

MARK DION (MAYOR)
PIOUS ALI (A/L)
APRIL FOURNIER (A/L)
BENJAMIN GRANT (A/L)



SARAH MICHNIEWICZ (1)
WESLEY PELLETIER (2)
REGINA L. PHILLIPS (3)
ANNA BULLETT (4)
KATE SYKES (5)

SPECIAL CITY COUNCIL MEETING 1 - JULY 14, 2025 AT 4:00PM

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 join this Zoom link](#). Please note there is no remote participation via Zoom. This is to watch the meeting only.

PLEDGE OF ALLEGIANCE:

ROLL CALL:

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

ANNOUNCEMENTS:

PRESENTATIONS:

SPECIAL MEETING:

Order 1-25/26 Approving Amendments to the Guidelines for the Portland Business Assistance Program for Job Creation - Sponsored by Mark Dion, Mayor

At the Portland Development Corporation Board meeting held on June 25, 2025, the Board reviewed proposed amendments to the CDBG Business Assistance Grant Program for Job Creation and voted 7-0 to forward the amendments to the City Council for approval.

The substantive modifications to this latest program iteration are:

1. Grantees will receive grant funding incrementally to accompany quarterly reporting,
2. Employers must maintain the job for six months,
3. Eligible uses have been limited to just commercial rent.

Five affirmative votes are required for passage after public comment.

APPROVAL OF MINUTES OF PREVIOUS MEETING:

City Council Meeting - June 23, 2025

PROCLAMATIONS:

Proclamation 1-25/26 Honoring the 100th Anniversary of the St. Peter's Catholic Church Italian Bazaar - Sponsored by Mark Dion, Mayor

CONSENT ITEMS:

Order 2-25/26 Declaring August 8 to August 10, 2025 the 100th Annual St. Peter's Bazaar and Italian Street Festival - Sponsored by Danielle P. West, City Manager

St Peter's Bazaar committee and Catholic Church will be hosting their 100th Annual St Peter's Bazaar and Italian Street Festival from August 8 to August 10, 2025, with food booths, games for children and adults and music in the streets. Approximately 2,500 people will attend the event over the course of the three days. This event is a fundraiser for St Peter's Catholic Church.

To accommodate the festival, Federal Street will be closed from Hampshire Street to India Street from 8:00 AM Friday August 8th to 11:00 PM Saturday August 9th 2025. Truck barricades will be placed at India St to prevent vehicular access to Federal Street.

Five affirmative votes are required for passage of items on the consent calendar after public comment.

Order 3-25/26 Accepting from Judith Kendrick and Jim DiBiase a Sculpture by Giuliano Cecchinelli and Adding This Work to the City's Public Art Collection - Sponsored by Councilor Sarah Michniewicz

This proposal was reviewed at the Portland Art Committee Meeting held on April 30, 2025. The Committee voted unanimously (9-0, Wilson absent) to recommend this to the City Council for approval.

If approved, this order would accept the gift of a new sculpture by Giuliano Cecchinelli from donors Judith Kendrick and Jim DiBiase, formally adding the artwork to the Portland Public Art Collection. The proposed installation site is 176 India Street, on property owned by the Portland Water District, directly adjacent to the public sidewalk within the India Street neighborhood. As required by the *Guidelines for the Public Art Ordinance*, the City Council must accept any gift of public art into the City's Public Art collection.

Five affirmative votes are required for passage of items on the consent calendar after public comment.

UNFINISHED BUSINESS:

Order 220-24/25 Traffic Schedule Amendment RE: Parking Reassignments on Pearl Street and Cotton Street - Sponsored by Danielle P. West, City Manager

The City Council is being asked to approve a reassignment of the no parking zones along two street segments. The first is to add six parking spaces signed for 2-hour parking from

9AM to 5PM along the west side length of Pearl Street between Lancaster Street and Kennebec Street. The second is to add parking along the west side of Cotton Street including a 30-minute Commercial Loading Zone (9AM-6PM) with six spaces, and six spaces signed for 2-hour parking from 9AM to 5PM (Attachment B includes maps for both locations).

City staff's original recommendation for the Pearl Street segment proposed adding 17 parking spaces. However, subsequent consultation with the adjacent property owner (Noyes & Sons) confirmed the need to reduce the additional parking on Pearl Street to accommodate tractor-trailer size and turning movements.

The original recommendations were presented to and unanimously approved by the Sustainability and Transportation Committee on April 9, 2025. Although there is a reduction in the number of parking spaces added to Pearl Street, the general scope of the updated plan is within the parameters of the Committee's action.

This item must be read on two separate days. It received its first reading on May 19 and was postponed on June 2 and June 23. Five affirmative votes are required for passage after public comment.

Order 236-24/25 Accepting and Appropriating a \$20,000 Homeland Security Grant for the Portland Fire Department - Sponsored by Danielle P. West, City Manager

The Portland Fire Department was awarded \$20,000 to support the Hazmat team's efforts to enhance preparedness and Hazmat response capabilities for Homeland Security Incidents in the state. This grant was awarded on September 25, 2024 but has not been brought to the Council for approval. The grant expires on May 31, 2027.

This item must be read on two separate days. It received its first reading on June 23. Five affirmative votes are required for passage after public comment.

Order 237-24/25 Designating Front Street Phase 3/35 and 41 W. Presumpscot Street an Affordable Housing Development District and Tax Increment Financing District and Adopting the Municipal Development Program for the District - Sponsored by the Housing & Economic Development Committee, Councilor Pious Ali, Chair

The Housing & Economic Development Committee met on May 20, 2025 and voted 4-0 to recommend this item to the City Council.

Portland Housing Development Corporation (PHDC) requested the creation of an Affordable Housing Tax Increment Financing (AHTIF) District and Credit Enhancement Agreement (CEA) for a project located at 35-41 W. Presumpscot Street. The proposed project would create eight (8) townhouse-style condominiums. Six (6) of the units will be restricted and sold to households earning at or below 120% of the area median income (2-person household \$109,050; 4-person household \$155,750). Two (2) units will be sold as unrestricted market-rate units. The purchase price for an affordable workforce housing 2-bedroom unit will be \$298,500 and a 3-bedroom unit will be \$358,000.

As part of the capital stack for the development of the project, PHDC has applied for a loan from the Genesis Community Loan Fund. Genesis will provide gap financing in the amount of \$370,000 to pay for construction costs. The tax revenue or captured valuation

realized through the AHTIF CEA, will be used to pay the debt service on the Genesis loan. Under the terms of the CEA, captured revenue would return to the developer their actual costs paid on annual project debt service based on an annual maximum 75% capture rate for upwards of thirty (30) years and include a total captured revenue cumulative “cap” or maximum amount. The cap would be the total cumulative AHTIF CEA payment amount equal to the total actual debt service cost. When the cap is reached, the AHTIF CEA expires.

This item must be read on two separate days. It received its first reading on June 23. Five affirmative votes are required for passage after public comment.

Order 238-24/25 Approving the Front Street Phase 3/35 and 41 W. Presumpscot Street Affordable Housing Credit Enhancement Agreement with Front Street Condominium, LLC - Sponsored by the Housing & Economic Development Committee, Councilor Pious Ali, Chair

The Housing & Economic Development Committee met on May 20, 2025 and voted 4-0 to recommend this item to the City Council.

This is a companion order to the order above.

This item must be read on two separate days. It received its first reading on June 23. Five affirmative votes are required for passage after public comment.

Order 239-24/25 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 the Housing & Economic Development Committee, Councilor Pious Ali, Chair

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

This was brought to the City Council as Order 25-24/25 which had its first read on July 15, 2024 and its second read on August 19, 2024 and was referred to the Housing & Economic Development Committee (Passed 5-2, Councilors Trevorrow & Sykes opposed). The Housing and Economic Development Committee reviewed Order 25-24/25 on May 20, 2025 and voted 3-1 (Michniewicz opposed) to bring the attached revised version of the ordinance to the City Council for approval and placement on the ballot for the November 5, 2025 election.

This item must be read on two separate days. It received its first reading on June 23. Staff requests postponing this item to August 11. Five affirmative votes are required for passage after public comment.

Order 240-24/25 Approving the Collective Bargaining Agreement Between the City of Portland and the Police Benevolent Association - Sponsored by Danielle P. West, City Manager

This item approves a negotiated successor collective bargaining agreement between the City of Portland and the Police Benevolent Association, for the period of January 1, 2025, through December 31, 2027. This proposal is presented after previously receiving guidance from the City Council executive sessions held on January 13 and March 31, 2025, and after having been approved by the Police Benevolent Association.

This item must be read on two separate days. It received its first reading on June 23. Five affirmative votes are required for passage after public comment.

Order 241-24/25 Amendment to Portland City Code Chapter 30 RE: Golf Carts - Sponsored by the Sustainability & Transportation Committee, Regina Phillips, Chair

On May 14, 2025, the Sustainability & Transportation Committee unanimously recommended to the City Council approval of this amendment, which would change how the City regulates golf carts by removing the cap on the number of golf cart operators allowed and establishing a wait list for rental golf cart licenses.

City code requires that all golf cart rental operators be licensed by the City of Portland. It also allows the City Manager to establish a cap on the number of golf cart operators. The proposed amendment:

1. Eliminates the cap on rental golf cart operators: The current ordinance requires that the City facilitate a competitive bidding process between operators if the cap established by the City Manager is met, which is unclear and challenging to administer.
2. Directs the Permitting and Inspections Department to create and manage a wait list for cart licenses: The current ordinance allows the City Manager to set a cap on the number of cart licenses available but does not have a mechanism for interested parties to secure a spot in line when the number of licensed carts falls below the cap. Making this change will align cap management with other programs with caps such as short-term rentals and food truck licenses on Cutter Street. The recommended amendment explains how Permitting and Inspections will manage the wait list.

This item must be read on two separate days. It received its first reading on June 23. Five affirmative votes are required for passage after public comment.

ORDERS:

Order 4-25/26 Designating the Portland Tourism Municipal Development District and Adopting the Development Program for the District for Fiscal Year 2025-2026 - Sponsored by the Housing & Economic Development Committee, Councilor Pious Ali, Chair

The District was originally approved by the City Council to begin with the second half of FY2024 – January 1, 2024, through June 30, 2024 and was then approved for its first full year beginning with FY2025, so FY2026 would be the second full year of operation.

For FY2026, City Council authorization is needed for the continued operation of the District, which includes: (1) Adopting the Development Program; (2) Establishment of Assessments for the District; and, (3) Authorizing the Agreement.

