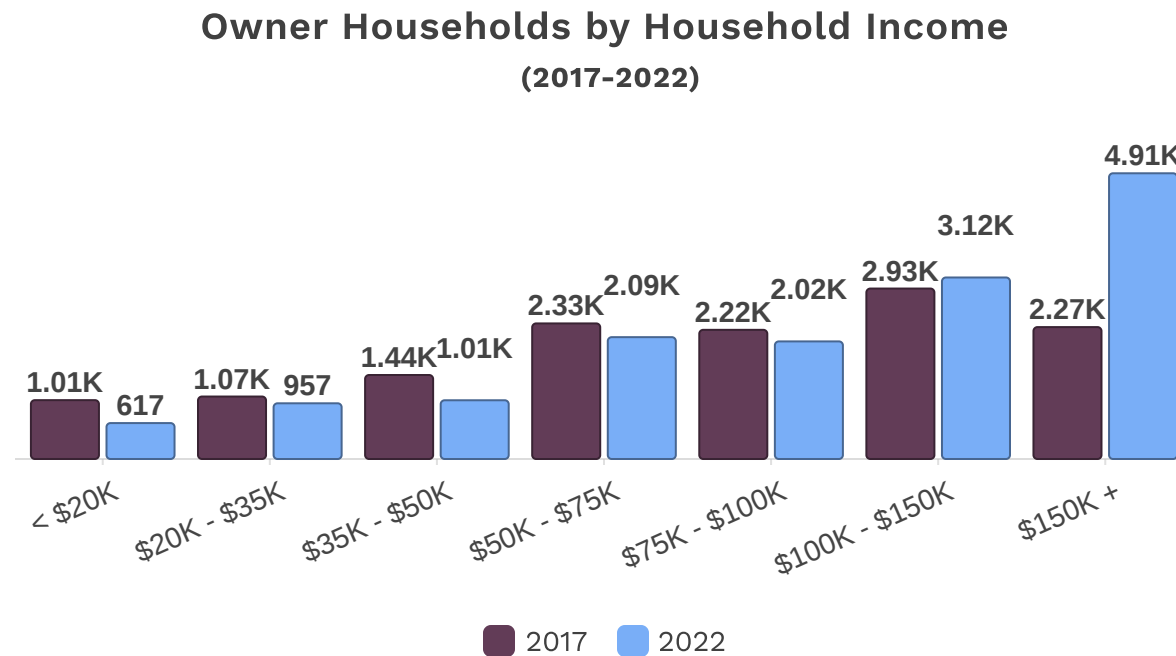


Source: American Community Survey (ACS), US Census Bureau

White refers to non-Hispanic White heads of household only. Hispanic/Latino refers to those of any race whose ethnicity is Hispanic or Latino. All other groups include both Hispanic and non-Hispanic individuals. AI/AN - American Indian or Alaska Native; NHPI - Native Hawaiian or Pacific Islander; Other - Some Other Race and Two or More Races.

Homeowners by Household Income

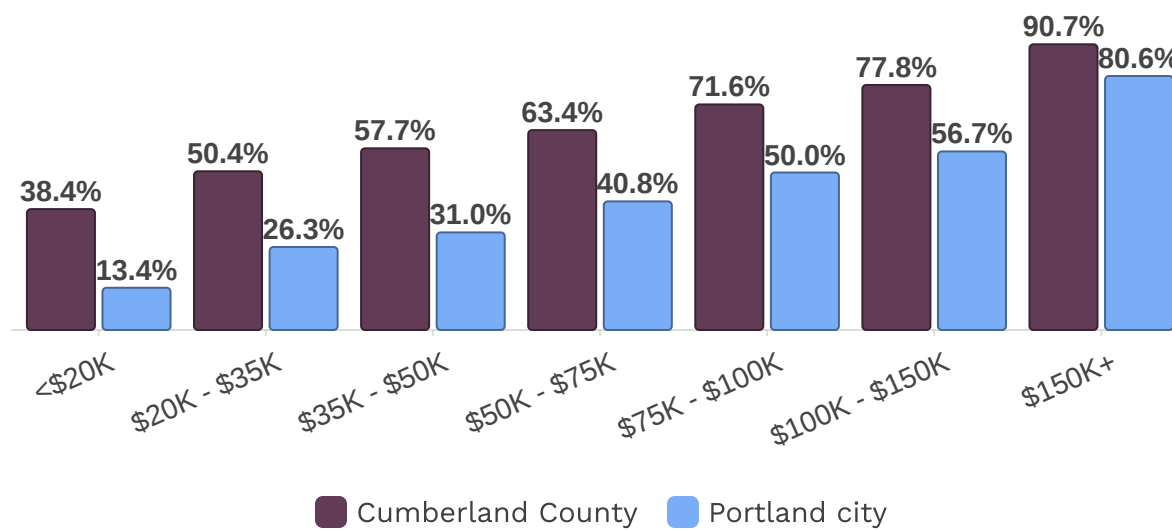
Households making more than \$150K had the highest rates of homeownership in Portland city in 2022 at 33.3%. For households making \$35K - 50K, the homeownership rate was 6.8% and has decreased from 12.6% in 2012.



Source: American Community Survey (ACS), US Census Bureau

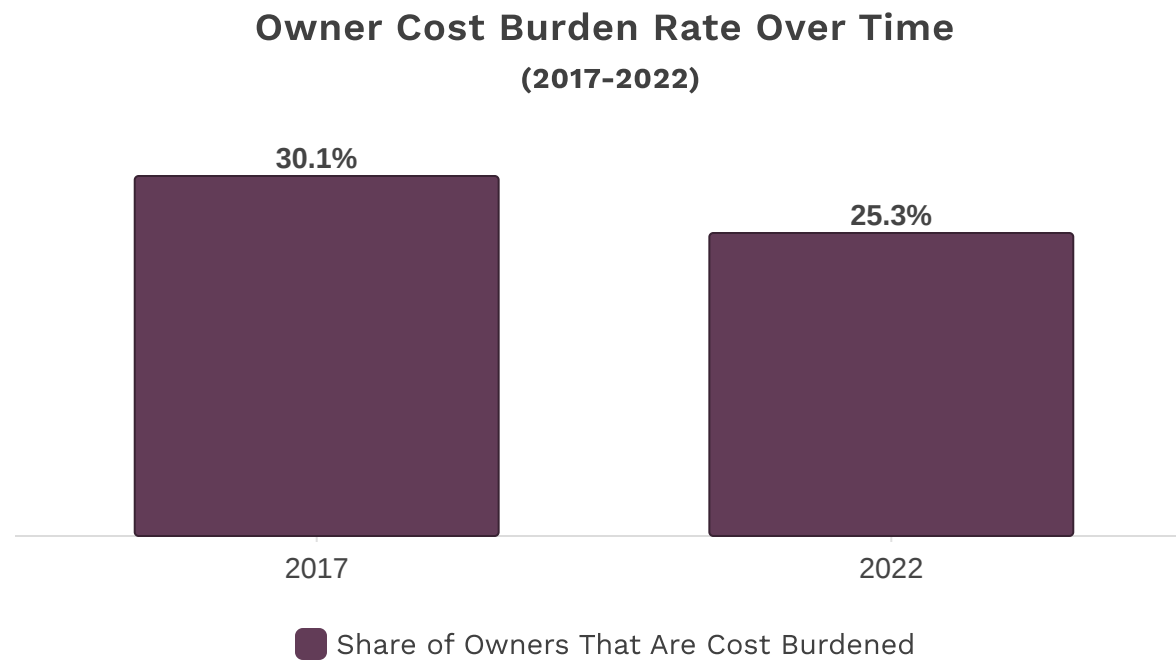
Dollar values are nominal.

Comparative Homeownership Rate by Household Income (2022)



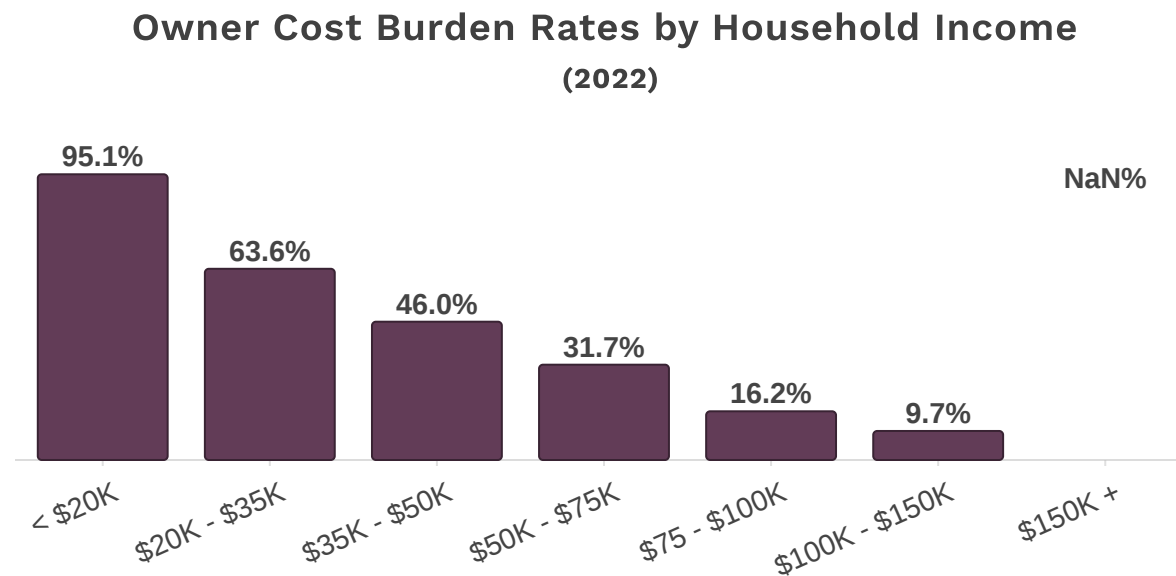
Source: American Community Survey (ACS), US Census Bureau

Owner Cost Burden



Source: American Community Survey (ACS), US Census Bureau

Owner Cost Burden by Income



Source: Public Use Microdata Sample (PUMS), US Census Bureau

Owner Cost Burden by Cohort

Housing cost burden can sometimes fall disproportionately on specific demographic groups and vulnerable populations, like single parent households or seniors.

Owner Cost Burden Rates by Cohort
(2022)

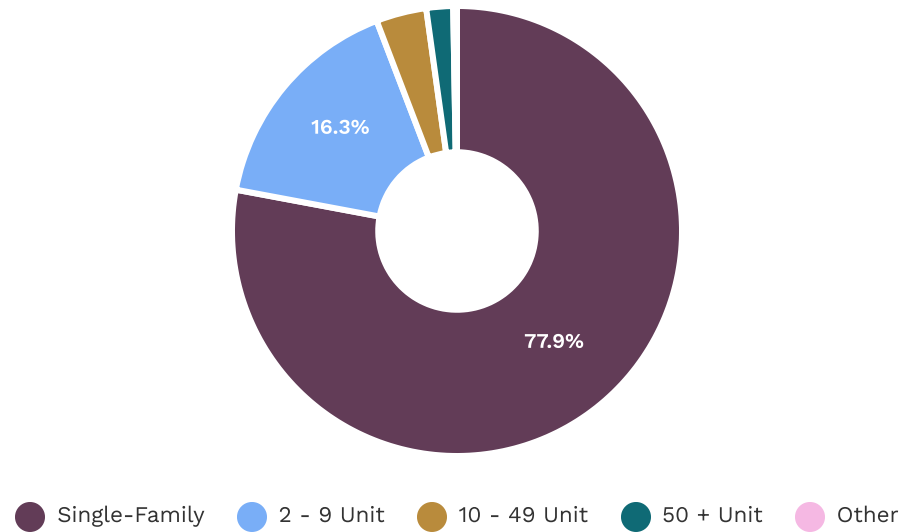
Cohort	Portland city ▲
Households with Children	17.3%
White Households	21.6%
All Owner Households	25.3%
Households of Other Races	26.3%
Hispanic/Latino Households	26.8%
Senior Households	27.8%
Black Households	35.8%
Asian Households	37.3%
Single-Parent Households	56.5%

Source: Public Use Microdata Sample (PUMS), US Census Bureau

Owned Homes by Building Typology

There were 14,722 homes occupied by owners in Portland city in 2022.

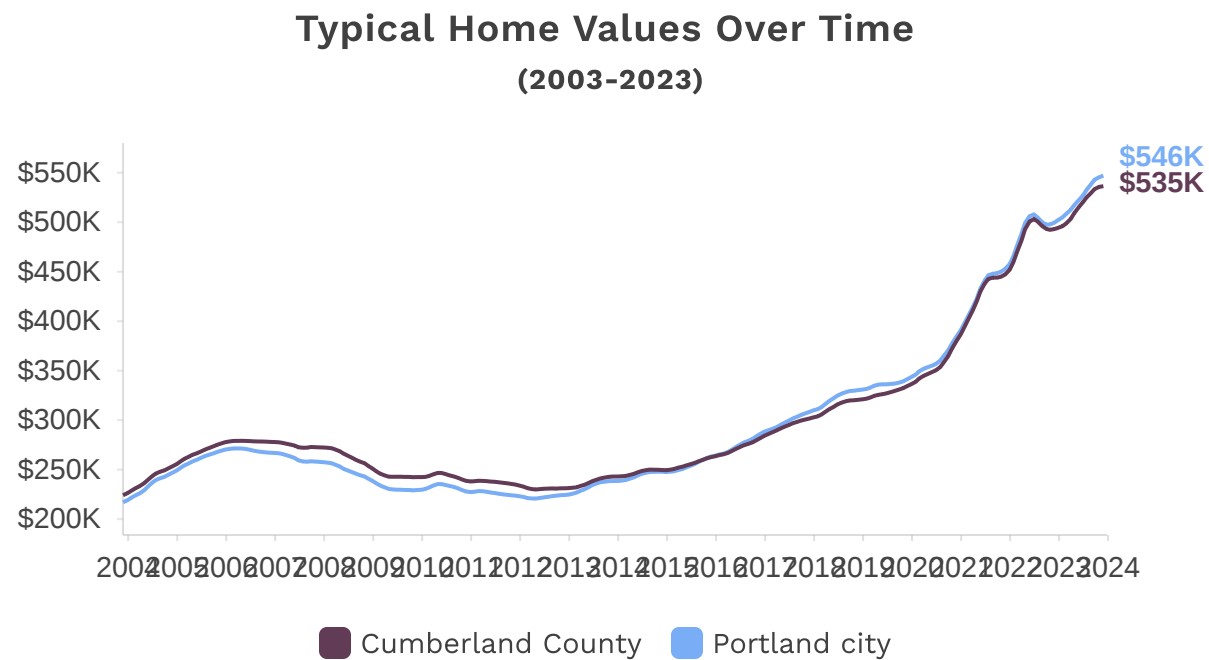
Owned Homes by Building Typology
(2022)



Source: American Community Survey (ACS), US Census Bureau

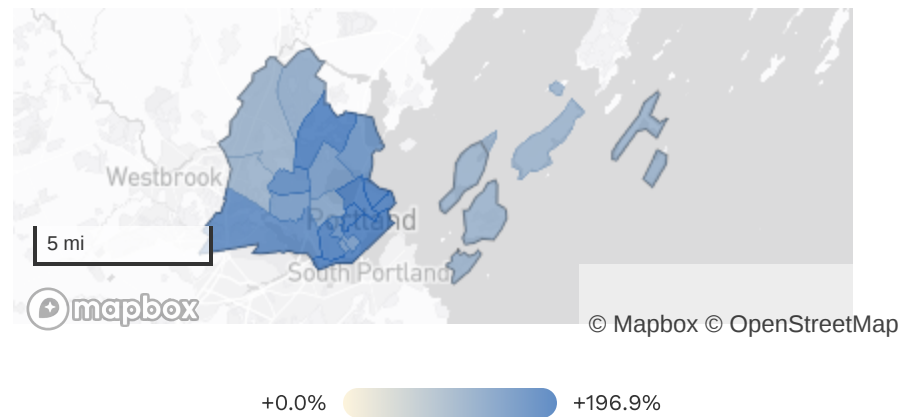
Home Values

Home values in Portland city increased by 144.1% from 2013 to 2023, compared to home values across Cumberland County, which increased by 132.5%.



Source: Zillow Research, Zillow Home Value Index, All Homes Time Series

Change in Median Home Values (2012-2022)



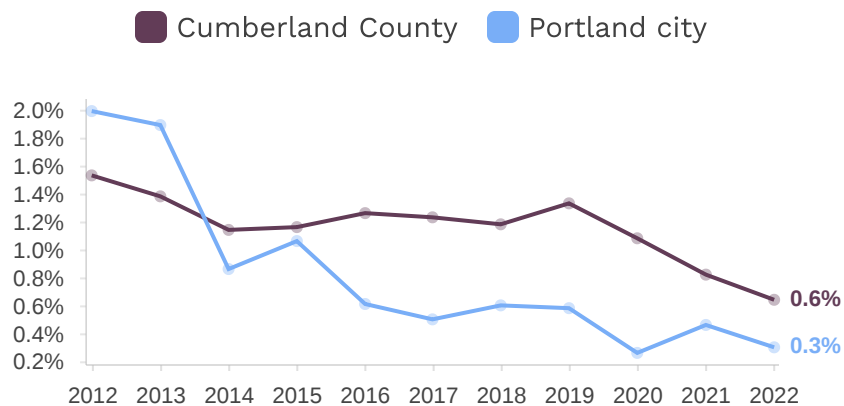
Where shown, pre-2020 tract-level data has been mapped onto 2020 vintage census tracts using a tract-to-tract crosswalk, using the number of owner-occupied homes as weights. Dollar values are nominal.

Source: American Community Survey (ACS), US Census Bureau

Homeowner Vacancy Rate

The homeowner vacancy rate measures the share of all homeowner housing that is vacant for sale and indicates the availability of housing for prospective homebuyers. In 2022, 0.3% of all owned homes in Portland city were vacant for sale. This reflects a tightening in the housing market relative to 2012 when the homeowner vacancy rate was 2.0%.

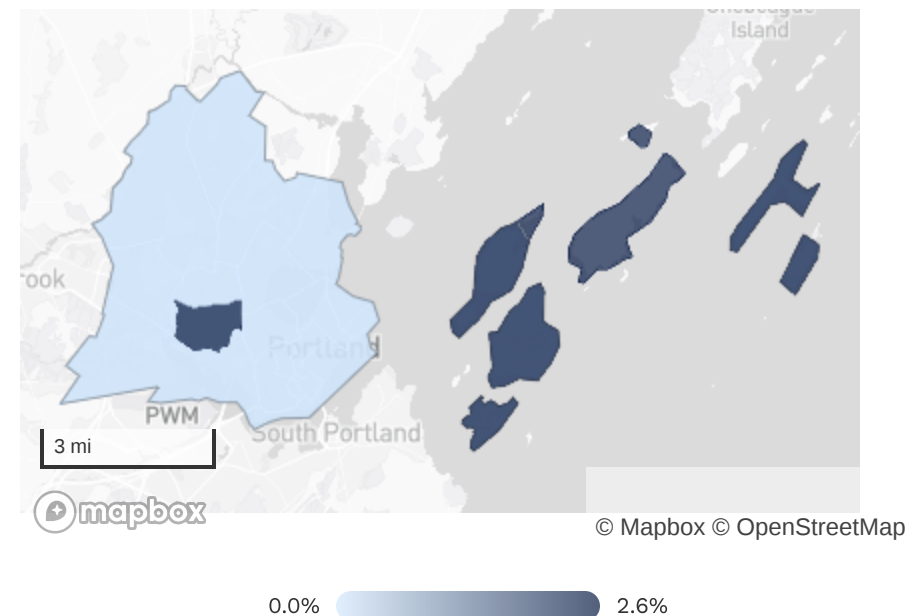
Homeowner Vacancy Rate Over Time



Source: American Community Survey (ACS), US Census Bureau

The homeowner vacancy rate is calculated as homes that are vacant for sale as a percentage of owner-occupied homes, vacant for sale homes, and homes that are vacant and sold but not yet occupied.

Homeowner Vacancy Rate (2022) (2022)



Source: American Community Survey (ACS), US Census Bureau



Sources

Portland city

Sources

This housing needs assessment uses data from:

American Community Survey (ACS), 5-Year Estimates, U.S. Census Bureau.

The American Community Survey (ACS) produces a wide range of demographic, socioeconomic, and housing data at many geographic levels, including down to the local level. The U.S. Census Bureau administers the ACS to about 3% of all U.S. households every year and uses this sample to make estimates nationwide. ACS 5-year estimates represent data collected over five years, denoted by the last year in that period. With more years of data, the 5-year estimates provide a more detailed and reliable picture of the population than the 1-year estimates but include less recent data. The breadth of available data makes the ACS a useful resource for policymakers and researchers seeking to understand population characteristics and housing supply. Data are currently available through 2022. HR&A accesses ACS data from the U.S. Census Bureau's ACS application programming interface (API).

Building Permits Survey (BPS), U.S. Census Bureau.

The Building Permits Survey (BPS) provides monthly data on new permits for residential construction. The U.S. Census Bureau collects voluntary monthly data from the jurisdictions that issue 99% of permits, imputes monthly data for the remaining permit-issuing jurisdictions based on their annual data submissions, and seasonally adjusts the final reported data. BPS data is used to analyze trends in construction activity, which can provide insights into economic growth, urban development, and housing market dynamics. For the most accurate building permits data, refer to local data sources. Data are currently available through 2024. HR&A accesses BPS data from the U.S. Census Bureau's BPS website.

Current Population Survey (CPS), U.S. Census Bureau and U.S. Bureau of Labor Statistics (BLS).

The Current Population Survey (CPS) measures national employment and unemployment. Through a joint sponsorship, the U.S. Census Bureau and Bureau of Labor Statistics (BLS) produce this data on a monthly basis. The CPS's labor force statistics shed light on national economic trends. Data are currently available through 2024. HR&A accesses CPS data from the BLS's CPS website.

Decennial Census of Population and Housing, U.S. Census Bureau.

The Decennial Census is a comprehensive population count carried out by the U.S. Census Bureau every ten years as required by the U.S. Constitution. In addition to counting U.S. residents, the census also collects demographic data on every individual living in the country, including age, race, gender, and household information. The data gathered influences political representation, allocation of resources, and decision-making at various levels of government. Data are currently available through 2020. HR&A accesses Decennial Census data from the U.S. Census Bureau's Decennial Census API.

LEHD Origin-Destination Employment Statistics (LODES), U.S. Census Bureau.

Under the Local Employment Dynamic (LED) data partnership, the U.S. Census Bureau combines detailed, longitudinal, geographic data about employers and employees from several federal and state data sources. Once combined, the resulting Longitudinal Employer-Household Dynamics (LEHD) data are used to produce the LEHD Origin-Destination Employment Statistics (LODES). LEHD data are particularly useful for analyzing labor market dynamics across space and time. By mapping the data, policymakers and researchers can visualize geographic concentrations of employment and identify commuting patterns. This spatial analysis helps in understanding workforce movements, urban development, and the impact of economic policies on local and regional labor markets. Data are currently available through 2021. HR&A access LODES data from the U.S. Census Bureau's LODES website.

Local Area Unemployment Statistics (LAUS), U.S. Bureau of Labor Statistics (BLS).

The U.S. Bureau of Labor Statistics (BLS) calculates Local Area Unemployment Statistics (LAUS) monthly to help policymakers and researchers track employment and unemployment at local levels. LAUS estimates are produced based on data from the American Community Survey (ACS), the Current Population Survey (CPS), the Current Employment Statistics (CES) survey, and state unemployment insurance (UI) data systems. Data are currently available through 2024. HR&A accesses LAUS data from the BLS's LAUS website.

Multifamily Tax Subsidy Projects (MTSP) Income Limits, U.S. Department of Housing and Urban Development (HUD).

The Multifamily Tax Subsidy Projects (MTSP) Income Limits set the maximum incomes for households to qualify for affordable housing funded by the Low-Income Housing Tax Credit (LIHTC) and tax-exempt bonds. Federal mandates require the U.S. Department of Housing and Urban Development (HUD) to update income limits annually based on the median family income for households of different sizes in each HUD Fair Market Rent (FMR) Area across the country. HUD's income limits are critical for understanding the supply of, need for, and development of affordable housing. Data are currently available through 2023. HR&A accesses MTSP Income Limits from the HUD website.

National Housing Preservation Database (NHPD), Public and Affordable Housing Research Corporation (PAHRC) and National Low Income Housing Coalition (NLIHC).

The National Housing Preservation Database (NHPD) compiles data on federally assisted—and some state-assisted—rental housing properties in the United States. As a longitudinal and deduplicated database, NHPD data tracks the supply of affordable housing over time, including each property’s location, funding source(s), and physical conditions. NHPD sheds light on potential affordability expirations, helping policymakers and researchers identify affordable housing in need of preservation. Data are currently available through 2024. HR&A accesses NHPD data from the NHPD website.