The revenue raised through the special assessment will fund the District's Development Program expenses for FY2026. The proposed assessment formula is detailed in the Staff Analysis section of this memo.

The Housing and Economic Development Committee reviewed this item at its June 17, 2025 meeting, and voted 3-1 (Phillips) to forward this to the City Council with a recommendation to approve the District.

This item must be read on two separate days. This is its first reading.

Order 5-25/26 Establishing Implementation Assessments for the Portland Tourism Municipal Development District for Fiscal Year 2025-2026 - Sponsored by the Housing & Economic Development Committee, Councilor Pious Ali, Chair

This is a companion order to the order above.

This item must be read on two separate days. This is its first reading.

Order 6-25/26 Approving the Development Program Manager Agreement Between the City of Portland and Convention and Visitors' Bureau of Greater Portland, Doing Business as Visit Portland for Fiscal Year 2025-2026 - Sponsored by the Housing & Economic Development Committee, Councilor Pious Ali, Chair

This is a companion order to the order above.

This item must be read on two separate days. This is its first reading.

Order 7-25/26 Approving the Settlement Agreement and Mutual General Release Between FEDEQ DV004, LLC and FEDEQ DV005, LLC and the City of Portland - Sponsored by Michael Goldman, Corporation Counsel

This order approves the Settlement Agreement and Mutual General Release between FEDEQ DV004, LLC and FEDEQ DV005, LLC and the City of Portland. The agreement resolves all disputes and litigation between the parties concerning the Federated/MiDTOWN Development project and associated agreements. As part of the settlement, the City will acquire Lots 1, 3, and 7 from Federated for \$15,000,000, and all pending litigation will be dismissed with prejudice.

This item must be read at two separate meetings. This is its first reading.

EXECUTIVE SESSION:

ADJOURNMENT:

MEMORANDUM
City Council Agenda Item

FROM: Greg Watson, Director
DATE: June 27, 2025
SUBJECT: Order 1-25/26 Approving Amendments to the Guidelines for the Portland Business Assistance Program for Job Creation - Sponsored by Mark Dion, Mayor
SPONSOR: Mayor Mark Dion
(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 7/14/2025

Final Action 7/14/2025

Can action be taken at a later date: Yes

Does this item involve a new contract with the City: No.

PRESENTATION: Greg Watson - brief overview and available to answer questions, together with Business Programs Manager Nancy Martin.

I. SUMMARY

The City Council is requested to approve amended grant guidelines as recommended by the Portland Development Corporation Board of Directors at its meeting held on June 25, 2025.

II. AGENDA DESCRIPTION

At the Portland Development Corporation Board meeting held on June 25, 2025, the Board reviewed proposed amendments to the CDBG Business Assistance Grant Program for Job Creation and voted 7-0 to forward the amendments to the City Council for approval.

The substantive modifications to this latest program iteration are:

1. Grantees will receive grant funding incrementally to accompany quarterly reporting,
2. Employers must maintain the job for six months,
3. Eligible uses have been limited to just commercial rent.

Five affirmative votes are required for passage after public comment.

III. BACKGROUND

The Business Assistance Program (BAP) for Job Creation offers grants to for-profit Portland businesses for projects that result in the creation of net new jobs for low/moderate income individuals. A private match is required in an amount that is at least equal to the grant requested. The most recent round of grants was oversubscribed, so to increase the program's reach the maximum grant amount per recipient is \$10,000.

This program was originally capitalized with \$100,000 from the Community Development Block Grant (CDBG) and launched in May of 2012. The program will receive \$205,000 based on a successful application. Staff plan to allocate \$100,000 to grants in late summer of 2025, and another \$100,000 in 2026, with the remaining funds reserved for underwriting services.

IV. INTENDED RESULT AND/OR COUNCIL GOAL ADDRESSED

This program is intended to result in the creation of 10 full-time jobs, 20 part-time jobs, or a combination thereof for each year of implementation. These jobs will be created in the City of Portland and will be filled by low/moderate income individuals.

V. FINANCIAL IMPACT

There is no financial impact to the City's operating budget, as the BAP program is funded by CDBG resources.

VI. STAFF ANALYSIS AND BACKGROUND

See above.

VII. RECOMMENDATION

The Portland Development Corporation Board of Directors met on June 25 2025, and voted 7-0 to forward the proposed amendments to the City Council with a recommendation for approval.

VIII. LIST ATTACHMENTS

1. Special Meeting Order 1 - Authorizing Amendments for Job Creation
2. 6-27-2025 BAP Guidelines Redlined
3. 6-27-2025 BAP Guidelines Clean

Prepared by:

Greg Watson, Director

Date: 06/27/2025

MARK DION (MAYOR)
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BENJAMIN GRANT (A/L)

CITY OF PORTLAND
IN THE CITY COUNCIL

SARAH MICHNIEWICZ (1)
WESLEY PELLETIER (2)
REGINA L. PHILLIPS (3)
ANNA BULLETT (4)
KATE SYKES (5)

**ORDER APPROVING AMENDMENTS TO THE GUIDELINES FOR THE PORTLAND
BUSINESSS ASSISTANCE PROGRAM FOR JOB CREATION**

ORDERED, that the amended Guidelines for the Portland Business Assistance Program for Job Creation are hereby approved in substantially the form attached hereto as Attachment 1.

Portland Business Assistance Program for Job Creation

Program Description

The City of Portland's Business Assistance Program for Job Creation (BAP) provides grants up to \$210,000 to for-profit Portland businesses for the creation of new full-time jobs or part-time jobs for low/moderate income individuals.

Program Objectives

- Job creation for low/moderate income individuals working in Portland;
- New business formation and existing business expansion;
- Help new and expanding businesses establish credit;
- Create economic opportunity through investing in Portland businesses to enable them to expand to create jobs;
- Enhance the health and vitality of Portland's neighborhoods and the City's economy as a whole.

Program Requirements/Eligibility

- ▶ Business must be for-profit and must be located within the City of Portland;
- ▶ Business will create ~~one (1) part-time job (at least 875 hours/year* which is at least 17 hours/week) for a \$5,000 grant, or one (1) full-time job (at least 1,750 hours/year* which is at least 4034 hours/week*) or two (2) part-time jobs (at least 875 hours/year* which is at least 2017 hours/week* each)~~ for every \$10,000 of approved grant funding;
- ▶ Applicant business location fits any of the following: in a low income area of the City; within walking distance to one or more of these low income areas; easily accessible from these low income areas via public transportation;
- ▶ New jobs created with the help of the grant are marketed and provided to low/moderate income** individuals;
- ▶ Wages paid to new hires meet or exceed Portland's minimum wage;
- ▶ Applicant cannot owe outstanding property taxes, fees, or judgments to the City and property must be free of all City liens and encumbrances

Grant Terms

- Grant of \$10,000 per full-time job, or ~~two \$5,000-per~~ part-time jobs, that business agrees to create, ~~up to \$20,000 per business;~~
- Job(s) must be created *after* the grant is approved in order to be counted as meeting the job creation requirement of this grant;
- Job(s) must be created within nine (9) months after signing a grant agreement;
- Once approved ~~by the Portland Development Corporation for a grant, grantees will not receive reimbursement until after the new position has been created, on a quarterly incremental basis no more than half the grant amount may be requested prior to~~ ~~job creation;~~
- Grants are provided through reimbursement of paid receipts (for eligible expenses) for

twice the amount requested. For example, a request for a \$5,000 grant drawdown must be accompanied by \$10,000 worth of paid receipts for eligible expenses (see Eligible Funding Activities below).

Eligible Funding Activities

1. ~~Commercial rent~~ Working capital (e.g., rent, utilities, salaries, insurance); ¶
2. ~~Permanent working capital under \$1,000, (e.g., inventory, furniture and fixtures, equipment);~~ ¶
3. ~~Equipment and machinery over \$1,000*;~~ ¶

¶

~~*Three price comparisons are required as part of the application if the equipment exceeds the \$1,000 threshold. The price comparisons may be formal quotes, screenshots, or pictures of the product and the price from different suppliers.~~ ¶

¶

~~Property: The City will retain an interest in property improved or equipment purchased (worth \$5,000 or more) with grant funds for up to five (5) years. If such property improvements or equipment are transferred, or otherwise disposed of within the five (5) year period from the date the improvements are completed or equipment is purchased, respectively, the City may require partial repayment of the grant funds (on a pro rata basis).~~

Ineligible Activities

- a. ~~Salaries, inventory, utilities, insurance, equipment, machinery;~~
- B. ~~Refinance of existing debt;~~
- b. ~~Down payment for other financing;~~
- c. ~~Use of grant funds for activities commenced or completed prior to program funding approval and prior to signing a grant agreement (e.g., purchases of equipment and supplies).~~

Application Review Criteria/Preferences (listed in no particular order)

- Career Potential
 - o Job training for new hire(s) in a marketable skill;
 - o Potential for job advancement within the company or elsewhere.
- Employer
 - o Demonstrated need for grant funds to create job(s);
 - o Number of net new jobs exceeds one (1) per \$10,000 of grant funding.
- Compensation and Benefits
 - o Quality of compensation and benefits package (for example, wages, health coverage, vacation, sick leave);
 - o Wages paid to new hire(s) exceeds Portland's minimum wage.

Application and Approval Process

The City's Housing and Economic Development Department is responsible for administration of the Business Assistance Program for Job Creation. Eligible applications are analyzed by an underwriter and then presented to the Portland Development Corporation (PDC) for its review. The PDC has final decision-making authority in approving applicants for grant awards.

Post Grant Requirements

- Jobs must be created within nine (9) months of signing a grant agreement after being approved for a grant;
- Job must be retained for ~~six months~~ **six months** ~~one year~~ after its creation;
- Job description(s) must be posted where low/moderate income people are likely to see it, and grantees must provide a photo to the City showing that posting;
- Baseline payroll **must be** provided prior to job creation;
- Quarterly report (listing new hire) until all required hires are made, then a summary report (list of all new hires) and **a final report six months** ~~an annual report one year~~ beyond that;
- Income certification for each new hire(s).

Program Actions if Grantee Business is Unable to Meet Job(s) Requirements

Nine (9) months from the date of signing the grant agreement, if a grantee business has been unable to create **and maintain** the required number of jobs, the PDC Board, at its discretion, may require that the grantee return all grant funds that it has drawn down. In the case of a grantee business that has been unable to retain the required job(s) for ~~six months~~ **six months** ~~one year~~ from the time the job(s) was initially created, the PDC Board, at its discretion, may require the partial repayment of grant funds (on a pro-rata basis).