Occupational Employment and Wage Statistics (OEWS), U.S. Bureau of Labor Statistics (BLS).

The Occupational Employment and Wage Statistics (OEWS) provide employment and income data for each occupation at a variety of geographic levels. Based on its annual survey of employers and federal-state cooperation for data collection, the U.S. Bureau of Labor Statistics (BLS) calculates OEWS estimates each year. OEWS data inform policymakers and researchers about labor market conditions, employment, and wages in different jobs across the country. Data are currently available through 2022 . HR&A accesses OEWS data from the BLS’s OEWS website.

Population Level Analysis and Community Estimates (PLACES), U.S. Centers for Disease Control and Prevention (CDC).

The Population Level Analysis and Community Estimates (PLACES) dataset provides small area estimates for chronic health conditions and their risk factors. PLACES data are derived from the Behavioral Risk Factor Surveillance System (BRFSS), which incorporates data from ongoing telephone surveys administered by the U.S. Centers for Disease Control and Prevention (CDC) in partnership with state health departments. Data are currently available through 2021. HR&A accesses PLACES data from the CDC’s PLACES website.

Public Use Microdata Sample (PUMS), 5-Year Estimates, U.S. Census Bureau.

The Public Use Microdata Sample (PUMS) is a subset of data from the U.S. Census Bureau’s American Community Survey (ACS). Instead of the ACS’s data which are pre-tabulated at the geography level, PUMS data are anonymized and published at the individual and housing unit levels. PUMS allows researchers to access detailed demographic, economic, and housing data for customized analyses while protecting respondents' privacy. Data are currently available through 2022. HR&A accesses PUMS data from the Census Bureau’s PUMS API.

Statistics of Income (SOI) Migration Data, Internal Revenue Service (IRS).

By linking individual income tax returns filed over time, the Internal Revenue Service (IRS) identifies address changes from the prior year. The Statistics of Income (SOI) Migration Data counts these residential moves as inflows and outflows from county-to-county and state-to-state, breaking down counts by individuals and households and providing the total adjusted gross income for movers to and from each geography. SOI Migration Data are perhaps the best publicly available data source tracking internal

migration within the United States. Data are currently available through 2021. HR&A accesses the SOI Migration Data from the IRS website.

Zillow Housing Data, Zillow Research.

Zillow Research is a division of the online real estate marketplace Zillow that focuses on conducting and publishing housing market indexes, analyses, and reports. Zillow’s data covers various aspects of the housing market, such as home values, rent prices, for-sale listings, and market predictions, using data collected from their platform and other sources. Data are currently available through 2024. HR&A accesses Zillow Research’s Housing Data from the Zillow website

City of Portland | Office of the Mayor and City Council
Kate Sykes, Councilor (District 5)



To: Mark Dion Mayor and City Councilors
From: Kate Sykes, Councilor
Date: July 12, 2024
Re: Orders 26-24/25 and 25-24/25

Mayor Dion and Councilors:

The question of raising the minimum wage in Portland was put to voters by citizen referendum in 2022, paired with a question to eliminate the sub minimum wage. “An Act to Increase the Minimum Wage,” Sponsored by Councilors Phillips, Trevorrow, and Sykes and “An Act to Eliminate Portland's Sub-Minimum Wage For Service Employees” sponsored by Councilors Pelletier, Trevorrow, and Sykes have been drafted to address a number concerns raised by opponents of those measures, and will give voters a chance to consider each one separately.

Why raise the minimum wage in Portland?

A minimum wage worker in Portland currently makes less than \$31,200 a year. That is less than half the median income in Portland. In 2022, the Maine Center for Economic Policy published an analysis of the likely impacts of an increase to the minimum wage in Portland to \$18 an hour by 2025. It found that 17,800 private sector workers would be positively impacted and 4,800 would be indirectly impacted as employers voluntarily raise wages to remain competitive with the new minimum wage. Two thirds of those workers were estimated to be women. Additionally, 39 percent of Latinx workers, 56 percent of Black workers, 51 percent of Asian workers, and 51 percent of Indigenous workers in Portland were projected to see wage increases. It also found that three quarters of workers with less than a high school education would see a wage increase, as well as almost half of those with some college credits but no degree. Raising the minimum wage to \$20 an hour by 2028, will likely extend the impacts to our lowest income workers.

Raising the minimum wage puts more money in the pockets of those who need it most, and it's also one of the most effective tools we have at our disposal for confronting and reversing the affordable housing crisis. Right now, almost half of Portland renters are housing cost burdened, which means they pay over 30% of their income just to avoid homelessness. (See page 87 of the Maine Housing Data Portal Report, “Housing Needs Assessment – Portland

City”). The overwhelming majority of workers making under \$20 an hour in Portland are renters. Raising the minimum wage and eliminating the subminimum wage will make housing more affordable for tens of thousands of people.

Why eliminate the sub-minimum wage for service workers in Portland?

The wages of tipped workers typically fall in the bottom quartile of all U.S. wage earners, even after accounting for tips. Tipped workers are more likely to live in poverty and rely on public benefits than non-tipped workers, and the subminimum wage exacerbates the economic impacts of racism by contributing to a larger poverty gap between white service workers and service workers of color. Women, who make up 70% of tipped labor in Portland, frequently report being sexually harassed, often by the very same customers whose tips they depend on for income. In 2020, Maine eliminated the subminimum wage for disabled workers, but tipped workers still suffer under this inequitable law. It’s time that Portland leads the way in demanding one fair minimum wage for all workers.

In 2022, the Maine Center for Economic Policy published an analysis of the likely impacts of phasing out the tipped minimum wage by 2025. It estimated that eliminating the sub-minimum wage for service employees would positively impact 1500 workers in Portland.

Further, the report noted that “customers in states without a tipped minimum wage still leave tips at similar frequencies and amounts to those in other states. As a result, workers earning the full minimum wage plus tips are better off than those earning a lower minimum wage plus tips.”

Additional studies show that paying tipped workers the regular minimum wage has had no discernible effect on leisure and hospitality employment growth in the states where tipped workers receive the full regular minimum wage. Studies show that sector growth in these states has been stronger since 1995 than in the states where tipped workers are paid a subminimum wage.

If passed by voters, An Act to Eliminate the Sub-Minimum Wage will ensure that tipped workers receive the full minimum wage that all workers receive, plus tips, by 2034. To address concerns raised in the MCEP report, the phase-in schedule was changed from the 2022 citizen initiated ballot question, to be more gradual, occurring over a ten year period, rather than five.

Attachments: Housing Needs Assessment - Portland City; Portland 2022 Minimum Wage Initiative Analysis James Myall, Economic Policy Analyst, MECP

Analysis of Proposed Minimum Wage Increases for the City of Portland

James Myall, Senior Policy Analyst

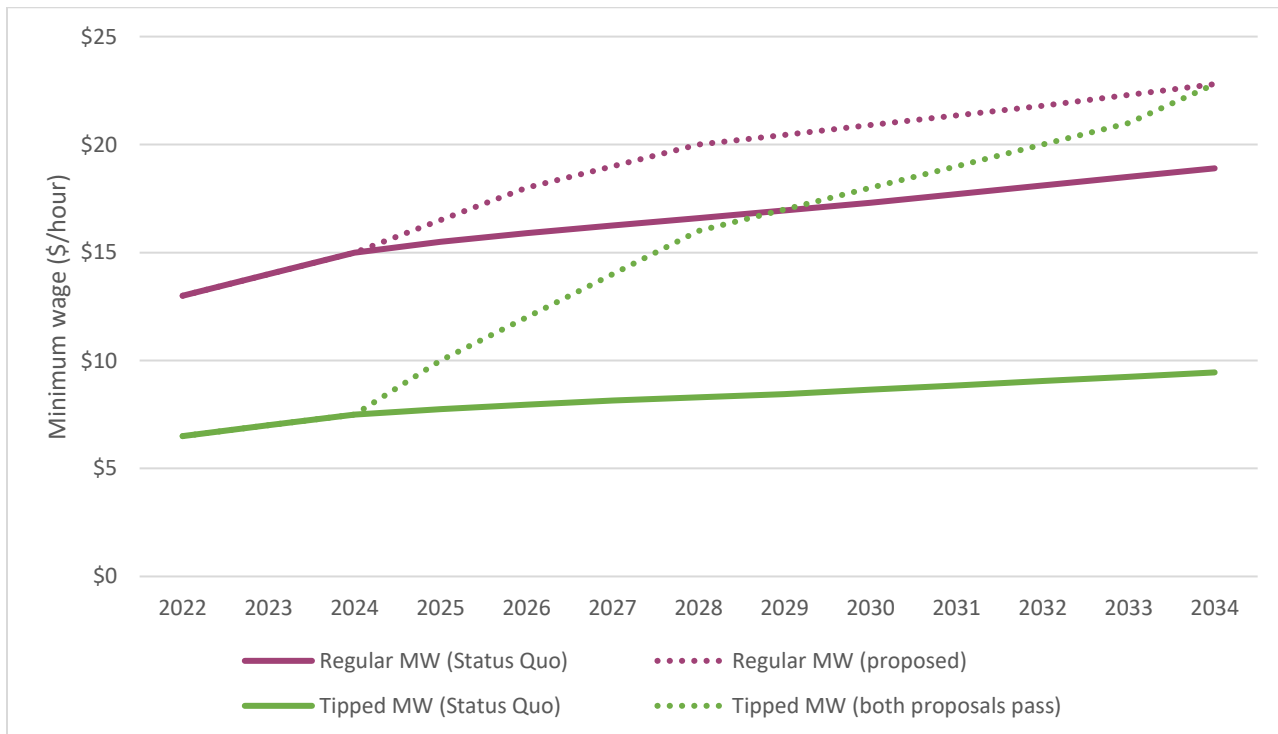
August 12, 2024

Dear Councilors,

Please find below analysis from the Maine Center for Economic Policy no two ordinances which we understand to be under consideration by the council. If you have any questions, please do not hesitate to contact me at jmyall@mecep.org

Of the two proposals currently under consideration, one would increase the regular minimum wage in increments from the current rate of \$15 per hour to \$20 per hour by 2028, and continue indexing it to inflation thereafter (as is current practice). The second, separate, proposal would gradually phase out the tip credit provided to employers of workers who receive a substantial amount of their compensation in tips. Under Portland's current tip credit, an employer may pay an employee half the regular minimum wage as long as the employee's tips "top up" their earnings to at least the regular minimum wage. The proposal would phase out the credit so that base wage paid by employers of tipped employees increases each year until it equals the full minimum wage. MECEP's analysis suggests that if both ordinances passed, the tipped wage would equal the full minimum wage in 2034.

Figure 1: Proposed minimum wage schedules



MECEP analysis of proposed ordinance language. Future increases indexed to inflation are estimated using the Consumer Price Index projections in the Congressional Budget Office's economic forecast of June 2024.¹

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Feasibility of the Proposed Minimum Wage Levels

Economists often judge the impact of a minimum wage on the local economy by the relationship of the minimum wage to the median wage for a full-time, year-round employee, particularly to determine whether a proposal will cause negative effects like increased unemployment. This ratio is sometimes known as the Kaitz Ratio. MECEP estimates that the current median hourly wage for a full-time, year-round employee in Portland is \$28.71 per hour. The current minimum wage of \$15 per hour is therefore equivalent to 52% of that. By 2028, MECEP projects the median wage for full-time, year-round employees in the city will have risen to \$32.76, which means that the proposed minimum wage of \$20 per hour would be equivalent to 61% of the median.

This is an appropriate level at which to set a new minimum wage. Most economists agree that a minimum wage at less than 60% of the median wage will produce no significant employment losses, and some recent studies have found that there may be no ill effects as high as 80% of the median wage.²

There is less recent research on the impact of changing the tipped minimum wage – partly because so few jurisdictions have changed their tipped minimum wage schedule in the last few decades (Chicago and DC have begun the process of phasing out their tipped minimum wage in 2024). However, the evidence from the seven states without a separate tipped minimum wage suggests that both the hospitality industry and hospitality workers can thrive with a higher minimum wage. Workers in those states earn higher post-tip wages, fueled by customers' willingness to continue to leave tips even when workers are earning a higher base wage. Meanwhile, these states maintain robust hospitality and tourism industries.³

Impact of the proposed minimum wage increases

MECEP estimates that by 2028, the increase of the standard minimum wage from \$15 to \$20 per hour will increase the wages of over 18,000 workers, or just over one in four people employed in Portland (27%). This includes 11,000 directly-impacted workers, who would otherwise be earning less than \$20 per hour without the proposed ordinance. It also includes 7,000 workers who would otherwise be earning between \$20 and \$23 per hour, whose wages will increase to keep them above the new minimum wage, as their employers remain competitive.