Definitions

~~* The Program Manager may allow for alternative full-time or part-time weekly hours on a case-by-case basis. Definition of a full-time job, per the Maine Department of Economic and Community Development,~~

~~**For the purposes of this Program, low/moderate income is defined by the U.S. Department of Housing and Urban Development as 80% of median household income. A chart showing qualified income levels can be found [here](#).~~

~~***Definition of a part-time job, per the Maine Department of Economic and Community Development.~~

Portland Business Assistance Program for Job Creation

Program Description

The City of Portland's Business Assistance Program for Job Creation (BAP) provides grants up to \$10,000 to for-profit Portland businesses for the creation of new full-time jobs or part-time jobs for low/moderate income individuals.

Program Objectives

- Job creation for low/moderate income individuals working in Portland;
- New business formation and existing business expansion;
- Help new and expanding businesses establish credit;
- Create economic opportunity through investing in Portland businesses to enable them to expand to create jobs;
- Enhance the health and vitality of Portland's neighborhoods and the City's economy as a whole.

Program Requirements/Eligibility

- ▶ Business must be for-profit and must be located within the City of Portland;
- ▶ Business will create one (1) full-time job (at least 40hours/week*) or two (2) part-time jobs (least 20 hours/week*each) for every \$10,000 of approved grant funding;
- ▶ Applicant business location fits any of the following: in a low income area of the City; within walking distance to one or more of these low income areas; easily accessible from these low income areas via public transportation;
- ▶ New jobs created with the help of the grant are marketed and provided to low/moderate income** individuals;
- ▶ Wages paid to new hires meet or exceed Portland's minimum wage;
- ▶ Applicant cannot owe outstanding property taxes, fees, or judgments to the City and property must be free of all City liens and encumbrances

Grant Terms

- Grant of \$10,000 per full-time job, or two part-time jobs, that business agrees to create;
- Job(s) must be created *after* the grant is approved in order to be counted as meeting the job creation requirement of this grant;
- Job(s) must be created within nine (9) months after signing a grant agreement;
- Once approved by the Portland Development Corporation , grantees will not receive reimbursement until after the new position has been created, on a quarterly incremental basis;
- Grants are provided through reimbursement of paid receipts (for eligible expenses) for twice the amount requested. For example, a request for a \$5,000 grant drawdown must be accompanied by \$10,000 worth of paid receipts for eligible expenses (see Eligible Funding Activities below).

Eligible Funding Activities

1. Commercial rent

Ineligible Activities

- a. Salaries, inventory, utilities, insurance, equipment, machinery;
- b. Refinance of existing debt;
- c. Down payment for other financing;
- d. Use of grant funds for activities commenced or completed prior to program funding approval and prior to signing a grant agreement (e.g., purchases of equipment and supplies).

Application Review Criteria/Preferences (listed in no particular order)

- Career Potential
 - o Job training for new hire(s) in a marketable skill;
 - o Potential for job advancement within the company or elsewhere.
- Employer
 - o Demonstrated need for grant funds to create job(s);
 - o Number of net new jobs exceeds one (1) per \$10,000 of grant funding.
- Compensation and Benefits
 - o Quality of compensation and benefits package (for example, wages, health coverage, vacation, sick leave);
 - o Wages paid to new hire(s) exceeds Portland's minimum wage.

Application and Approval Process

The City's Housing and Economic Development Department is responsible for administration of the Business Assistance Program for Job Creation. Eligible applications are analyzed by an underwriter and then presented to the Portland Development Corporation (PDC) for its review. The PDC has final decision-making authority in approving applicants for grant awards.

Post Grant Requirements

- Jobs must be created within nine (9) months of signing a grant agreement after being approved for a grant;
- Job must be retained for six months after its creation;
- Job description(s) must be posted where low/moderate income people are likely to see it, and grantees must provide a photo to the City showing that posting;
- Baseline payroll must be provided prior to job creation;
- Quarterly report (listing new hire) until all required hires are made, then a summary report (list of all new hires) and a final report six months beyond that;
- Income certification for each new hire(s).

Program Actions if Grantee Business is Unable to Meet Job(s) Requirements

Nine (9) months from the date of signing the grant agreement, if a grantee business has been unable to create and maintain the required number of jobs, the PDC Board, at its discretion, may require that the grantee return all grant funds that it has drawn down. In the case of a grantee business that has been unable to retain the required job(s) for six months from the time the job(s) was initially created, the PDC Board, at its discretion, may require the partial repayment of grant funds (on a pro-rata basis).

Definitions

* The Program Manager may allow for alternative full-time or part-time weekly hours on a case-by-case basis.

**For the purposes of this Program, low/moderate income is defined by the U.S. Department of Housing and Urban Development as 80% of median household income. A chart showing qualified income levels can be found [here](#).

***Definition of a part-time job, per the Maine Department of Economic and Community Development.

ZOOM INFORMATION:

The City Council will conduct this meeting from Council Chambers, located on the second floor of City Hall and via Zoom pursuant to the Remote Meeting Policy adopted by the Portland City Council. A recording will be available in the [Agenda Center](#) following the meeting

For public comment via Zoom, you will need to use the "raise your hand" feature. To raise your hand via the telephone, please hit *9. You will be unmuted by the host when it is time for public comment.

To join this meeting remotely, please visit: <https://portlandmaine-gov.zoom.us/j/81114228884?pwd=bjHvOixYFFy9Jjdzq5FbpqabKd8pDa.1>

PLEDGE OF ALLEGIANCE:

Mayor Dion led all present in the Pledge of Allegiance.

ROLL CALL:

Mayor Dion called the meeting to order at 5:00pm.

Councilors Present: Councilor Fournier, Councilor Grant, Councilor Sykes (Via Zoom), Councilor Ali, Councilor Pelletier, Councilor Michniewicz, Councilor Bullett, Councilor Phillips, Mayor Dion

5:00 P.M. PUBLIC COMMENT PERIOD ON NON-AGENDA ITEMS:

Mayor Dion opened the floor for public comment. The following individuals spoke: Eric Brewer (Homeless Voices for Justice), Raymondo Reizindez (Portland Resident), Stephen Scharff (Brackett Street)

ANNOUNCEMENTS:

Mayor Dion opened the floor for Council announcements. The following individuals spoke: Councilor Ali, Mayor Dion, Danielle West (City Manager), Councilor Phillips

RECOGNITIONS:

APPROVAL OF MINUTES OF PREVIOUS MEETING:

City Council Meeting - June 2, 2025

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

Passage: 9-0

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

PROCLAMATIONS:

**Proclamation 44-24/25 Declaring July 2025 Park and Recreation Month -
Sponsored by Mark Dion, Mayor**

Mayor Dion read Proclamation 44-24/25 Declaring July 2025 Park and Recreation Month into the record.

APPOINTMENTS:

**Order 231-24/25 Appointing Members to Various Boards and Committees -
Sponsored by Legislative and Nominating Committee, Mark Dion, Chair**

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

Passage: 9-0, as amended.

Motion was made by Councilor Grant and seconded by Councilor Michniewicz to remove Jessica Rossingburg from the Portland Housing Authority due to a potential

conflict. Passage: 9-0

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

CONSENT ITEMS:

Order 232-24/25 Granting Municipal Officers' Approval of Bodkin Enterprises, LLC, dba Hot Liquor Tank. Application for Outdoor Dining on Public Property at 43 Wharf Street - Sponsored by Danielle P. West, City Manager

Orders 232-24/25 through Orders 235-24/25 were all read and passed as consent items. Public comment was taken on all orders together.

Motion was made by Councilor Fournier and seconded by Councilor Michniewicz for passage. Passage: 9-0

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

Order 233-24/25 Granting Municipal Officers' Approval of Karibu Kwetu LLC, dba New Bujabelle. Application for Extension of Premise at 265 St. John Street - Sponsored by Danielle P. West, City Manager

Orders 232-24/25 through Orders 235-24/25 were all read and passed as consent items. Public comment was taken on all orders together.

Motion was made by Councilor Fournier and seconded by Councilor Michniewicz for passage. Passage: 9-0

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

Order 234-24/25 Granting Municipal Officers' Approval of Another Round LLC, dba Another Round. Application for Application for Outdoor Dining on Public Property at 549 Congress Street - Sponsored by Danielle P. West, City Manager

Orders 232-24/25 through Orders 235-24/25 were all read and passed as consent items. Public comment was taken on all orders together.

Motion was made by Councilor Fournier and seconded by Councilor Michniewicz for passage. Passage: 9-0

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

Order 235-24/25 Granting Municipal Officers' Approval of Flores Restaurant LLC, dba Flores Restaurant. Application for Outdoor Dining in a Parklet at 431 Congress Street - Sponsored by Danielle P. West, City Manager

Orders 232-24/25 through Orders 235-24/25 were all read and passed as consent items. Public comment was taken on all orders together.

Motion was made by Councilor Fournier and seconded by Councilor Michniewicz for passage. Passage: 9-0

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

BUDGET ITEMS:

ON JUNE 2, 2025, THE COUNCIL VOTED (9-0) TO POSTPONE PUBLIC COMMENT, SECOND READS, AND COUNCIL ACTION ON ALL MUNICIPAL BUDGET ORDERS TO JUNE 23, 2025. THE FIRST READS OF ALL MUNICIPAL BUDGET ORDERS TOOK PLACE ON MAY 19, 2025.

Order 202-24/25 Approving Fiscal Year 2026 Administrative Fees for City Clerk, Sustainability Office, Fire, Parking, Parks, Recreation & Facilities, Planning, and Public Works - Sponsored by Finance Committee, April Fournier, Chair

Municipal Budget Orders 202-24/25 through Orders 216-24/25 were all read together. Public comment was taken on all orders together.

Mayor Dion opened the floor for public comment. The following individuals spoke: Michael Goldman, (Corporation Counsel), Councilor Fournier (Finance Committee Chair), Sam Arborne (Dow Street), Stephen Scharff (Bracket Street), Donna Yellen (Preble Street), George Rheault (Hanover Street), Danielle West (City Manager), Councilor Michniewicz

Motion was made by Councilor Michniewicz and seconded by Councilor Phillips for passage as an emergency. Passage: 9-0

The following Councilors commented on this item: Councilor Phillips

Item takes effect immediately.