This will result in an additional \$60.4 million in wages paid annually to these employees, with the average impacted worker receiving \$3,300 per year.

The minimum wage increase would help close the gap between the lowest-paid employees and everyone else, and would reduce the gender and racial inequalities caused by systemic and individual discrimination, as well as long-standing social expectations. MECEP estimates that while 23% of men working in Portland will benefit from the minimum wage increase, the same is true of 32% of women. Similarly, while 27% of white, non-Hispanic workers in Portland would see a wage increase, the same is true of 31% of people of color working in Portland. (Due to the small sample size of the available data, MECEP did not estimate impacts for individual racial groups, but other research suggests that the impact would be particularly large on Black and Latino workers).

Younger workers and (to a lesser extent) older workers are more likely to be working in low-paid jobs, and therefore benefit more from a minimum wage increase. MECEP estimates that 47% of workers under 20 and 55% of workers aged between 20 and 24 will see an increase from the higher minimum wage, as will 25% of those aged 65 and older. By contrast, only 18% of those aged 45-54 (often considered "prime earning years") would be impacted by the minimum wage increase. It is worth noting, however, that while younger workers disproportionately benefit, workers under 20 still represent only 7.5% of all impacted workers.

While some critics of minimum wage increases suggest that younger workers are more likely to face unemployment as a result of increasing the minimum wage above their perceived productivity levels, recent evidence in Maine suggests this is not the case. Between 2016 and 2024, Maine's minimum wage has increased from \$7.50 per hour to \$14.15 per hour, and the share of teenagers working who are employed is at its highest level in years. Doubtless a strong labor market has helped employers put more value on the work of younger Mainers, and it will continue to do so in the years ahead.

MECEP estimates that workers with fewer years of formal education are also the most likely to see increased wages under the ordinance. Almost half of workers without a high school diploma or equivalent would see a wage increase, as would 38% of those with only a high school qualification.

The Census Bureau classifies workers in two ways – by *occupation* (the kind of work they do) and by *industry* (the place they work). The occupations which would benefit most from a minimum wage increase would be food service occupations (where 73% of workers are impacted), workers providing personal services (51%), health care support workers (50%), cleaners (48%), and transportation workers (43%).

The industries with the most impacted workers include hospitality and entertainment (55% of workers are impacted), social services (46%), and retail (43%).

MECEP estimates around 1,500 workers in Portland are tipped workers (2% of the total employee workforce). Women are approximately four times as likely to be tipped workers as men. In contrast to some other jurisdictions, people of color are less likely to be tipped workers in Portland than white-non-Hispanic Portlanders. Tipped workers are primarily concentrated in the restaurant industry (which accounts for 75% of tipped workers in Portland). Around two thirds of tipped workers (67%) are waiters and waitresses while a significant portion are bartenders (14%) or hair stylists (11%). Increasing the regular minimum wage would increase tipped workers incomes by \$3.7 million per year by 2028. The average impacted worker would receive an additional \$1,300 per year. Phasing out the tipped minimum wage entirely would increase their wages by \$22 million per year by 2034, an average increase in earnings of \$14,700 per year.

Other impacts

The increase in workers' wages would have multiplier effects in the local economy. Research shows that low wage workers are more likely to spend their money locally – at grocery stores, on services like haircuts and on rent. These dollars flow back into the local economy and create more economic growth. (By contrast, the profits that will be reduced through minimum wage increases are more likely to be spent on travel out of state, investments in the international stock market, and assets like real estate). Minimum wage increases can therefore benefit local economies like Portland's. This can help many of the same businesses impacted by the increased payroll costs, and reduce the need to increase prices.⁴

Restaurants are often thought of as particularly impacted by minimum wage increases, since their labor costs are unusually high. Several studies have tried to examine the impact of minimum wage increases on this sector in particular. One large study using data from nearly every McDonald's location in the US found that while minimum wage increases were largely passed on to customers, McDonald's workers were still better off even after accounting for the price increases. The same study also found that McDonald's adopted touch screen technology at the same rate even in places with no minimum wage increases.⁵ Another study which looked at the impact of local minimum wage increases in California cities found that a 25% increase in the minimum wage (as Portland is considering) resulted in an average increase in restaurant prices of 1.45% (the largest increase was 2.45% among chain restaurants and the increases averaged 1.0% among full-service restaurants).⁶ Other research has found that while minimum wage increases can lead to poorly-reviewed restaurants closing, it has no impact on restaurants with loyal customer bases.⁷

While some people express concern that small businesses may be more impacted by minimum wage increases, recent research suggests that workers at smaller businesses benefit from greater wage increases without any significant increase in layoffs as a result of minimum wage increases.⁸ Moreover, the impact of minimum wage increases on the profit margins of all businesses is lower than might be expected because higher minimum wages generally lead to higher employee morale and lower turnover.

Research also shows spillover benefits from higher incomes for low-wage workers. The share of people living in poverty decreases,⁹ and it is also likely that an increased minimum wage will reduce costs for state and local safety net programs, though MECEP does not have enough data to produce a precise estimate for this in the case of Portland.

The tipped minimum wage currently creates a unique set of problems. Workers in this industry are more likely to suffer from wage theft, because some employers do not check to see if their tips actually make up the difference to the minimum wage, and for low-wage workers dependent on their job for survival, complaining about wage theft can be extremely risky.¹⁰ Similarly, because workers are directly dependent on customers for their wages, the tipped minimum wage permits discrimination that would be illegal from an employer. Customers are able to tip more based on a server's gender,¹¹ race,¹² and perceived attractiveness¹³ – and evidence shows that they frequently do. As a result, older workers and people of color in tipped industries earn significantly less. Reliance on tips also forces workers to tolerate behavior in customers (and sometimes their employers) that should be unacceptable. Levels of harassment in the restaurant industry are unusually high for this reason.¹⁴ Phasing out the tipped minimum wage would go a long way to eliminating these problems in the hospitality industry.

Table 1: Selected Impacts of Increasing the Regular Minimum Wage to \$20/hour by 2028

Workforce	Number	Directly impacted	Indirectly impacted	Total impacted
All employees	67,000	16%	11%	27%
Men	34,000	14%	9%	23%
Women	33,000	19%	13%	32%
White, non-Hispanic	60,000	16%	11%	27%
People of Color	6,900	22%	9%	31%
16-19 year-olds	2,900	34%	14%	47%
20-24	6,500	37%	19%	55%
25-34	15,000	18%	14%	32%
35-44	13,000	11%	9%	20%
45-54	13,000	10%	8%	18%
55-64	12,000	12%	9%	20%
65+	4,200	14%	11%	25%
No high school qualification	3,100	34%	13%	47%
High school only	28,000	22%	16%	38%
Associate's degree	7,000	14%	11%	25%
Bachelor's degree	19,000	11%	8%	18%
Master's degree or higher	9,200	4%	3%	8%
Food prep workers	3,900	43%	31%	73%
Personal service workers	1,400	29%	22%	51%
Health care support workers	2,200	30%	21%	50%
Cleaning staff	1,500	33%	15%	48%
Transportation workers	4,200	30%	13%	43%
Sales workers	6,200	24%	12%	36%
Office workers	7,900	19%	14%	33%
Construction workers	2,900	15%	18%	33%
Education workers	4,600	17%	9%	26%
Entertainment workers	1,100	14%	10%	24%
Community and Social Workers	1,300	8%	12%	20%
Production workers	2,700	15%	9%	24%
Protection workers	1,200	11%	6%	17%
Repair workers	3,200	7%	8%	15%
Computer workers	2,000	3%	9%	12%

Medical professionals	5,200	6%	6%	11%
Managers	7,500	5%	4%	9%
Business workers	3,200	3%	6%	8%
Engineers	1,700	2%	2%	4%
Financial workers	1,400	2%	2%	4%
Hospitality industry	5,900	34%	20%	55%
Social and community agencies	1,700	31%	15%	46%
Retail	8,500	30%	14%	43%
Personal services	2,400	16%	16%	32%
Transportation	2,100	18%	12%	30%
Construction	3,600	13%	14%	27%
Education	6,800	16%	10%	26%
Information	1,400	16%	8%	24%
Medicine	9,700	12%	10%	22%
Wholesale	1,400	14%	6%	20%
Professional services	6,400	10%	9%	18%
Manufacturing	7,800	7%	8%	15%
Finance	5,800	7%	7%	15%
Administration	2,400	5%	5%	10%

Table 2: Selected Characteristics of Tipped Workers in Portland

Workforce	Total	Share of Workers who are Tipped
Total	67,000	2.2%
Men	34,000	0.9%
Women	33,000	3.6%
White, non-Hispanic	60,000	2.3%
People of Color	7,000	1.5%

Table 3: Selected Characteristics of Tipped Workers in Portland

	Share of the tipped workforce
Waiters and Waitresses	67%
Bartenders	14%
Hairdressers and stylists	11%
All other occupations	9%
Restaurants	75%
Other hospitality	8%
Beauty shops and nail salons	10%
All other industries	7%

Methodology

To estimate the impacts of each minimum wage proposal, MECEP began with data from the US Census Bureau's American Community Survey data for 2018-2022. The ACS includes data on an individual's place of work, and for this analysis, individuals working within the Public Use Microdata Areas covering the greater Portland area were included. This area covers a much larger area than Portland proper, so the total number of impacted employees was adjusted downwards using the total number of employees within the city according to the Maine Department of Labor's Quarterly Census of Employment and Wages. The analysis only included people working as employees; those who are self employed were excluded.

Hourly wages for each worker were calculated by taking the individual's total earnings from employment by the number of weeks worked in the survey year and the usual number of hours worked each week. In 2018, the question for the number of weeks worked included answers with a range of weeks (e.g. 50 to 52 weeks, or 14 to 26 weeks). For individuals surveyed in this year, the number of weeks worked were estimated using the midpoint of each range.

To adjust hourly wages from the 2022 to their current 2024 levels, most calculated hourly wages were increased by the estimated rate of inflation between 2022 and 2024 (7.3%); for workers earning at or below the tipped minimum wage, wages were increased by the increase in Portland's tipped minimum wage (\$1 per hour); for those earning above the tipped minimum wage but below the minimum wage, wages were increased by the increase in Portland's regular minimum wage over that period (\$2 per hour). Future hourly wage increases through 2034 were assumed to be at the rate of inflation estimated by the Congressional Budget Office (3.4% per year).

For non-tipped workers, impacted workers are those who earned between 80% the regular minimum wage in 2022 and 100% of the new minimum wage in 2028. This excludes workers reporting very low wages who are likely to either be mis-reporting or victims of wage theft. In either case they are unlikely to be able to benefit from the proposed increase. Indirectly-impacted workers are those earning above the minimum wage in 2022 and less than 115% of the new minimum wage in 2028. For tipped workers, all those earning below the minimum wage in 2022 are considered to be directly impacted, while the remaining tipped workers are all considered indirectly impacted. To calculate the total wage increase by 2028, non-tipped workers are assigned a wage increase equal to the larger of (1) the difference between their projected wage in 2028 and 115% of the new minimum wage and (2) the difference between the old and new minimum wages. Tipped workers' wage increases are assumed to be the difference in the tipped minimum wage.