Order 203-24/25 Authorizing the City Manager To Enter into Certain Agreements To Implement the Fiscal Year 2026 Human Resources and Certain Fringe Benefits Budgets - Sponsored by Finance Committee, April Fournier, Chair

Municipal Budget Orders 202-24/25 through Orders 216-24/25 were all read together. Public comment was taken on all orders together.

Mayor Dion opened the floor for public comment. The following individuals spoke: Michael Goldman, (Corporation Counsel), Councilor Fournier (Finance Committee Chair), Sam Arborne (Dow Street), Stephen Scharff (Bracket Street), Donna Yellen (Preble Street), George Rheault (Hanover Street), Danielle West (City Manager), Councilor Michniewicz

Motion was made by Councilor Fournier and seconded by Councilor Michniewicz for passage as an emergency. Passage: 9-0

Item takes effect immediately.

Order 204-24/25 Approving the Fiscal Year 2026 Self-insured Liability Program - Sponsored by Finance Committee, April Fournier, Chair

Municipal Budget Orders 202-24/25 through Orders 216-24/25 were all read together. Public comment was taken on all orders together.

Mayor Dion opened the floor for public comment. The following individuals spoke: Michael Goldman, (Corporation Counsel), Councilor Fournier (Finance Committee Chair), Sam Arborne (Dow Street), Stephen Scharff (Bracket Street), Donna Yellen (Preble Street), George Rheault (Hanover Street), Danielle West (City Manager), Councilor Michniewicz

Motion was made by Councilor Michniewicz and seconded by Councilor Phillips for passage as an emergency. Passage: 9-0

Item takes effect immediately.

Order 205-24/25 Authorizing the Director of Parks, Recreation & Facilities to Set Fees and Enter Rental Agreements for City Facilities - Sponsored by Finance Committee, April Fournier, Chair

Municipal Budget Orders 202-24/25 through Orders 216-24/25 were all read together. Public comment was taken on all orders together.

Mayor Dion opened the floor for public comment. The following individuals spoke: Michael Goldman, (Corporation Counsel), Councilor Fournier (Finance Committee Chair), Sam Arborne (Dow Street), Stephen Scharff (Bracket Street), Donna Yellen (Preble Street), George Rheault (Hanover Street), Danielle West (City Manager), Councilor Michniewicz

Motion was made by Councilor Michniewicz and seconded by Councilor Grant for passage as an emergency. Passage: 9-0
Item takes effect immediately.

Order 206-24/25 Authorizing the City Manager to Enter into Certain Agreements to Implement Fiscal Year 2026 Health & Human Services Budget - Sponsored by Finance Committee, April Fournier, Chair

Municipal Budget Orders 202-24/25 through Orders 216-24/25 were all read together. Public comment was taken on all orders together.

Mayor Dion opened the floor for public comment. The following individuals spoke: Michael Goldman, (Corporation Counsel), Councilor Fournier (Finance Committee Chair), Sam Arborne (Dow Street), Stephen Scharff (Bracket Street), Donna Yellen (Preble Street), George Rheault (Hanover Street), Danielle West (City Manager), Councilor Michniewicz

Motion was made by Councilor Michniewicz and seconded by Councilor Grant for passage as an emergency. Passage: 9-0
Item takes effect immediately.

Order 207-24/25 Authorizing the City Manager to Accept Scholarship and Trust Donations and Bequests and Enter into Trust Agreements - Sponsored by Finance Committee, April Fournier, Chair

Municipal Budget Orders 202-24/25 through Orders 216-24/25 were all read together. Public comment was taken on all orders together.

Mayor Dion opened the floor for public comment. The following individuals spoke: Michael Goldman, (Corporation Counsel), Councilor Fournier (Finance Committee Chair), Sam Arborne (Dow Street), Stephen Scharff (Bracket Street), Donna Yellen (Preble Street), George Rheault (Hanover Street), Danielle West (City Manager), Councilor Michniewicz

Motion was made by Councilor Grant and seconded by Councilor Michniewicz for passage as an emergency. Passage: 9-0
Item takes effect immediately.

Order 208-24/25 Authorizing the Director of Parks, Recreation & Facilities to Accept Donations up to \$10,000 for Parks, Recreation & Facilities Department

Programs and City Funds - Sponsored by Finance Committee, April Fournier, Chair

Municipal Budget Orders 202-24/25 through Orders 216-24/25 were all read together. Public comment was taken on all orders together.

Mayor Dion opened the floor for public comment. The following individuals spoke: Michael Goldman, (Corporation Counsel), Councilor Fournier (Finance Committee Chair), Sam Arborne (Dow Street), Stephen Scharff (Bracket Street), Donna Yellen (Preble Street), George Rheault (Hanover Street), Danielle West (City Manager), Councilor Michniewicz

Motion was made by Councilor Grant and seconded by Councilor Michniewicz for passage as an emergency. Passage: 9-0

Item takes effect immediately.

Order 209-24/25 Authorizing Corporation Counsel to Undertake Civil Actions to Collect Delinquent Personal Property Taxes - Sponsored by Finance Committee, April Fournier, Chair

Municipal Budget Orders 202-24/25 through Orders 216-24/25 were all read together. Public comment was taken on all orders together.

Mayor Dion opened the floor for public comment. The following individuals spoke: Michael Goldman, (Corporation Counsel), Councilor Fournier (Finance Committee Chair), Sam Arborne (Dow Street), Stephen Scharff (Bracket Street), Donna Yellen (Preble Street), George Rheault (Hanover Street), Danielle West (City Manager), Councilor Michniewicz

Motion was made by Councilor Michniewicz and seconded by Councilor Grant for passage as an emergency. Passage: 9-0

Item takes effect immediately.

Order 210-24/25 Authorizing Non-Union Wage Adjustment - Sponsored by Finance Committee, April Fournier, Chair

Municipal Budget Orders 202-24/25 through Orders 216-24/25 were all read together. Public comment was taken on all orders together.

Mayor Dion opened the floor for public comment. The following individuals spoke: Michael Goldman, (Corporation Counsel), Councilor Fournier (Finance Committee Chair), Sam Arborne (Dow Street), Stephen Scharff (Bracket Street), Donna Yellen (Preble Street), George Rheault (Hanover Street), Danielle West (City Manager), Councilor Michniewicz

Motion was made by Councilor Grant and seconded by Councilor Michniewicz for passage as an emergency. Passage: 9-0

Item takes effect immediately.

Order 211-24/25 Designating Fiscal Year 2026 Funds for Specific Island Services - Sponsored by Finance Committee, April Fournier, Chair

Municipal Budget Orders 202-24/25 through Orders 216-24/25 were all read together. Public comment was taken on all orders together.

Mayor Dion opened the floor for public comment. The following individuals spoke: Michael Goldman, (Corporation Counsel), Councilor Fournier (Finance Committee Chair), Sam Arborne (Dow Street), Stephen Scharff (Bracket Street), Donna Yellen (Preble Street), George Rheault (Hanover Street), Danielle West (City Manager), Councilor Michniewicz

Motion was made by Councilor Grant and seconded by Councilor Michniewicz for passage as an emergency. Passage: 9-0
Item takes effect immediately.

Order 212-24/25 Appropriating \$15,900,000 in Fund Balance - Sponsored by Finance Committee, April Fournier, Chair

Municipal Budget Orders 202-24/25 through Orders 216-24/25 were all read together. Public comment was taken on all orders together.

Mayor Dion opened the floor for public comment. The following individuals spoke: Michael Goldman, (Corporation Counsel), Councilor Fournier (Finance Committee Chair), Sam Arborne (Dow Street), Stephen Scharff (Bracket Street), Donna Yellen (Preble Street), George Rheault (Hanover Street), Danielle West (City Manager), Councilor Michniewicz

Motion was made by Councilor Grant and seconded by Councilor Michniewicz for passage as an emergency. Passage: 9-0
Item takes effect immediately.

Order 213-24/25 Amendment to Portland City Code Chapter 25 Re: Various Fee Increases for Fiscal Year 2026 - Sponsored by Finance Committee, April Fournier, Chair

Municipal Budget Orders 202-24/25 through Orders 216-24/25 were all read together. Public comment was taken on all orders together.

Mayor Dion opened the floor for public comment. The following individuals spoke: Michael Goldman, (Corporation Counsel), Councilor Fournier (Finance Committee Chair), Sam Arborne (Dow Street), Stephen Scharff (Bracket Street), Donna Yellen (Preble Street), George Rheault (Hanover Street), Danielle West (City Manager), Councilor Michniewicz

Motion was made by Councilor Grant and seconded by Councilor Michniewicz for passage as an emergency. Passage: 9-0
Item takes effect immediately.

Order 214-24/25 Fiscal Year 2025-2026 Appropriation Resolve - Sponsored by Finance Committee, April Fournier, Chair

Municipal Budget Orders 202-24/25 through Orders 216-24/25 were all read together. Public comment was taken on all orders together. Each item was voted on separately.

Mayor Dion opened the floor for public comment. The following individuals spoke: Michael Goldman, (Corporation Counsel), Councilor Fournier (Finance Committee Chair), Sam Arborne (Dow Street), Stephen Scharff (Bracket Street), Donna Yellen (Preble Street), George Rheault (Hanover Street), Danielle West (City Manager),

Councilor Michniewicz

Motion was made by Councilor Grant and seconded by Councilor Michniewicz for passage as an emergency, as amended. Passage: 9-0, as amended.

Item takes effect immediately.

The following amendments were voted on:

Bullett Amendment #1 RE: \$100,000 in Childcare Voucher Program Funding

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

Passage: 8-1 (Mayor Dion Opposed)

Motion was made by Mayor Dion and seconded by Councilor Ali to reduce the amount from \$100,000 to \$50,000. Failed 1-9 (Councilor Fournier, Grant, Skyes, Ali, Pelletier, Michniewicz, Bullett, Phillips Opposed)

The following Councilors commented on this amendment: Councilor Bullett, Mayor Dion, Councilor Sykes

Phillips Amendment #2 RE: Increase in City Council Wages

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

Passage: 6-3 (Mayor Dion, Councilor Grant and Michniewicz Opposed)

The following Councilors commented on this amendment: Councilor Phillips, Councilor Fournier, Councilor Pelletier, Councilor Bullett, Councilor Ali, Councilor Michniewicz, Mayor Dion

Phillips Amendment #3 RE: \$118,000 in Funding for a Community Engagement Coordinator

Motion was made by Councilor Phillips and seconded by Councilor Ali for passage, as amended. Passage: 9-0

Motion was made by Mayor Dion and seconded by Councilor Ali to add a friendly amendment to this amendment to use 6 months of the funds appropriated to do an analysis and a survey with a consultant of what the city's needs would be for the Coordinator to focus on once hired. Passage 9-0

The following Councilors commented on this amendment: Mayor Dion, Councilor Ali, Councilor Phillips, Councilor Bullett, Councilor Pelletier, Councilor Michniewicz

Bullett Amendment #4 RE: \$102,715 in Funding for an additional Inspector Position

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

Failed: 0-9 (All Opposed)

Pelletier Amendment #5 RE: Consolidation of Fish Exchange into Fish Pier Authority Enterprise Fund

Motion was made by Councilor Pelletier and seconded by Councilor Bullett for passage.

Passage: 9-0

The following Councilors commented on this amendment: Councilor Pelletier, Councilor Bullett

Grant Amendment #6 RE: \$101,286 in Funding into Permitting and Inspections for an Additional Rental Registrations Inspector

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

Passage: 9-0

The following Councilors commented on this amendment: Councilor Grant, Councilor Pelletier, Councilor Phillips

Amendment #7 RE: City HVAC Budget Changes

Motion was made by Mayor Dion and seconded by Councilor Bullett for passage.

Passage: 9-0

The following Councilors commented on this amendment: Danielle West (City Manager), Brendan O'Connell (Finance Director)

Grant Amendment #8 RE: \$64,000 Funding for Before & After Care

Motion was made by Councilor Grant and seconded by Councilor Bullett for passage.

Passage: 9-0

The following Councilors commented on this amendment: Brendan O'Connell (Finance Director), Councilor Grant, Councilor Bullett, Councilor Phillips

Order 215-24/25 Amendment to Portland City Code Chapter 9 re: Funding Amount for Clean Election Fund for Fiscal Year 2025-2026 - Sponsored by Finance Committee, April Fournier, Chair

Municipal Budget Orders 202-24/25 through Orders 216-24/25 were all read together.

Public comment was taken on all orders together.

Mayor Dion opened the floor for public comment. The following individuals spoke: Michael Goldman, (Corporation Counsel), Councilor Fournier (Finance Committee Chair), Sam Arborne (Dow Street), Stephen Scharff (Bracket Street), Donna Yellen (Preble Street), George Rheault (Hanover Street), Danielle West (City Manager), Councilor Michniewicz

Motion was made by Councilor Fournier and seconded by Councilor Phillips for passage as an emergency. Passage: 9-0

Item takes effect immediately.

Order 216-24/25 Appropriating \$275,000 from Excess Fund for Casco Bay Island Transit District - Sponsored by Finance Committee, April Fournier, Chair

Municipal Budget Orders 202-24/25 through Orders 216-24/25 were all read together.

Public comment was taken on all orders together.

Mayor Dion opened the floor for public comment. The following individuals spoke: Michael Goldman, (Corporation Counsel), Councilor Fournier (Finance Committee Chair), Sam Arborne (Dow Street), Stephen Scharff (Bracket Street), Donna Yellen (Preble Street), George Rheault (Hanover Street), Danielle West (City Manager), Councilor Michniewicz

Motion was made by Councilor Fournier and seconded by Councilor Ali for passage as an emergency. Passage: 9-0

Item takes effect immediately.

COMMUNICATIONS:

Communication 14-24/25 Green Building Code Exemptions Annual Report - Kevin Kraft, Planning Director

Kevin Kraft (Director of Planning) provided Communication 14-24/25 Green Building Code Exemptions Annual Report

Communication 15-24/25 Appointing Members to the Portland Social Housing Task Force - Mark Dion, Mayor

Mayor Dion provided Communication 14-24/25 Appointing Members to the Portland Social Housing Task Force

UNFINISHED BUSINESS:

Order 220-24/25 Traffic Schedule Amendment RE: Parking Reassignments on Pearl Street and Cotton Street - Sponsored by Danielle P. West, City Manager

Motion was made by Councilor Bullett and seconded by Councilor Michniewicz to postpone the item until the July 14, 2025, meeting. Passage 9-0
Item postponed until July 14, 2025.

Order 229-24/25 Accepting and Appropriating a \$3,000 Donation from Zoll Medical Corporation to the Portland Fire Department for the National EMS Week Fund - Sponsored by Danielle P. West, City Manager

Motion was made by Councilor Bullett and seconded by Councilor Michniewicz to postpone indefinitely. Passage 9-0
Item postponed indefinitely.

Order 230-24/25 Accepting and Appropriating a \$7,000 Donation from the Masonic Grand Lodge of Maine Portland Chapter for a Lucynt Machine at the Barron Center - Sponsored by Danielle P. West, City Manager

Motion was made by Councilor Ali and seconded by Councilor Phillips for passage. Passage: 9-0
Mayor Dion opened the floor for public comment. The following individuals spoke: George Rheault (Hanover Street)

ORDERS:

Order 236-24/25 Accepting and Appropriating a \$20,000 Homeland Security Grant for the Portland Fire Department - Sponsored by Danielle P. West, City Manager

This is First Reading

Order 237-24/25 Designating Front Street Phase 3/35 and 41 W. Presumpscot Street an Affordable Housing Development District and Tax Increment Financing District and Adopting the Municipal Development Program for the District - Sponsored by the Housing & Economic Development Committee, Councilor Pious Ali, Chair

This is First Reading

Order 238-24/25 Approving the Front Street Phase 3/35 and 41 W. Presumpscot Street Affordable Housing Credit Enhancement Agreement with Front Street

Condominium, LLC - Sponsored by the Housing & Economic Development Committee, Councilor Pious Ali, Chair

This is First Reading

Order 239-24/25 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 the Housing & Economic Development Committee, Councilor Pious Ali, Chair

This is First Reading

Order 240-24/25 Approving the Collective Bargaining Agreement Between the City of Portland and the Police Benevolent Association - Sponsored by Danielle P. West, City Manager

This is First Reading

AMENDMENTS:

Order 241-24/25 Amendment to Portland City Code Chapter 30 RE: Golf Carts - Sponsored by the Sustainability & Transportation Committee, Regina Phillips, Chair

This is First Reading

EXECUTIVE SESSION:

ADJOURNMENT:

Motion was made by Councilor Phillips and seconded by Councilor Grant to adjourn. Passage 9-0 at 7:31 pm.

A TRUE RECORD

Ashley Rand, City Clerk

MARK DION (MAYOR)
PIOUS ALI (A/L)
APRIL D FOURNIER (A/L)
BENJAMIN GRANT (A/L)

**CITY OF PORTLAND
IN THE CITY COUNCIL**

SARAH MICHNIEWICZ (1)
WESLEY PELLETIER (2)
REGINA L. PHILLIPS (3)
ANNA BULLETT (4)
KATE SYKES (5)

**P R O C L A M A T I O N
HONORING THE 100TH ANNIVERSARY
OF THE ST. PETER'S CATHOLIC CHURCH ITALIAN BAZAAR**

- WHEREAS,** on April 16, 1882, the first Italian immigrant families arrived in Portland, Maine, forming a close-knit community in the heart of the city, primarily along the eastern waterfront near Munjoy Hill and India Street; and
- WHEREAS,** these families brought with them a deep sense of faith, culture, and tradition from their homeland, helping to shape the social, spiritual, and economic fabric of Portland's East End; and
- WHEREAS,** out of this growing community was born St. Peter's Catholic Church, a spiritual home for Portland's Italian-American population, providing not only a place to worship in their native language, but a symbol of unity, resilience, and shared values; and
- WHEREAS,** in 1925, under the guidance of Bishop John G. Murray and the ministry of Father Gerald Burke, the community came together to organize the very first Italian Grand Bazaar, establishing a cherished tradition that would continue for generations; and
- WHEREAS,** this annual celebration, now known as the St. Peter's Italian Bazaar and Street Festival, honors both the Feast of the Assumption of Mary and St. Rocco, bringing together thousands each August to rejoice in family, faith, and heritage; and
- WHEREAS,** the Bazaar remains a testament to the enduring legacy of Portland's Italian-American community, made possible through the dedication of countless volunteers, vendors, and committees who contribute their time, talents, and passion to its success;

NOW, THEREFORE, BE IT RESOLVED, THAT I, Mark Dion, Mayor of the City of Portland, Maine and members of the City Council do hereby honor the remarkable contributions of the Italian-American community to our city's rich history. Let us celebrate this 100-year tradition with joy, respect, and gratitude for the generations who made it possible.

Signed and sealed this 14th day of July, 2025



**Mark Dion, Mayor
City of Portland**

MEMORANDUM
City Council Agenda Item

FROM: Andrew Ransom Keyek
DATE: June 18, 2025
SUBJECT: Order 2-25/26 Declaring August 8 to August 10, 2025 the 100th Annual St. Peter's Bazaar and Italian Street Festival - Sponsored by Danielle P. West, City Manager
SPONSOR: Danielle P West, City Manager
(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 7/14/2025

Final Action 7/14/2025

Can action be taken at a later date: No Organizers need approval for planning purposes.

Does this item involve a new contract with the City: No

PRESENTATION: Andrew Keyek; PAF Event Manager - permitting, will be available to answer any questions.

I. SUMMARY

Order Declaring August 8 to 10 2025 the 99th Annual St Peter's Bazaar and Italian Street Festival

II. AGENDA DESCRIPTION

St Peter's Bazaar committee and Catholic Church will be hosting their 100th Annual St Peter's Bazaar and Italian Street Festival from August 8 to August 10, 2025, with food booths, games for children and adults and music in the streets. Approximately 2,500 people will attend the event over the course of the three days. This event is a fundraiser for St Peter's Catholic Church.

To accommodate the festival, Federal Street will be closed from Hampshire Street to India Street from 8:00 AM Friday August 8th to 11:00 PM Saturday August 9th 2025. Truck barricades will be placed at India St to prevent vehicular access to Federal Street.

Five affirmative votes are required for passage of items on the consent calendar after public comment.

III. BACKGROUND

This will be the 99th Annual St Peter's Bazaar & Italian Street Festival.

IV. INTENDED RESULT AND/OR COUNCIL GOAL ADDRESSED

The City Council declaring the 99th Annual St Peter's Bazaar & Italian Street Festival as a festival.

V. FINANCIAL IMPACT

The organizers will pay for all fees associated with having their event.

VI. STAFF ANALYSIS AND BACKGROUND

The City of Portland Public Assembly Facilities Division has worked with the organizers of this event annually and we are confident in their ability to host this festival.