This methodology is an adaptation of the model developed by the Economic Policy Institute.¹⁵

Notes

¹ Congressional Budget Office Economic Data, June 2024. <https://www.cbo.gov/data/budget-economic-data>

² Arindrajit Dube and Attila Lindner, "City Limits: What Do Local-Area Minimum Wages Do?" *Journal of Economic Perspectives*—Volume 35, Number 1—Winter 2021—Pages 27–50 <https://pubs.aeaweb.org/doi/pdfplus/10.1257/jep.35.1.27>

³ James Myall, "A Higher Minimum Wage is Good for Tipped Workers," *Maine Center for Economic Policy*, Apr 4, 2017. <https://www.mecep.org/blog/a-higher-minimum-wage-is-good-for-tipped-workers/>

⁴ Ben Zipperer, "Turnover, prices, and reallocation: Why minimum wages raise the incomes of low-wage workers." *Economic Policy Institute*, Jan 9, 2023. <https://www.epi.org/unequalpower/publications/turnover-prices-and-reallocation-why-minimum-wages-raise-the-incomes-of-low-wage-workers/>

⁵ Orley C. Ashenfelter and Štěpán Jurajda, "Wages, Minimum Wages, and Price Pass-Through: The Case of McDonald's Restaurants." *NBER Working Paper 28506*. Feb 2021 <https://www.nber.org/papers/w28506>

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- ⁶ Sylvia Allegretto and Michael Reich, "Are Local Minimum Wages Absorbed by Price Increases? Estimates from Internet-based Restaurant Menus". *IRLE Working Paper* No. 124-15. <http://www.irlle.berkeley.edu/files/2015/Are-Local-Minimum-Wages-Absorbed-by-Price-Increases.pdf>
- ⁷ Dara Lee Luca and Michael Luca, "Survival of the Fittest: The Impact of the Minimum Wage on Firm Exit." *Harvard Business School Working Paper* 17-088. https://www.hbs.edu/ris/Publication%20Files/17-088_9f5c63e3-fcb7-4144-b9cf-74bf594cc308.pdf
- ⁸ Jesse Wursten and Michael Reich, "Small Businesses and the Minimum Wage." *Institute for Research on Labor and Employment*, Working Paper 102-23, March 2023. <https://irlle.berkeley.edu/wp-content/uploads/2023/03/Small-Businesses-and-the-Minimum-Wage-3-14-23.pdf>
- ⁹ James Myall, "MECEP Policy Brief: Minimum wage increase brought higher wages, reduced child poverty in 2017," *Maine Center for Economic Policy*, Sept 24, 2018. <https://www.mecep.org/jobs-and-income/mecep-policy-brief-minimum-wage-increase-brought-higher-wages-reduced-child-poverty-in-2017/>
- ¹⁰ David Cooper and Teresa Kroeger, "Employers steal billions from workers' paychecks each year," *Economic Policy Institute*, May 10, 2017. <https://www.epi.org/publication/employers-steal-billions-from-workers-paychecks-each-year/>
- ¹¹ Drew McGraw, "Unequally Gracious: Gender Discrimination In Restaurant Tipping," *Render* June 20 2014. <http://www.renderfoodmag.com/blog/2014/6/18/unequally-gracious-gender-discrimination-in-restaurant-tipping>
- ¹² Michael Lynn et al., "Consumer Racial Discrimination in Tipping: A Replication and Extension," 2008. <https://www.wagehourlitigation.com/wp-content/uploads/sites/215/2015/10/cornell.pdf>
- ¹³ Tom Jacobs, "Attractive Servers Get Bigger Tips," *Pacific Standard*, Jun 14, 2017. <https://psmag.com/economics/attractive-servers-get-bigger-tips>
- ¹⁴ Restaurant Opportunities Center United, "Take Us Off the Menu: The Impact of Sexual Harassment in the Restaurant Industry," May 2018. <https://rocunited.org/wp-content/uploads/sites/7/2020/02/TakeUsOffTheMenuReport.pdf> and Becky Sullivan, "Tips And 'Service With A Smile' Rules Fuel Sex Harassment In Restaurants, Study Says," *National Public Radio*, July 22, 2021. <https://www.npr.org/2021/07/22/1019017172/tips-and-service-with-a-smile-drive-sexual-harassment-in-restaurants-study-find>
- ¹⁵ David Cooper et al., Minimum Wage Simulation Model technical methodology, Feb 26, 2019 <https://www.epi.org/publication/minimum-wage-simulation-model-technical-methodology/>

Grace Skeritt <gskeritt123@gmail.com>

Tue, Aug 13, 4:47 PM (6 days ago)

to Ashley, me

Hi Ashley,

Thanks for getting back to me. I plan on making a public comment at city hall on Monday but you can add my statement to the packet:

I'm advocating not just for myself, but for my coworkers and other servers in Portland. I want to be clear—I do not support eliminating the tip credit. There's a lot of confusion about what will happen if this is removed, and it's crucial to understand the stakes and implications. Just a reminder that the last time this order was on the ballot in November 2022 it was voted down by over half of city residents. 61.2% of Portland voters voted against eliminating the tip credit. So I guess I'm also here to support the city residents who made up their minds on this less than 2 years ago.

The tip credit allows employers to count tips toward meeting the minimum wage. Right now, in Portland, the minimum wage is \$15 an hour, while tipped employees are paid \$7.50. The expectation is that tips will cover the difference to reach \$15 an hour. If tips don't meet that threshold, employers are LEGALLY required to make up the shortfall. Personally, I've always earned more than the minimum wage through tips, often averaging \$45 an hour or more. I can't imagine giving up the potential for unlimited tips in exchange for a fixed, taxed, hourly rate.

If we eliminate the tip credit, the consequences will be severe:

Increased Payroll Costs: Without the tip credit, employers must pay tipped employees the full minimum wage, drastically increasing payroll expenses. Many restaurants operate on thin margins, and this added cost is unsustainable.

Rising Menu Prices: To cover these costs, businesses will likely raise menu prices. Higher prices will deter customers, reducing patronage and hurting sales.

Service Fees: Some businesses might add service fees that don't go to servers but instead cover the new hourly wage. This could confuse customers and lead to a decline in tipping.

Job Cuts: Higher labor costs may force businesses to cut jobs or reduce hours for support staff, leading to lower service quality and further reducing customer visits.

Impact on Tipped Workers' Income: Many tipped workers earn far more than the minimum wage due to tips. Eliminating the tip credit could lead to a significant pay cut if customers tip less because of higher bills or added service charges.

Business Closures: If these changes occur, some businesses may close, leading to job losses and reduced economic activity in our community.

I reviewed many research studies and the evidence suggests that while eliminating the tip credit may be intended to protect workers, it ultimately harms those it seeks to help by reducing job opportunities, lowering earnings, and threatening the viability of small businesses.

Some argue that customers will continue to tip despite higher menu prices or service fees, but that's an assumption without evidence. In this economy with inflation at an all time high, it's more likely that people will dine out less frequently. This is too big a risk to take with people's livelihoods, especially without data to support it.

Others might say, "Well, I'm a server or a business owner, and I want to eliminate the tip credit and pay more hourly." To them, I say: You have the freedom to do that. No one is stopping you from proactively paying your employees more or working somewhere that does. But every business is unique, and we shouldn't force all businesses into the same box. Small business autonomy is important, and each establishment should be allowed to manage its operations in a way that works for them. Democracy and autonomy must go hand in hand whenever it can and this is a stellar example.

Some people believe that business owners are greedy and don't support their employees, so they should be forced to pay more. But I urge you to respect the experience and insights of the owners and employees who work in this industry. If they say something is going well or that a policy won't work, believe them.

It's okay if a busy restaurant results in more tips for employees, allowing them to make \$40 dollars or more an hour. It's okay if those restaurants want to stick with a business model that works for everyone including the customer. The tip credit benefits both employees and business owners. It's not always "us against them."

And finally, it's ok that if something isn't broken, you don't fix it.

Thank you!

Grace Skeritt

Winston Lumpkins <winston.lumpkins@gmail.com>

Sat, Aug 17, 7:19 AM (2 days ago)

to publiccomment, City

Dear Mayor Dion, Members of the Portland City Council,

I'm glad to see the 2 minimum wage issues separated on the ballot, though I support both of them I think it's important to consider them separately.

I believe those arguing against these ordinances are overreacting: let's face it, no one in this town is actually working for \$15/hour, and if they are it is only a matter of time till they take another job.

There are places that pay that little, but they augment it with tips. In order to share tips with the back of house, they also have to pay the front of house a base wage of at least min. wage (due to Maine State Law), so we've essentially eliminated the tip credit through market forces already. There might be a few outliers, but, if you look around, they're closing and limiting hours. The businesses that are still operating at 100% are paying more than 15 and or splitting tips.

There is no free lunch, the cost of living is well over \$20 an hour- anyone paying significantly less than that will be closing pretty soon due to lack of staffing. If minimum wage is to have any meaning, something like these proposed referenda should be passed.

While I didn't engage in the committee process for these items, I will offer a tiny criticism: I'd have preferred to see a single increase and then tied to inflation vs. multiple proscribed increases. As we saw with the prior referendum, inflation can surpass \$1/year, and I'd wager it will if Trump is elected.

All told, glad to see these on the agenda and making their way towards the ballot, thanks to all for their work on them, and to the City Clerk's office for the incoming work of preparing and tallying the ballots.

Sincerely

~Winston

Winston Lumpkins IV (he/him/his)

District 1,

East end,

Portland Maine

order 26 - ch 33

smccart1@maine.rr.com

Attachments

Sat, Aug 17, 2:23 PM (2 days ago)

to publiccomment@portlandmaine.gov, council@portlandmaine.gov

Shaun McCarthy

500 Baxter Blvd Portland Me

This comment is related to order 26- ch 33, the order to eliminate the sub minimum wage.

I strongly oppose this order.

This was just recently defeated at the polls as you know, with 61% of the vote being against eliminating the tip credit. What has changed since ,to all of a sudden makes this a good idea ?

I find it hard to believe that any servers approached any of the 3 councilors that brought this bill forward, asking to eliminate the tip credit.

If this passes, it will result in a pay CUT for the servers of Portland.

Local customers will not tip the 15%,20% or 25% that they do now when they know the servers are being paid \$20 per hour.

Restaurants will cut staff, cut operating hours, layoff front of house servers and bussers, and will have to raise prices in order to offset the \$12.50 per hour increase in the wage.

Many are barely holding on as it is, and if this passes, you will see many closures.

This will also create an unfair playing field., as it only pertains to Portland establishments. Many locals will just cross the bridge to South Portland, or drive to Westbrook,Falmouth,Scarborough, etc, where the prices for food and drink will not have to be raised. They will be able to get a burger and a pint for much less in those municipalities because of this. This happened when Portland passed the no smoking ordinance. People went to other towns for their food and drink, until the State stepped in and made it statewide law.

The last time this came around, I heard from many servers at Fore Street, that if the tip credit went away, that the cut in pay would be so severe, they would leave their lucrative position and go to work in a town where they would receive full tips.

There is also a new wrinkle that has come up. Both Presidential candidates have stated that they will do away with taxing tips for servers. So, in Portland's case if this passes, the servers will be paying

taxes on \$20 per hour and receiving very little tip money. If this does not pass, the servers would continue with the sub minimum wage, as well as the generous tips they receive now, but not be taxed on the tips. If you really care about the servers, you know which option is best for them. Do not pass this. Servers in other communities will continue with their current wage and tip income, but now, they will not be paying taxes on their tips. If you were a server, what would you do in this situation? You would leave your job in Portland and work elsewhere if the tip credit goes away.

If you are a server in Portland that is not making at least \$25 an hour right now, it is because of one the following

A: you are a bad server and should consider a change of career, or go to the back of the house (we all know they can use the help)

B: you are working in an establishment that does not plan properly and is overstaffed, so you do not get enough tables per shift

C: you are working in an establishment that is already not busy and will definitely not have the means to survive the extra \$12.50 per hour, per server and will close.

Attached you will find a list of establishments that have closed in Portland since covid, although I know I have missed some. And yes, some of these closures have been replaced by new entities. Then again, many of these on the list are the second or third to follow in the same location. Also note Bao Bao and Rubys. They tried to implement a higher wage and no tipping on their own. It didn't work out so well. Also note, Little Woodford. Your former councilor found out how tough this business is.

Please do not add to this list by passing the order. Please do not cut the servers pay by passing this.

Please listen to the servers that will speak before you Monday night. I'm betting it will be a much larger percent of people against this than the 61% of voters that turned this down the last time.