VII. RECOMMENDATION

It is recommended that the order be declared.

VIII. LIST ATTACHMENTS

1. Order 2 - St Peter's Bazaar and Italian Street Festival

2. St Peters Site Plan
3. St Peter's Bazaar 2025 App

Prepared by:

Andrew Ransom Keyek

Date: 06/18/2025

MARK DION (MAYOR)
PIOUS ALI (A/L)
APRIL D. FOURNIER (A/L)
BENJAMIN GRANT (A/L)

**CITY OF PORTLAND
IN THE CITY COUNCIL**

SARAH MICHNIEWICZ (1)
WESLEY PELLETIER (2)
REGINA L. PHILLIPS (3)
ANNA BULLETT (4)
KATE SYKES (5)

**ORDER DECLARING AUGUST 8 TO 10, 2025 THE 100TH ANNUAL ST. PETER'S
BAZAAR AND ITALIAN STREET FESTIVAL**

ORDERED, that August 8 to 10, 2025 is hereby declared to be the 100th Annual St. Peter's Bazaar and Italian Street Festival, sponsored by the St. Peter's Church and Friary; and

BE IT FURTHER ORDERED, that that the 100th Annual St. Peter's Bazaar and Italian Street Festival area shall be Federal Street (India Street to Franklin Street) and the adjoining sidewalks from 8:00 a.m. until midnight on Friday, August 8 and Saturday, August 9, with a rain date of Sunday August 10; and

BE IT FURTHER ORDERED, that a portion of Federal Street (India Street to Franklin Street) may be posted No Parking on Festival days from noon until midnight; and

BE IT FURTHER ORDERED, that vehicles in violation of the "no parking" signs in the Festival Area shall be towed at owner's expense; and

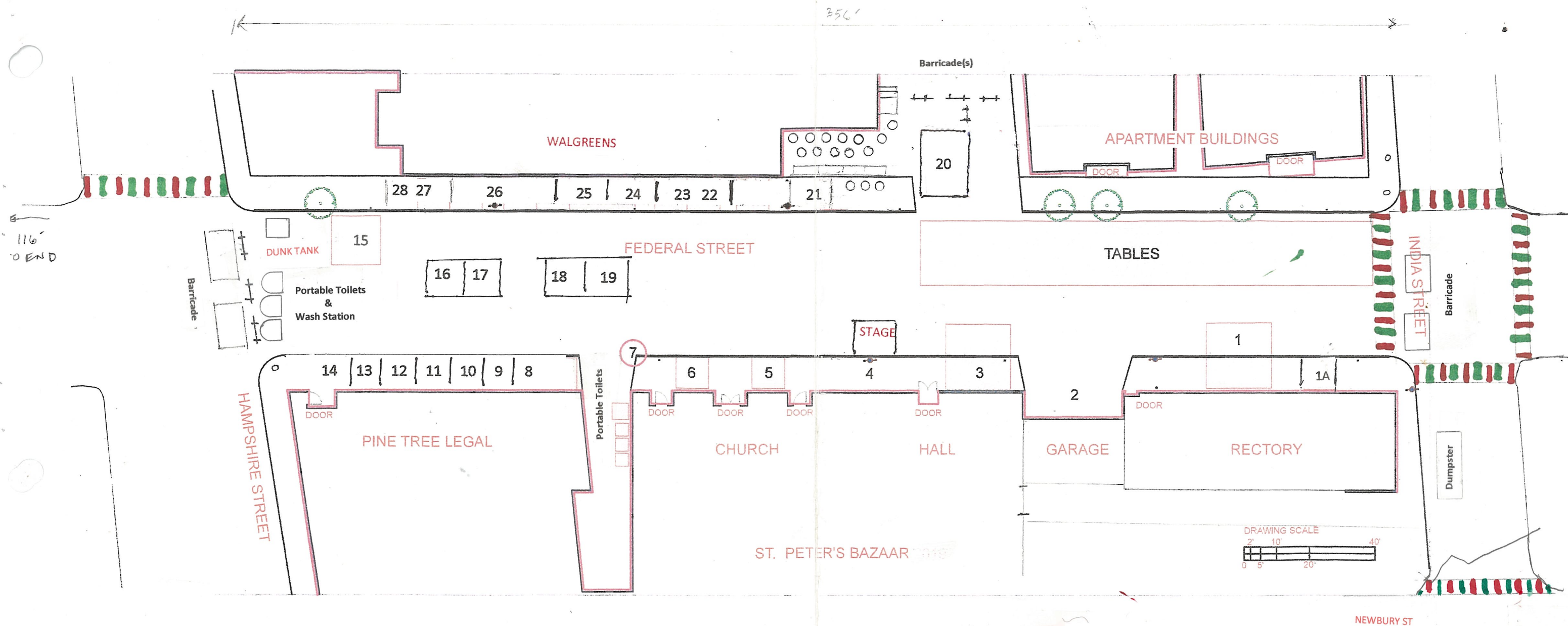
BE IT FURTHER ORDERED, that the 100th Annual St. Peter's Bazaar and Italian Street Festival Area shall be closed to licensed street vendors as provided in §19-17 and §19-22 of the Portland City Code; and

BE IT FURTHER ORDERED, that the City Manager is authorized to issue a revocable permit to St. Peter's Church and Friary under §§25-26—25-28 of the Portland City Code to conduct said Festival, subject to the direction and control of the City Manager and to the following specific conditions:

1. St. Peter's Church and Friary shall defend, indemnify and hold harmless the City of Portland, its officers and employees, from and against all claims arising out of or resulting from the Festival and/or use of City streets and property for said Festival, and shall procure and maintain public liability insurance in the minimum amount of \$400,000 per occurrence for personal or bodily injury, death or property damage and covering the obligation of indemnification hereunder. St. Peter's Church and Friary shall provide the City with a certificate showing evidence of such insurance and showing the City as an additional insured on said insurance;
2. No alcoholic beverages may be sold on the streets or public property during the Festival within the Festival Area;

3. St. Peter's Church and Friary shall comply with all Public Assembly Facilities Division Conditions for use of grounds, and requirements for food service, vending sales, tent and stage installations and other items specified in that permit shall be adhered to, but the Public Assembly Facilities Division fees for the use of the park are waived;
4. St. Peter's Church and Friary shall have sole authority over participating vendors at the Festival and may charge a fee to vendors for the opportunity to vend at the 100th Annual St. Peter's Bazaar and Italian Street Festival;
5. In addition, the Business Licensing Office shall charge the usual fees for licensing food vendors, and street goods vendors for the Festival to those vendors St. Peter's Church and Friary has agreed shall participate; and
6. Public Assembly Facilities Division concert license conditions shall be complied with and any and all amplified music and public announcements shall be maintained at a reasonable noise level (under 92 decibels) and be configured by the event organizer to focus volume away from residential housing and neighboring business, limiting any impact in the area by the sound level; and

BE IT FURTHER ORDERED, that the City Manager is authorized to waive fees and to issue such other temporary licenses, including licenses for food service establishments, as may be required by the Portland City Code, provided that all other applicable Code requirements for the operation of the Festival have been met.



1A Original Italian

- | | | | |
|-------------|-----------------|---------------------|-----------------|
| 1 Dominic | 8 Lights Up | 15 Moon Bounce | 22 Clothing |
| 2 Garage | 9 TP Toss | 16 Quarter Toss | 23 Clothing |
| 3 Pastries | 10 Pick a Duck | 17 President's Game | 24 IHC |
| 4 Stage | 11 Pirate Game | 18 Big Six | 25 50/50 |
| 5 Gelato | 12 Feed the Pig | 19 Color Bal | 26 Face Paint |
| 6 Religious | 13 Ring Toss | 20 Beer/Wine | 27 Cotton Candy |
| 7 Balloons | 14 Kids Raffle | 21 Lucky 7 | 28 Cotton Candy |

2025 STREET LAYOUT MAP ST. PETER'S ANNUAL BAZAAR MASTER COPY

FOR CITY PERMITTING PURPOSES

May 5, 2025

Prepared by:

Willie Audet, Jr. Bazaar Chairman

207-749-8114



parks,
recreation
& facilities

**TIER III / SPECIAL EVENT
PUBLIC PARK AND SPACE**
City of Portland, Public Assembly Facilities Division
212 Canco Road Suite A
Portland, Maine 04103
207-808-5434
Rusty Groh - rgroh@portlandmaine.gov



**TIER III APPLICATION FEE \$50.00
EXPECTED ATTENDANCE 2000+**

PAYMENT MUST BE MADE WHEN SUBMITTING COMPLETED APPLICATION

(This is a transferable/non-refundable fee. If your event is permitted, the \$50.00 will be credited toward your permit fee.)

For uses of city property, there are typically: 1) fees charged for use of the area, 2) a security deposit required, 3) insurance required and 4) Area Impact Study. There may be fees due and applications required from other City Departments.

TODAY'S DATE		04/01/2025		ORGANIZATION NAME		ST. PATRICK'S CATHOLIC CHURCH	
ADDRESS (Street/City/State/Zip)		307 CONGRESS ST. PORTLAND, ME 04101					
CONTACT NAME(S)		WILLIAM AUDET, JR		TITLE(S)		BAZAAR CHAIRMAN	
PHONE	207-749-8114	PHONE		PHONE		PHONE	
EMAIL	AUDET.LAND@AOL.COM	EMAIL		EMAIL		EMAIL	

PARK AREA / PUBLIC SPACE REQUESTED		FEDERAL ST FROM INDIA TO HAMPSHIRE ST.	
EVENT DAY(S) & DATE(S)		AUGUST 8 & 9	RAIN DAY(S) & DATE(S) (50% added fee)
OVERALL EVENT START & END TIME (When setup will begin until cleanup is expected to be complete.)		FRIDAY 8:00 AM SATURDAY MIDNIGHT	EVENT START & END TIME SUNDAY MIDNIGHT
			AUGUST 10

EVENT NAME	EVENT CLASSIFICATION Road Race, Parade, Public Assembly, Music Festival	EXPECTED ATTENDANCE

AREA IMPACT STUDY: Please be as specific as possible regarding the area of public space/park that you would like to permit and please describe the event in detail using the **AREA IMPACT STUDY (Area Impact Form)**

AREA IMPACT STUDY CHECKLIST

COMPLETED

1. Description of event. Brief description of event and event history so that all departments may better understand your event request. (Downloadable format)	SEE ATTACHED
2. Permits. Include all applicable permits from all pertinent city departments. (Fire, Police, City clerk...)	IN PROGRESS
3. Detailed site plans. Include maps of venue, parade and course routes, parking/shuttle plans, evacuation plans... (Downloadable format)	SEE ATTACHED
4. Event components. Event time frame, sound levels, neighborhood impacts, road closures, security/police, EMS services. (Downloadable format)	SEE ATTACHED

IS THERE A REGISTRATION FEE/PLEDGES COLLECTED FOR THIS EVENT?	Please check: _____ FEE _____ PLEDGES	
IF YES FOR FEES, HOW MUCH?	FEE	\$

PLEASE CHECK OFF AND ANSWER:

Fees for Police, Fire/EMS or Parking Control Staff will be invoiced by those individual departments & should be paid to them directly.			
	X-YES	X-NO	AIS
* Are you setting up a canopy(s)? (10'x10' size or smaller) How many?	X		
* Do you wish to set up a tent(s) and/or stage(s)? A canopy/tent or stage larger than 10'x10' needs a Temporary Tent or Stage Permit issued by Building Inspections. For permit application, please go to: https://content.civicplus.com/api/assets/376697a8-b6ac-4a4c-babc-9dbcf1e61eb8 or contact the Permitting and Inspections Department at buildinginspections@portlandmaine.gov or 207-874-8703 for more information. PLEASE apply at least 2-weeks before your event. Tent/Stage Size(s): Exact Location(s) of Tent/Stage Placement Requested: *** In order to drive tent stakes into the ground, DIG SAFE must be contacted: 888-344-7233. ***	X		Permit Required Include on Site Plan
* Will you be setting up tables and/or chairs? How many tables: chairs:	X		Include on Site Plan
* Are other items or equipment being placed on City property? (i.e. Moon Bounce, Dunk Tank, Radio Station Van, Helium Tank, etc.) Please List:	X		Include on Site Plan
* Will there be refreshments at the event? Do you wish to sell food? If so, you will need approval from PAFD and possibly a Temporary Food Service License from the Business Licensing Office. PLEASE provide them at least 2 weeks advance notice (207-874-8557). List food and drink / Food Trucks, etc.: PLEASE NOTE: A Temporary Food Service License is NOT needed when: 1. Food Vendors have a current City of Portland Food License 2. Just pre-packaged refreshments, or food & drink items are purchased or donated from a licensed establishment 3. Bottled water / water is served A TFSL is needed when food vendors are not licensed or when food is being prepared and cooked at the event.	X		License Required Include on Site Plan
* Do you wish to sell non-food items (like T-shirts, crafts, cd's, etc.)? If so, please apply for a Street Goods Vendor License(s) at the Business Licensing Office (207-874-8557) – 2 week notice. List items you wish to sell:	X		License Required Include on Site Plan
* Do you wish to sell or provide Alcohol? If yes, you must complete the application for a Liquor License specific to your event through the State of Maine and submit the application to the City of Portland Business office first. Application will need City of Portland's approval prior to going to the State. Questions? please contact the Division of Liquor Licensing and Enforcement at (207) 624-7220/email- MaineLiquor@maine.gov .	X		License Required
* Are you setting up a PA (sound) system? Are you planning on having Amplified Music? Band? DJ? Boom Box? If so, your event may require a concert license. PAFD will advise upon review of your application. Amplified speech (i.e. Press Conference) does not require the license, however, a Sound Security Deposit may be required. There are time restrictions for amplified music/speech in Downtown Parks & Squares: limited to 11:45am – 1:15pm and 1 hour between 5pm – 8pm.	X		License Required Include on Site Plan & Event Components
* Will your event require electricity? Electricity is available at Deering Oaks Park, Monument Square, Congress Square, Tommy's Park, Post Office Park, Payson Park, Preble Street Grass Area, Eastern Prom, Fort Allen Park, and Lincoln Park. A \$40 activation fee is required.	X		
* Are you planning on bringing a Grill for a Barbecue? Grilling is subject to weather conditions and possibly Fire Dept. review.	X		
* Will the event require reserved parking spaces / parking meters? How many? "No Parking" signs may be purchased at the PAFD Office, 212 Canco Rd.	X		
* Will your event need safety vests, signs, barricades and/or cones? Please list what you would like to borrow/rent: Limited safety vests, cones & barricades may be borrowed/rented from PAFD Office. Traffic signs may be borrowed/rented from Public Works if needed (207-874-8493).	51X 66)		
* Will your event require street closures? Will your event affect METRO BUS ROUTES? (Please be specific under "Description of Event")	X		Include on Event Components

*	Will your event require Police assistance? An event such as a road race, march or parade in the street, would typically require police assistance. To reserve & hire an Officer(s) to be on site at your event, please visit: https://odm.officetrak.com/Portland-PD-ME/auth/signin	X		Required
*	Will your event require Fire/EMS assistance? (For a large walk/race, it may be required.) To hire or inquire about hiring city Fire/EMS staff to be on site, please email fireprevention@portlandmaine.gov well in advance of the event. For general questions, you may also call 207-874-8400.			Required
*	Will your event require Parking Control assistance? To hire a Parking Control Officer(s) to be on site at your event, please call 207-874-8910 well in advance to arrange.		X	
*	Will your event require portable-restroom rental(s) or need existing porta-restrooms cleaned? (Some of the parks already have porta-restrooms. Event participants may use these, but a \$75 fee is assessed for events where attendance is 150 or more.) Porta-restrooms may be rented from any of the local companies. Units currently on site are through Associated Septic. 1 unit/50 people when serving alcohol 1 unit/75 people with no alcohol	X		Include on Site Plan
*	Will your event require waste management and recycling? What is the waste management plan?			Include on Site Plan & Event Components
	For events where more than two thousand (2,000) individuals anticipated to gather or participate in the event or activity in the park, the permittee shall provide a bond in the form of cash, certified check or surety bond from a surety company qualified to do business in the State of Maine in an amount of not less than two thousand dollars (\$2,000.00). Such a bond shall be utilized to guarantee cleanup of the area and shall be applied against claims by the city for excessive damage to real or personal property in the park.	X		Required

INSURANCE CERTIFICATE INFORMATION

*	Will your event require liability Insurance? (Commercial liability insurance is required for a walkathon, race, festival, press conference, concert, etc. Product liability insurance is also required if the event has been approved for serving food.)	X		Required
♦ If you answered YES, you shall procure and maintain occurrence-based Commercial General Liability and Product Liability Insurance, when required, in an amount not less than One Million Dollars (\$1,000,000.00) per occurrence for bodily injury, death and property damage. You shall name the City of Portland as an additional insured or shall obtain a general liability extension endorsement, for coverage only in those areas where government immunity has been expressly waived by 14 M.R.S. A. § 8104-A, as limited by § 8104-B, and § 8111. The terms of this permit and the insurance coverage shall not be deemed a waiver of any defenses, immunities or limitations of liability or damages available to the CITY under the Maine Tort Claims Act, other Maine statutory law, judicial precedent, common law, or any other defenses, immunities or limitations of liability available to the City. You shall also be responsible for any and all deductibles and/or self-insured retentions. ♦ Both the Certificate of Insurance and Additional Insured Endorsement shall be sent to rqroh@portlandmaine.gov and must state that the policy is endorsed to name the City of Portland as an additional insured pursuant to the date of the event (and rain date).				

PUBLIC ASSEMBLY FACILITIES DIVISION POLICIES

EVENT REVIEW

The PAFD Office holds a monthly meeting where proposed events are discussed and reviewed by City Departments. For some events, organizers will be asked to present before the committee. Some potential factors may necessitate your event receive City Council approval.

ELECTRICITY

All cords in the public way must be covered by rugs, mats or orange cones to avoid public hazard. If weather is inclement (drizzle, rain, snow, etc.) we require that you **not use** electricity, unless all connections and equipment are covered and protected from the elements. If a generator is used, please take all necessary measures to ensure safe operation. Bring a fire extinguisher, set generator up away from activities (and combustibles), store fuel source away from the generator and keep children away from the generator.

BARBECUES - GAS GRILLS ONLY

Only GAS GRILLS are allowed in parks/public spaces – i.e. No Charcoal Grills or open burning. Barbecuing must first be approved by PAFD Office and is subject to weather conditions, and possible further review by the Fire Dept. Grills must be set up away from children's activities. You are required to have a fire extinguisher with in the grilling area.

PORTA-RESTROOMS / BATHROOM FACILITIES

Porta-Restrooms are required for large events and events where refreshments are being served. Some of Portland's parks already have portable restrooms from Associate Septic on site (*Preble Street Grass Area at the Preble Street Parking Lot – across from Hannaford's, *Entrance to Dyer's Flat – beside Payson Park, *Deering Oaks Park – Playground + Ravine, *East End Beach - Winter & Early Spring: Just EEB.) If over 150 people are expected to attend the event, a \$25 user fee is required (paid to PAFD). If extra units are rented by the organizer, then no additional user fee is assessed. Porta-restrooms are cleaned M, W, & F. If you would like to guarantee that they are cleaned just prior to your event, then you need to

call the porta-restroom company (Associated Septic / Royal Flush, 207-799-1980, M-F) to request and pay for a cleaning. If renting units, the organizer has the option of renting from Associated Septic / Royal Flush, or from other local companies.

TRASH

All groups must abide by our Carry In/ Carry Out Policy. Please bring extra trash bags and/or trash receptacles and remove all trash. Do not use existing trash barrels or the metal liners inside. You will need to haul all of your trash out of the park/public space or forfeit the security deposit(s). Please recycle whenever possible, (please do not use Styrofoam - it is NOT recyclable). The area will be checked following your event; if the park is clean and conditions for use adhered to, your security deposit will be returned to you. Thank you in advance!

MARKING OF GROUNDS

Please DO NOT mark city property in any permanent way. DO NOT use SPRAY PAINT or SPRAY CHALK. DO NOT STAPLE or NAIL anything to trees. Children's Art Chalk can be used on hardscape areas with permission from PAFD Office. Tape may also be used. If markings remain for more than a few rain storms, event organizers are responsible for removing them. If city staff or contractors need to remove the markings, event organizers are responsible for the cost of staff time and materials. You may also place signs on stakes in the grass areas bordering trails/race routes (when applicable). Please remove all signage immediately following the event.