Thank you

Shaun McCarthy

President

Dock Fore Inc

Portland restaurants,bars and coffee shops that have closed since 2020

Lio

Citrus

Bills Pizza

Little Giant

Figgys

MJ Wine bar

Adas

Chee Vit Dee

Sebago

The Yard

Queenies Castle

Baharat

Katahdin

Hugos

Copper Branch

Thai Essan

Bull Feenys

Jakes

Rosemont Market and Wine

Rivalries

Rubys West End

Pats Pizza

Petite Jacqueline

Danforth

Bar & Bites

Banded Brewing

Old Port Slice Bar

Radici

Other Side Deli

Snug

Cabana

Stars & Stripes

Bao Bao

Broken Arrow

Elsmere

Parkers

Venas

Walters

Coffee by Design (2 locations)

TortillaFlat

Dry Dock

Bingas Stadium

Blue Spoon

Pizziaolo Forest Ave

Five Guys

B Good

Back Bay Grill

Marks Tap House

Marks Place

Rickys Tavern

The Tree House

Little Woodford

Four Points Marina

Starbucks (2 locations)

Brggr Bar

The Bar

Drifters Wife

The Helm

Hilltop Coffee

Piccalo

Dogfish

Pizza Joint

Bonobo Pizza

Silver House

Saint Joes

Ernies pool hall

Blue Rooster

Little Tap House

Rick's lobby cafe

Jager

Genos

Norm's Downtown lounge

Lena's

A & C grocery

Eaux

Timber

Full Turn

Fred McCann

(207) 209-3413 fred@fredmccann.com 244 Danforth Street, Apt 1 Portland, Maine 04102

Testimony of Fred McCann regarding
Order 26-24/25 Setting Election Date on an Amendment to Chapter 33 of the Portland City Code RE: an Act
to Eliminate Portland's
Sub-Minimum Wage for Service Employees

Before the City Council
August 19th, 2024

Mayor Dion and members of the City Council, I appreciate the opportunity to provide testimony regarding Order 26-24/25. My name is Fred McCann. I've resided in Portland for the past thirteen years and I'm currently serving as Vice President on the Portland Water District Board of Trustees.

Increasing the wages of tipped workers would not only benefit them but also have positive effects on the local economy at large. When workers earn a living wage, they are less likely to rely on public benefits, which in turn saves the city money and reduces the strain on social services. Furthermore, studies have shown that customers in states without a tipped minimum wage still leave tips at similar frequencies and amounts to those in other states, meaning that workers earning the full minimum wage plus tips are better off than those earning a sub-minimum wage plus tips.

Eliminating the sub-minimum wage for service workers would also help address discrimination and sexual harassment in the industry. Tipping perpetuates a culture where workers are at the mercy of their customers' whims, including their prejudices and biases. A fair minimum wage would help level the playing field and ensure that all workers are treated with dignity and respect.

Moreover, eliminating the sub-minimum wage would help to combat wage theft, which disproportionately affects tipped workers. Because their wages are based on tips, employers are less likely to ensure that workers are receiving the minimum wage which they are due. Women make up a significant portion of tipped workers in Portland, and a higher minimum wage would help close the wage gap between them and their male counterparts.

The increase in workers' wages would also have multiplier effects in the local economy, as they would have more disposable income to spend on goods and services. This would benefit local businesses and contribute to a stronger, more resilient economy. Additionally, a higher minimum wage would help alleviate Portland's housing affordability crisis by providing tipped workers with more financial stability, making it easier for them to secure safe and stable housing.

I urge the City Council to support an Act to Eliminate the Sub-Minimum Wage for Service Employees, which would benefit all members of our community.

Sincerely,

A handwritten signature in dark ink, appearing to read 'Fred McCann', with a stylized, sweeping flourish extending to the right.

Fred McCann

MEMORANDUM
City Council Agenda Item

FROM: Mark Dubois

DATE: July 3, 2024

SUBJECT: Order 27-24/25 Amendment to Portland City Code Chapter 17 RE: Repeal of Section 17-5 - Sponsored by Health and Human Services and Public Safety Committee, April Fournier, Chair

SPONSOR: Health and Human Services & Public Safety Committee, Councilor April Fournier, Chair. The Health and Human Services & Public Safety Committee met on June 11, 2024, and voted (3-1) to forward this item to the City Council with a recommendation for repeal.

(If sponsored by a Council committee, include the date the committee met and the results of the vote.)

COUNCIL MEETING DATE ACTION IS REQUESTED:

1st Reading 7/15/2024

Final

Action 8/19/2024

Can action be taken at a later date: Yes If action cannot be taken at a later date, please explain why. Do NOT write yes or no; that will be automatically generated by the checkbox.

Does this item involve a new contract with the City: No.

PRESENTATION: No presentation is planned, but Police Chief Mark Dubois will be available to respond to questions.

I. SUMMARY

II. AGENDA DESCRIPTION

Repeal of section 17-5 of the Portland City Code, otherwise known as the "Cruising Ordinance," is presented for consideration by the City Council.

Section 17-5 of the Portland City Code was enacted in the 1990s and implemented restrictions on "cruising" by prohibiting a motor vehicle operator from driving past a traffic-control point three (3) times within a two-hour period in or around a posted "no cruising" area. Since that time, the Portland Police Department has infrequently used this ordinance to intervene and prevent instances of commercial sexual exploitation, and conduct investigations of illegal drug sales. There are no indications the ordinance has been used to target any particular demographic group(s). However, the ordinance is infrequently used and staff do not believe its repeal would adversely impact public safety.

This item must be read on two separate days. It received its first reading on July 15. Five affirmative votes are required for passage after public comment.

III. BACKGROUND

Refer to supporting memo and attachment.

IV. INTENDED RESULT AND/OR COUNCIL GOAL ADDRESSED

N/A

V. FINANCIAL IMPACT

No financial impact is anticipated associated with this item.

VI. STAFF ANALYSIS AND BACKGROUND

Refer to supporting memo and attachment.

VII. RECOMMENDATION

N/A

VIII. LIST ATTACHMENTS

1. Order 27 - Ch.17.5 Cruising
2. Amendments _07-15-2024_Repeal City Code Section 17-5
3. Portland City Code Section 17-5
4. 08.19.24 Order 27 Public Commeent

Prepared by:

Mark Dubois

Date: 07/03/2024

MARK DION (MAYOR)
PIOUS ALI (A/L)
APRIL D. FOURNIER(A/L)
ROBERTO RODRÍGUEZ (A/L)

**CITY OF PORTLAND
IN THE CITY COUNCIL**

ANNA TREVORROW (1)
VICTORIA L. PELLETIER (2)
REGINA L. PHILLIPS (3)
ANNA BULLETT (4)
KATE SYKES (5)

**AMENDMENT TO PORTLAND CITY CODE
CHAPTER 17 RE: REPEAL OF SECTION 17-5: CRUISING**

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF PORTLAND,
MAINE IN CITY COUNCIL ASSEMBLED AS FOLLOWS:**

1. *That Section 17-5 of the Portland City Code Chapter 17 is hereby repealed to read as follows:*

17 5. Reserved. ~~Cruising.~~

~~(a) No person shall drive or permit a motor vehicle under that person's care, custody, or control to be driven past a traffic control point three (3) times within a two hour period in or around a posted "no cruising" area.~~

~~(b) Every "no cruising" area shall be posted with signs to provide notice of the prohibition which shall state the following: "No Cruising. No person shall drive or permit a motor vehicle under that person's care, custody, or control to be driven past a traffic control point three (3) times within a two hour period in this area."~~

~~(c) A traffic control point as used in this section means a reference point selected by a police officer within or adjacent to a designated "no cruising" area for the purpose of determining cruising.~~

~~(d) No area shall be designated or posted as a "no cruising" area except following such a designation upon order of the traffic engineer following a request from the police department.~~

~~(e) The following shall be exempted from the provisions of this section:~~

~~(1) Any publicly owned vehicle of any city, county, state or federal, or any governmental unit, while the vehicle is being operated for the official purposes of the governmental unit;~~

~~(2) Any authorized emergency vehicle;~~

~~(3) Any taxicabs for hire, public transit buses, livery, or other vehicles being operated for business purposes.~~

~~(f) Whoever violates any of the provisions of this section shall be punished by a minimum fine of one hundred dollars (\$100.00) for the first offense; a minimum fine of three hundred dollars (\$300.00) for a second offense; and a minimum fine of five hundred dollars (\$500.00) for each and every offense thereafter. In any action in which the city prevails, it shall be entitled to attorneys' fees and all costs of prosecution.~~

~~(g) Subsection (f) notwithstanding, prior to citing the owner or operator of a vehicle for a violation of this section, the police department may give a written notice to the person operating the vehicle in violation of this section at the time of the violation informing that person of the use of the vehicle in violation of this section.~~



To: Mayor and City Council
From: Mark Dubois, Chief of Police
Date: July 15, 2024
Re: Repeal of City Code Section 17-5

PURPOSE

Repeal of section 17-5 of the Portland City Code is presented for consideration by the City Council. Otherwise known as the "Cruising Ordinance," this section of the city code prohibits automobile operators from driving past a traffic-control point three (3) times within a two-hour period in or around a posted "no cruising" area.

COUNCIL COMMITTEE REVIEW

The Health-Human Services and Public Safety (HHS-PS) Committee requested a staff assessment of repealing section 17-5 as part of its May 14, 2024 meeting. At the committee's June 12, 2024 meeting, the committee listened to public comments and voted 3-1 to recommend repeal of section 17-5.

COMMITTEE WORK PLAN/CITY COUNCIL GOAL ALIGNMENT

This item is identified in the HHS-PS Committee's 2024 work plan as amended on April 23, 2024.

SUMMARY

Section 17-5 of the Portland City Code was enacted in the 1990s and implemented restrictions on "cruising" by prohibiting a motor vehicle operator from driving past a traffic-control point three (3) times within a two-hour period in or around a posted "no cruising" area. Since that time, the Portland Police Department has infrequently used this ordinance to intervene and prevent instances of commercial sexual exploitation, and conduct investigations of illegal drug sales. There are no indications the ordinance has been used to target any particular demographic group(s). However, the ordinance is infrequently used and staff do not believe its repeal would adversely impact public safety.

FISCAL IMPACT

Given the infrequent application of this ordinance, the loss of civil penalty fines is anticipated to be very small and will not materially impact the city's budget.

ADDITIONAL BACKGROUND

To ensure a complete discussion about rescinding the Cruising Ordinance, the Police Department presented the following information regarding the actual use of the ordinance, and the impact rescinding it will have.

As reported to the HHS-PS committee on June 12, a search for violations of Portland City Code Sec. 17-5 since 2021 revealed one (1) recorded violation in 2023; that subject went to court and paid the fine. However, PD is reporting that an instance of cruising may have occurred in the past week based on the report of an individual who flagged a patrol vehicle for assistance. A check of PD's prior Records Management System documented ten (10) unlawful cruising citations issued. All of these citations were issued for solicitation of prostitution where a female was propositioned by a male in a motor vehicle. Four (4) of the citations were from 1998 and 1999. One (1) citation took place in Bayside at Preble St in 2015 and five (5) more from the Walker St / Congress St area, four (4) between 2015-2017, and most recently, one (1) citation issued in 2021.

PD's leadership discussed the history of enforcement of this ordinance with long-serving department officers. These officers' recollections are that the original intent of the code provision was to address prostitution to deter males soliciting, and that it was not specifically designed to target homosexual males.

This ordinance has also been useful for officers in our Crime Reduction Unit (CRU) in investigating illegal drug sales, many of which take place from vehicles. Because it is an ordinance (and not a criminal statute), PD's Neighborhood Prosecutor prosecutes any violations, and the only punishment allowable by law is a fine, not jail.

According to the Neighborhood Prosecutor, the ordinance is used very infrequently. In his 8 years as the Neighborhood Prosecutor he has only encountered reports involving males soliciting female prostitutes. His knowledge of the most recent violation involved a male who paid the fine and admitted to soliciting a female prostitute. Additionally, PD often receives complaints from women who are not prostitutes, but are being solicited from vehicles while in the Walker Street area, many of whom are Maine Medical Center employees. Most recently, PD has been aware of a male circling City Hall apparently soliciting people in the area.

There are no practical alternatives to allow us to issue a civil penalty. The only option would be a criminal summons, which would require more aggressive behavior towards a victim before we could enforce.

ATTACHMENTS

Attachment A - Portland City Code Section 17-5

or portable, including but not limited to separate booths, cubicles, or enclosures, and walls, barriers, and other physical obstructions.

Sexual contact means and includes sexual act and sexual contact as defined in the Maine Criminal Code, Title 17-A, § 251.

(c) No person shall, for consideration or otherwise, maintain or operate, or permit or assist in the use, maintenance, or operation of, any premises, or portion thereof, designed or intended for, or promoting or facilitating, anonymous sexual contact. A suitable aperture in any booth, cubicle, or enclosure in a public rest room or on premises containing an adult amusement device or selling or offering for sale sexually explicit material shall be presumed to be intended for anonymous sexual contact.

(Ord. No. 90-81, §§ 325.1--325.3, 7-20-81)

Sec. 17-5. Cruising.

(a) No person shall drive or permit a motor vehicle under that person's care, custody, or control to be driven past a traffic-control point three (3) times within a two-hour period in or around a posted "no cruising" area.

(b) Every "no cruising" area shall be posted with signs to provide notice of the prohibition which shall state the following: "No Cruising. No person shall drive or permit a motor vehicle under that person's care, custody, or control to be driven past a traffic-control point three (3) times within a two-hour period in this area."

(c) A traffic-control point as used in this section means a reference point selected by a police officer within or adjacent to a designated "no cruising" area for the purpose of determining cruising.

(d) No area shall be designated or posted as a "no cruising" area except following such a designation upon order of the traffic engineer following a request from the police department.

(e) The following shall be exempted from the provisions of this section:

- (1) Any publicly owned vehicle of any city, county, state or federal, or any governmental unit, while the vehicle is being operated for the official purposes of the

governmental unit;

- (2) Any authorized emergency vehicle;
- (3) Any taxicabs for hire, public transit buses, livery, or other vehicles being operated for business purposes.

(f) Whoever violates any of the provisions of this section shall be punished by a minimum fine of one hundred dollars (\$100.00) for the first offense; a minimum fine of three hundred dollars (\$300.00) for a second offense; and a minimum fine of five hundred dollars (\$500.00) for each and every offense thereafter. In any action in which the city prevails, it shall be entitled to attorneys' fees and all costs of prosecution.

(g) Subsection (f) notwithstanding, prior to citing the owner or operator of a vehicle for a violation of this section, the police department may give a written notice to the person operating the vehicle in violation of this section at the time of the violation informing that person of the use of the vehicle in violation of this section.

(Ord. No. 178-96, 3-4-96)

Sec. 17-6. Graffiti.

(a) *Purpose.* It is the intent of this section to prevent the spread of graffiti vandalism and to create a program for the removal of graffiti. Graffiti is a public nuisance and a visual symbol of disorder. Prompt removal is a proven deterrent to the spread of graffiti.

(b) *Definitions.* The following definitions shall apply in this section:

- (1) *Aerosol paint container* shall mean any container that is adapted or made for the purpose of applying aerosolized paint, or any other aerosolized substance capable of defacing property.
- (2) *Broad tipped marker* shall mean any marker or similar implement that contains ink and has a flat or angled writing surface that, at its broadest width, exceeds one-eighth inch.
- (3) *Etching cream* shall mean any caustic cream, gel, liquid, or solution capable, by means of a chemical

George Rheault

Attachments

Sun, Aug 18, 11:48 AM (1 day ago)

to Public, Mark, Pious, April, Roberto, Anna, Victoria, Regina, Anna, Kate, Danielle, Michael

Please keep this ordinance in place.

Our police department is spread very thin right now and giving it another investigative tool with which to work with, especially to help interdict vehicles being used for drug dealing and sex trafficking, is important even if it is lightly used. Neighborhoods that must deal with outsiders routinely visiting with bad intentions depend on the Portland Police Department to deal effectively with such situations even if they are often under-performing in this regard.

The history here shows that it was created to save time and energy as the alternative, sending letters, was both more laborious and more intrusive from a civil liberties POV than the cruising ordinance.

See attached articles for background on ordinance creation.

Western Prom 'cruisers' get police letter

● Civil libertarians say the effort is intrusive. But neighborhood residents, tired of gay sex on their streets, applaud it.

By MARK SHANAHAN
and ALAN CLENNENING
Staff Writers

Men who drive around Portland's Western Promenade late at night are getting a message in the mail from police: You are not welcome.

Cruising by men looking for male sex partners is on the rise again in the neighborhood, and police are combating it through the Postal

Police mailed nine of the letters Monday — two to Biddeford, two to Gorham, and one each to residents of Old Orchard Beach, Augusta, Falmouth, Westbrook and Portland.

Service.

Police Chief Michael Chitwood said Monday he is mailing letters to the registered owners of cars that have been spotted circling the Western Prom and nearby streets.

The letters are not specific about the problem but make it clear that drivers who repeatedly cruise around the neighborhood late at night are not welcome.

Cruising has been a problem in the city for years and is on the rise

again around the Western Prom, where it is particularly troublesome, Chitwood said. In response, plain-clothes police officers are working undercover to identify suspicious cars.

The officers write down the license-plate numbers of the cars and send letters to the registered owners to let them know when the vehicles have been seen in the neighborhood.

A similar effort two years ago

curbed the anonymous gay sex in the otherwise genteel neighborhood, Chitwood said. About 50 letters were sent to registered car owners in late 1993, during which residents helped spot suspicious cars.

"Once again, these guys are cruising and destroying the quality of life out there," Chitwood said. "For a while you think everything is quiet, and then all of a sudden the neighborhood is up in arms."

For about five years, the Western Promenade and its side streets have been a gathering place for homosexual men looking for casual sex. While civil libertarians say the police effort is intrusive, residents applaud

Please see **LETTERS**, Page 4B

Ordinance outlawing 'cruising' ordered by panel

● The law might allow police to seize cars of those who drive around neighborhoods seeking sex.

By STEVEN G. VEGH
Staff Writer

A City Council committee called Wednesday for an ordinance that would prohibit people from driving around Portland neighborhoods in search of sex partners.

The Public Safety Committee ordered the city's legal department to write an ordinance outlawing "cruising." The committee did not suggest how such a law would be enforced or what the penalties might

be for violating it.

The proposal arose after five city residents at the committee's meeting complained that cruising, and the public sex that sometimes follows, is ruining the quality of life in the Parkside and Western Promenade neighborhoods.

"It is a predatory problem — make no doubt about it," said Marie Gray, a Parkside resident. She suggested an anti-cruising law that would allow police to seize violators' cars.

Gary Wood, the city's chief lawyer, said he will draft an ordinance after reviewing similar ones in Old Orchard Beach and Phoenix. He did not say when he would submit the draft to the committee.

In Portland, Western Promenade residents have complained that gay

"Until an ordinance is on the books, I cannot support writing a letter and slapping a hand when they haven't done anything wrong... in the eyes of the law."

Councilor Peter M. Rickett

men cruise — drive repeatedly through the neighborhood with no apparent destination — in search of sex partners. Parkside residents have complained about men cruising in search of women prostitutes.

Portland police have responded by monitoring the neighborhoods, identifying cars that cruise and sending each car owner a letter saying police

hope the owner was not in the area for reasons that impinge upon residents' safety.

But Tuesday the committee's three members questioned how much good the letters do. Each noted that Portland has no law against circling a neighborhood aimlessly.

"Until an ordinance is on the

books, I cannot support writing a letter and slapping a hand when they haven't done anything wrong... in the eyes of the law," said Councilor Peter M. Rickett.

"Do the letters stop the activity? Obviously not," said committee Chairman Charles W. Harlow. Rather than send letters, Harlow said, police should crack down on public sex acts that cruising sometimes leads to.

Police Chief Michael Chitwood called the criticism of the letters an unjustified insult.

"Arrests don't work," he said.

Police made 76 prostitution arrests last year in Parkside and 25 over the past three years in the Western Prom area, Chitwood said. Still, he said, the cruising continues.

But the cars whose owners have received letter from the police have not been seen again in those neighborhoods, Chitwood said. "The letters work better than the arrests," he said.

The ordinance adopted in Old Orchard Beach in 1993 sought to limit cruising because it added to the resort community's traffic and hurt air quality. Cruising was not identified with any sexual motivation.

The ordinance prohibited motorists from making more than six loops around designated downtown areas from 7 p.m. to 2 a.m. during the summer tourist season. The ban is posted on signs near the beach area; violators can be fined up to \$200.

LETTERS

Continued from Page 1B

neighborhood is up in arms."

For about five years, the Western Promenade and its side streets have been a gathering place for homosexual men looking for casual sex. While civil libertarians say the police effort is intrusive, residents applaud it.

Residents say cruising has increased dramatically in recent weeks. Single men in cars flock to the area after dark and idle from street to street looking for sex partners, police said. Sometimes, the sex takes place in cars on the neighborhood streets.

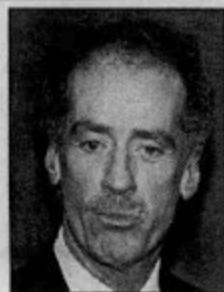
"Sometimes it's very active, with people going around and around all of the time," said Lyle Voss, president of the Western Promenade Neighborhood Association. "That sort of thing is just not compatible with trying to have a safe and healthy environment to raise a family."

The letters from police don't mention cruising. In the letters, Chitwood writes that he hopes "that your vehicle was not seen spending an extended period of time in this neighborhood for reasons that impinge upon the safety and security of the residents."

Police mailed nine of the letters Monday - two to Biddeford, two to Gorham, and one each to residents of Old Orchard Beach, Augusta, Falmouth, Westbrook and Portland.

The problem is not so obvious during the summer, because the men walk into the wooded area along the Western Promenade and have sex there, Police Lt. Russell Gauvin said.

Now that it is cold, the men are using cars again, Gauvin said. Sometimes men have sex in front of the graceful houses around the Western Promenade.



"Once again, these guys are cruising and destroying the quality of life out there. For a while you think everything is quiet, and then all of a sudden the neighborhood is up in arms."

Michael Chitwood,
Portland police chief

Text of letter sent by police

Portland police are sending the following letter to the owners of cars seen cruising in the West End at times when men typically seek other men for sex in the area:

"I am writing to ask for your support and understanding. The residential neighborhood surrounding the Western Promenade has become saturated with motor vehicles at night, the drivers of which cruise area streets for hours at a time. This activity leaves the neighbors with a feeling of being unsafe.

"On selected nights, plainclothes officers patrol these streets in an effort to identify those vehicles that constantly cruise the area of the Western Promenade with no apparent destination.

"On (DAY AND DATE), a (TYPE OF CAR), with license plate

(STATE AND NUMBER) was observed by officers at (TIME). Bureau of Motor Vehicle records indicate the vehicle is registered to you. The vehicle was seen repeatedly driving through the area of the Western Promenade. I hope that your vehicle was not seen spending an extended period of time in this neighborhood for reasons that impinge on the safety and security of residents.

"By bringing this matter to your attention, my hope is that you will take whatever steps are necessary to help the people of the Western Promenade recapture the tranquility of their neighborhood.

"Thank you again for your support and understanding."

Sincerely,

Michael J. Chitwood
Chief of Police

"One woman told me, 'What do I tell my 9-year-old daughter when she looks out the window and there are two guys involved in sex?'" Gauvin said.

Sally Sutton, executive director of the Maine Civil Liberties Union, said police should arrest people who break the law and leave everyone else alone. She said the letters could

embarrass people who are not breaking the law when they drive around the area.

"Innocent people should not be badgered this way," Sutton said. "If a criminal act is observed, make an arrest. If not, leave people alone."

Western Prom residents, however, said they are pleased with the police response.

MAINE VOICES



Keeping neighborhoods safe and accessible is a proper police function.

CITY OF NEIGHBORHOODS

Cruising isn't illegal (yet), but it has a high social cost

When a car circles a block 30 times, the idea its driver is checking out houses is somewhat less than credible.

By MICHAEL CHITWOOD

The enterprise of community policing is the expressed willingness to provide citizens with solutions to conditions which diminish the quality of life they hope to enjoy.

This implies not only enforcement, but an equal energy devoted to comprehensive service strategies, action plans not constrained by the limited scope of criminal law.

The commitment to protect and enhance the positive attributes of Portland's neighborhoods forms the core value of my administration.

Such a view has propelled the Portland Police Department into the public arena on several key social issues: the concealed weapons debate, human rights for our gay/lesbian residents, improved security at the Maine Youth Center and the plight of the homeless mentally ill.

Each has been a prime example of the breadth of proactive policing initiatives which empowered those quality-of-life intangibles which make our city unique.

"CRUISING" presents us with a contemporary challenge to our collective ideas about the importance of neighborhood in our individual lives.

The question of neighborhood is one which often marks the supports of our life. "Where we live" is an integral piece of who we are.

The decision is not necessarily limited to visible attributes like schools, sidewalks or property taxes, but also prompts an emotional response.

Neighborhood is what we feel. It is an environment of sense as much as sight, a conscious place to connect

and, when needed, for solace. It is the undeniable difference between simply having a place to live and calling somewhere home.

The families and residents in Parkside and on the Western Promenade have embraced the vision of community policing. Ours is a mutual response to the negative influence confronting their homes — legitimate fears held by reasonable people confronting the recurring, invasive anonymity reflected in cruising.

WHEN YOUR park, yard or driveway becomes a site for public sex or your children are trapped as accidental "spectators" to it, then maybe your patience will begin to wear just as this One can be very judgmental when appraising abstractions.

I accept that cruising is not a crime. Yet, with police fees, we are asked to consider the possibility that endless circling is an exercise in real estate evaluation. The seasonal tourist rises to a point that to witness the same car in its 30th loop seems to make you craven in frustrated anger. If it only were but one car...

Cruising may not be a violation of the criminal code, but it certainly tests my understanding of a civil nuisance. The negative climate of larger cities is not only a byproduct of urban crisis, but is fed by the cumulative deterioration that follows on the heels of unbridled behavior.

Passive-aggressive, run-down, homeless, unsupervised street youth — all are not crimes in the general sense, but concrete "conditions" that undoubtedly signal the first tremors of a downward spiral.

Crime prevention means just what it says: Get in early and stop it before it becomes unmanageable.

Our police and community law-enforcement was an attempt to reduce cruising in the least noticeable manner possible. Some have hinted this is a covert attack on gay rights. Wrong. Cruising is an activity involving both males and females, straight as well as gay.

Criminal law allows police officers to sanction only those acts which occur at the margin in this case, sex which is purchased.

The bulk of these social transactions involve compulsive, high-risk practices which alarm public health professionals grappling with the sobering reality of sexually transmitted diseases. Having no crime is not a crime, but the potential future medical costs are staggering.

The officers are serving the broader purpose for which they were intended.

First, they remove the cloak of anonymity from those who choose to act in another's yard in a fashion I'm sure they would regret in their own.

Second, they have moved needed public awareness to the dilemma associated in shutting intrusive, albeit, non-criminal, conduct.

WE ARE FIRST and foremost a city of neighborhoods. I remain firmly convinced that we cannot turn away from the social disorders that threaten Portland's varied communities simply because they pose difficult public policy choices.

To do so suggests that some areas of our city deserve only qualified police support.

I intend over the coming weeks to work closely with members of the City Council and other interested community leaders in seeking legal remedies that will restore the sense of safety that has been lost by too many West End and Parkside families caught in the unfortunate crucible of a politically correct debate.

— Spurred in the Press Herald

ABOUT THE AUTHOR

Michael Chitwood is Portland's chief of police.

MEMORANDUM
City Council Agenda Item

FROM:

DATE: August 6, 2024

SUBJECT: Order 35-24/25 Setting Election Date on a Citizen Initiative Amendment to the Portland City Code RE: An Act to Amend the City of Portland's Emergency Wage Provision - Sponsored by Ashley Rand, City Clerk

SPONSOR: The Mayor, City Manager, City Clerk, Corporation Counsel, the Planning Board, or up to three (3) members of the Council shall sponsor any orders or other items. If sponsored by a Council Committee, please include the date the committee met and the results of the vote.

(If sponsored by a Council committee, include the date the committee met and the results of the vote.)

COUNCIL MEETING DATE ACTION IS REQUESTED:

1st Reading

**Final
Action**

Can action be taken at a later date: No If action cannot be taken at a later date, please explain why. Do NOT write yes or no; that will be automatically generated by the checkbox.

Does this item involve a new contract with the City: n/a

PRESENTATION: Please list the presenter(s), type, and length of presentation

I. SUMMARY

II. AGENDA DESCRIPTION

The public hearing for this Citizen Initiative was set at the July 15, 2023 City Council meeting by Order 10-24/25. Along with receiving public comment, the City Council will vote to set the election date of November 5, 2024.

Five affirmative votes are required for passage after public comment.

III. BACKGROUND

Background information that will not appear in the Agenda Description

IV. INTENDED RESULT AND/OR COUNCIL GOAL ADDRESSED

V. FINANCIAL IMPACT

Please indicate whether or not there is a financial impact. Please note that per Council Rule 12, this form must have "a separate fiscal impact statement memo attached if the impact of the item is \$50,000 or more in a given fiscal year. This memo shall include details and information describing the fiscal impact including, but not limited to, projected costs, revenues or savings over a three (3) year period and/or any potential impacts on the City tax levy."

VI. STAFF ANALYSIS AND BACKGROUND

Staff Analysis that will not appear in the Agenda Description.

VII. RECOMMENDATION

VIII. LIST ATTACHMENTS

1. Order - Setting an Election Date on a Citizen Initiative Amendment re Emergency Wages

2. An Act to Amend the City of Portland's Emergency Wage Provision-Affidavit-05.22.2024
3. Chapter 33-Minimum Wage-Citizen Initiative Petition Certification

Prepared by:

Date: 08/06/2024

MARK DION (MAYOR)
PIOUS ALI (A/L)
APRIL D. FOURNIER(A/L)
ROBERTO RODRÍGUEZ (A/L)

CITY OF PORTLAND
IN THE CITY COUNCIL

ANNA TREVORROW (1)
VICTORIA L. PELLETIER (2)
REGINA L. PHILLIPS (3)
ANNA BULLETT (4)
KATE SYKES (5)

**ORDER SETTING ELECTION DATE ON A CITIZEN INITIATIVE AMENDMENT TO
THE PORTLAND CITY CODE
RE: AN ACT TO AMEND THE CITY OF PORTLAND'S EMERGENCY WAGE
PROVISION**

ORDERED, that the amendment to the Portland City Code called An Act to Amend the City of Portland's Emergency Wage Provision, a copy of which is attached to and made a part of this Order, shall be submitted to the voters of the City, on a ballot with the below summary only as determined necessary by the City Clerk, at the municipal election on November 5, 2024; and

BE IT FURTHER ORDERED, that the Portland City Clerk is hereby authorized to place the following question and summary of An Act to Amend the City of Portland's Emergency Wage Provision on the ballot:

Do you favor the change in the city ordinance proposed by citizen petition as summarized below?

An Act to Amend the City of Portland's Emergency Wage Provision

An Act to Amend the City of Portland's Emergency Wage Provision amends the City's minimum wage ordinance by limiting the application of the emergency wage provision in the ordinance to periods when the City of Portland has declared a state of emergency. In the current ordinance, the emergency wage provision in the city ordinance automatically takes effect whenever the State of Maine declares a state of emergency in a region that includes Portland, even if employment conditions within the City of Portland are not impacted or altered.

EXHIBIT A

An Act to Amend the City of Portland's Emergency Wage Provision

An act to Amend the City of Portland's Emergency Wage Provision amends the City's minimum wage ordinance by limiting the application of the emergency wage provision in the ordinance to periods when the City of Portland has declared a state of emergency. In the current ordinance, the emergency wage provision in the city ordinance automatically takes effect whenever the State of Maine declares a state of emergency in a region that includes Portland, even if employment conditions within the City of Portland are not impacted or altered.

BE IT ORDAINED:

That Chapter 33, Subsection 33-7 of the Portland City Code are hereby amended to read as follows:

Section 33.7. Minimum Wage.

...

- (g) *Effect of Emergency Proclamation.* For work performed during a declared emergency, the effective Minimum Wage rate established by this ordinance shall be calculated as 1.5 times the regular minimum wage rate under subsection (b) above. A declared emergency under this ordinance shall include the period of time during which:

~~(i)~~ A proclamation issued pursuant to Chapter 2, Sec. 2-406, of this code declares an emergency to exist, if such emergency proclamation is geographically applicable to the Employee's workplace. ~~;~~ ~~or~~

~~(ii) A proclamation issued pursuant to 37-B M.R.S. § 742 declares an emergency to exist, if such emergency proclamation is geographically applicable to the Employee's workplace.~~

A declared emergency under this ordinance shall not apply to work performed under a teleworking arrangement, as defined under 5. U.S.C. § 6501, allowing the Employee to work from home.

**AFFIDAVIT FILED PURSUANT TO §9-36 OF PORTLAND CITY CODE
SEEKING PETITIONS FOR INITIATION OF ORDINANCE**



The undersigned hereby depose and say as follow:

- (1) The undersigned are registered voters of the City of Portland, whose respective addresses appear below next to their names;
- (2) The undersigned file this affidavit for the purpose of initiating an ordinance ("the Ordinance"), the text and a summary of which is annexed to this Affidavit as Exhibit A;
- (3) The undersigned will constitute the Petitioners' Committee and circulate the citizen initiative petition;
- (4) All notices to the Committee are to be sent to Jeremy Payne the following address:

PO Box 7885 Portland, ME 04112

Dated at Portland, this 21 day of May 2024.

✓ <u>Jessica Lalumiere</u> (Print) Name	<u>69 Newbury St Apt 4</u> Address	<u>[Signature]</u> Signature
✓ <u>Brian Bakken</u> (Print) Name	<u>336 Capric St</u> Address	<u>[Signature]</u> Signature
✓ <u>Dale J. Holmes</u> (Print) Name	<u>10 Willow Lane</u> Address	<u>[Signature]</u> Signature
✓ <u>Paula J. Mahony</u> (Print) Name	<u>327 Summit St</u> Address	<u>[Signature]</u> Signature
✓ <u>Elizabeth Frazier</u> (Print) Name	<u>305 Commercial St. Apt. 212</u> Address	<u>[Signature]</u> Signature
✓ <u>Alexander Price</u> (Print) Name	<u>645 Congress St. Unit 202</u> Address	<u>[Signature]</u> Signature
✓ <u>Jenna Wilson</u> (Print) Name	<u>111 Bancroft St</u> Address	<u>[Signature]</u> Signature
✓ <u>Vanessa Donnelly</u> (Print) Name	<u>28 Monument Sq</u> Address	<u>[Signature]</u> Signature
✓ <u>Sasha Shunk</u> (Print) Name	<u>70 Frost St.</u> Address	<u>[Signature]</u> Signature
✓ <u>Edward Payne</u> (Print) Name	<u>318 Brighton Ave</u> Address	<u>[Signature]</u> Signature

Subscribed and sworn to before me this 21 day of May, 2024.

Meredith McLaughlin
Signature of Notary Public/Attorney-at-law

1-5-2027
Date Commission Expires/Date Entered the Bar

Meredith McLaughlin
Printed Name

Ballot Question

An Act To Amend The City Of Portland's Emergency Wage Provision

Summary: *An Act To Amend The City Of Portland's Emergency Wage Provision* amends the City's minimum wage ordinance by limiting the application of the emergency wage provision in the ordinance to periods when the City of Portland has declared a state of emergency. In the current ordinance, the emergency wage provision in the city ordinance automatically takes effect whenever the State of Maine declares a state of emergency in a region that includes Portland, even if employment conditions within the City of Portland are not impacted or altered.

Chapter 33 MINIMUM WAGE

* * *

ARTICLE III. MINIMUM WAGE

Section 33.7. Minimum Wage.

- (a) *Minimum wage payment required:* Except as provided herein, Employers shall pay all Employees no less than the Minimum Wage established by this ordinance for each hour worked within the City Limits.

* * *

Effect of Emergency Proclamation. For work performed during a declared emergency, the effective Minimum Wage rate established by this ordinance shall be calculated as 1.5 times the regular minimum wage rate under subsection (b) above. A declared emergency under this ordinance shall include the period of time during which:

~~(i)~~ A proclamation issued pursuant to Chapter 2, Sec. 2-406, of this code declares an emergency to exist, if such emergency proclamation is geographically applicable to the Employee's workplace. ~~or~~

~~(ii) A proclamation issued pursuant to 37-B M.R.S. § 742 declares an emergency to exist, if such emergency proclamation is geographically applicable to the Employee's workplace.~~

A declared emergency under this ordinance shall not apply to work performed under a teleworking arrangement, as defined under 5. U.S.C. § 6501, allowing the Employee to work from home.

(Ord. 297-14/15, 9-9-2015, Effective 1-1-2016; Ord. No. 105-16/17, 12-19-2016; By Referendum, 11-3-2020)

(b)

City Clerk's Office

Ashley Rand, *City Clerk*

June 26, 2024



CLERK'S CERTIFICATION OF CITIZEN INITIATIVES:

An Act to Amend the City of Portland's Emergency Wage Provision

RE: Amendments to Portland City Code of Ordinances:

Chapter 33 Minimum Wage

I HEREBY CERTIFY that the City Clerk's Office received a filing for the following:

PAC/BQC: Keep it Local, Portland

Submitted to City Clerk's Office: June 20, 2024

Signatures Required: 1,500

I certify that the petitions filed on June 20, 2024 in my office regarding amendments to the Portland City Code of Ordinances: Chapter 33: Minimum Wage contained the required 1,500 signatures for verification and deemed these petitions sufficient for placement on the November 5, 2024 General Municipal Election.

The following City Council meetings are scheduled:

FIRST READING/SETTING PUBLIC HEARING: July 15, 2024

SECOND READING/PUBLIC HEARING/SETTING THE ELECTION DATE: August 19, 2024

A handwritten signature in red ink, appearing to read "Ashley Rand", with a large, stylized flourish at the end.

Ashley Rand, *City Clerk*