USE OF CANDLES

It is preferred that LED lighted candles or glow sticks are used. If flammable candles are used this may need to be approved by the Portland Fire Department. Please make sure all candles have drip protectors to prevent wax from dripping on hardscape surfaces, which may cause permanent stains/damage. Please make sure all candles are extinguished before being thrown away. Please collect all spent candles so there is no trash left behind. Please take safety precautions: bring a fire extinguisher, gallon of water, etc. in case of fire. **Any damage (dripped wax absorbed into hardscape causing stains, etc.) will result in a forfeiture of your security deposit.**

ADA COMPLIANCE

Event organizer must comply with the Americans with Disabilities Act (ADA) and the Maine Human Rights Act (MHRA), including maintaining the permitted use area and all public rights-of-way accessible during the entirety of the permitted event. In the event the permitted area is rendered inaccessible to disabled persons, and/or by request of PAFD staff, the organizer shall act immediately to provide accessibility. All requests to provide interpretive services shall be the responsibility of the organizer to provide and pay for such services. The organizer shall defend, indemnify, and hold the City harmless from any and all liability and damages resulting from alleged violations of the ADA and/or MHRA.

PARKING ON GRASS AREAS / SIDEWALKS / ILLEGALLY PARKED VEHICLES

Vehicles are prohibited from parking on grass areas/sidewalks/park streets (unless specifically approved by city staff). \$20 will be deducted from your security deposit for each vehicle parked on grass/sidewalk areas or vehicles parked illegally. **Any tire ruts/damage to the grass areas will result in a forfeiture of your security deposit.**

RESERVED PARKING

To reserve parking for your event, please contact the PAFD Office (808-5400 x0). Staff will review your request and can issue you "No Parking" signs (\$25 each*). You will need to label signs and tape them to meters or signposts AT LEAST 24 HOURS PRIOR TO YOUR EVENT. (NOTE: If event is on a Sunday or Monday, NP Signs may need to be posted on the preceding Friday by Noon.) Please do not cover up coin slots on meters. If the reserved parking area has no actual parking meters, you may need to tape signs to sign posts, utility poles, trees, or orange cones (placed on the sidewalk beside the street). Please make sure signs are removed once the event is complete.

FIREWORKS

Organizers wishing to have fireworks as part of their event must contact the Portland Fire Department directly. Permits will need to be obtained through the Portland Fire Department, the State of Maine and possibly through the US Coast Guard.

ALCOHOL / SMOKE-FREE ZONES

By city ordinance, smoking a cigar, cigarette, pipe, marijuana, electronic cigarette, electronic cigar, electronic pipe, or other similar product that relies on vaporization or aerosolization, is prohibited at and within 20 feet of the following outdoor recreation and event areas: downtown squares and plazas, trails, parks, playgrounds, beaches, and athletic facilities. Consumption of alcohol is prohibited in public spaces unless specifically approved by City Council. Please inform all participants / attendees.

AMPLIFIED SOUND POLICY

Outdoor events with amplified sound may require an Entertainment License from the PAFD Office. If the Police Dept./City Staff receive noise complaints, they will respond accordingly. Please set the PA System up with speakers facing away from businesses/residences to lessen impact. Please keep volume levels low out of consideration for nearby residents and businesses. The Permittee (organizer) shall not allow the sound emanating from the event to exceed an A-weighted 85 decibels / C-weighted 95 decibels. One verbal warning shall be issued if the sound has been found to have exceeded those limits. The warning may be given to the sound board operator or the organizer/organizer's designee. If the decibel limit is found to have been exceeded a second time during the same event, the entertainment license (or permission to use a bullhorn/PA system) shall be immediately suspended, the PA system / amplification / bullhorn turned off, and the sound security deposit forfeited.

CANCELATION POLICY

Events must be canceled with PAFD prior to the event date in order to be eligible for a refund. If canceled within 2 weeks of the scheduled event date, a \$75 cancellation fee may be charged.

NOTIFICATION

Please keep a copy of your event permit on site at all times. City staff may require proof of permit.
 If there are members of the public in the reserved space upon arrival, please present the permit as proof of reservation & approved usage. If you need assistance, please contact the Police Department at (207) 874-8574.
 You may put up temporary A-frame signs to alert the public to your event or place signage on orange cones, etc. Signs are to be up DAY OF EVENT ONLY. Please remove all signage immediately following the event.
 Please call Portland Police Dept. (874-8574) on the day of your event to remind them it is taking place.
 Please notify any nearby neighborhoods, businesses, including restaurants that may have tables out for dining, to alert them to your event.

STREET CLOSURE NOTIFICATION

Should an event involve a Street Closure, lasting longer than an hour, PAFD Office requires organizers to give advanced notification to area businesses, residents and bus companies (in the form of a "Street Closure Sign Off Sheet"). If an event impacts METRO Buses, the organizer (in advance) must discuss detour plans with Parks Rec and Facilities..

REVOCABLE PERMIT

- ♦ The City reserves the unconditional right to control or cancel events to protect and/or prohibit damage to public property.
- ♦ The City reserves the unconditional right to revoke or revise an issued permit.
- ♦ Police or City Staff on site may use their discretion to revise conditions of use.

I HAVE READ AND UNDERSTAND ALL OF THE ABOVE POLICIES

TYPE INITIALS

DATE

ASSUMPTION OF RISK & LIABILITY

Users of the area agree to accept the grounds in an "as is" condition and shall be responsible for all risk and liability in using the park/public space area for the said event. By returning this form (should permission be granted to use city property), the above parties agree to indemnify, defend, and hold harmless the City of Portland, its employees and agents, from and against all claims arising out of activities during said event.

I have read the Assumption of Risk & Liability Agreement

TYPE INITIALS

DATE

PLEASE INITIAL & DATE HIGH-LIGHTED YELLOW BOXES ABOVE.

PLEASE RETURN FORM AT LEAST 60 DAYS IN ADVANCE TO:

- ♦ Public Assembly Facilities Div. ~ 212 Canco Rd. ~ Portland ~ ME ~ 04103 EMAIL PREFERRED: rgroh@portlandmaine.gov

FEE SCHEDULE – UPDATED FEBRUARY 2024

Fees are tiered and assigned based on the level of demand placed on City resources and impact on City infrastructure.

Simple Event (no registration fee): \$75/hour	Electricity (activation/deactivation) Fee: \$40/flat
Event with registration or pledges & attendance 25 - 300: \$150/hr.	Porta Restroom User Fee (if attendance is 150+): \$75
Event with registration or pledges & attendance 301+: \$250/hr.	Entertainment License: \$50
Film/Photo Shoot: \$150/day	Barricades: \$5/ea. Rental Fee + \$25/ea. Security Deposit
Public Space/Park Security Deposit: \$100 - \$1000	Racks: \$10/ea. Rental Fee + \$25/ea. Security Deposit
Sound Security Deposit: \$100 - \$1,000	Flashing Lights: \$10/ea. Rental Fee + \$40/ea. Security Deposit
Impact/Street Closure Fee (variable based on impact): \$100-\$500	Cones: \$2/ea. Rental Fee + \$15/ea. Security Deposit
Staff Fee: Event Mgr - \$45/hr. Event Staff - \$23-28/hr	Safety Vests: \$15/ea. Security Deposit
Administrative Fee (event coordination support): \$40/hr. (or more)	Keys: \$50/ea. Security Deposit
"No Parking" Signs: \$35.00/ea.	Equipment Delivery Fee: \$100 Each Way (or more)
Event Cancellation Fee: \$75	Fortification Fee: TBD

TOTAL AMOUNT(S) DUE TO PUBLIC ASSEMBLY FACILITIES DIVISION (Please make all security deposit checks out separately)

Permit Fee for use of area:	\$	Entertainment License Fee:	\$
Number of Hours of Use: Approx.		Equipment Rental Fee:	\$
Staff Fee (on site event support):	\$	Public Space / Park / Sound Security Deposit:	\$
Admin. Fee (event coordination support):	\$	Borrowed / Rented Equipment Deposit:	\$
Electricity Fee (activation/deactivation):	\$	Additional Fees:	\$
Impact/Street Closure Fee (variable based on impact):	\$	(Porta-Restroom User Fee, "No Parking" Signs, etc.)	

CITY OF PORTLAND ACCEPTS CASH, CHECK, MONEY ORDER AND CREDIT / DEBIT CARDS FOR PAYMENT

Checks should be made payable to City of Portland
 There will be a 2.65% processing fee added to all Debit / Credit Card transactions.

FOR OFFICE USE ONLY							
APPLICATION FEE:	\$ 25.00	PERMIT FEE:	\$	SECURITY DEPOSIT:	\$	INSURANCE NEEDED?	Y / N
DATE RECEIVED:		DATE RECEIVED:		DATE RECEIVED:		DATE RECEIVED:	

Merchandise -Do you wish to sell **non-food items** (like T-shirts, crafts, cd's, etc.)? If so, please apply for a **Street Goods Vendor License(s)** at the Business Licensing Office (207-874-8557)
<https://content.civicplus.com/api/assets/9ef5d795-ac26-4794-9e38-c2f0bb9c9f04?cache=1800>

Tents/Stages -Do you wish to set up a **tent(s)** and/or **stage(s)**? A canopy/tent or stage larger than 10'x10' needs a **Temporary Tent or Stage Permit** issued by Building Inspections
<https://content.civicplus.com/api/assets/376697a8-b6ac-4a4c-babc-9dbcf1e61eb8>

Alcohol sales -Do you wish to sell **alcohol**? You must complete the application for a **Liquor License** specific to your event through the State of Maine and submit the application to the City of Portland Business Licensing office first. Application will need City of Portland's approval prior to going to the State. Questions? please contact the Division of Liquor Licensing and Enforcement at (207) 624-7220/email-MaineLiquor@maine.gov. <https://www.maine.gov/dafs/bablo/liquor-licensing/license-and-permit-applications>

Food Sales - Will there be food vendors? If so, you must apply for a **Temporary Food Service License** from the Business Licensing Office.
<https://content.civicplus.com/api/assets/12f35a2a-e2a4-4d87-bf05-9ec89545e996?cache=1800>

Police - Will your event require **Police** assistance?
<https://odm.officertrak.com/Portland-PD-ME/auth/signin>

Fire/EMS - Will your event require **Fire/EMS** assistance? Email Fire Department - fireprevention@portlandmaine.gov

Amplified Sound - Will your event have amplified sound. If you are having amplified music at your event you will need to fill out an Entertainment License.

Description of the Event: It's the 100th Anniversary of the Feast of the Assumption of Mary and St. Rocco. Also known as the St. Peter's Italian Bazaar. There will be food booths (including food from Bruno's, Amato's and Maria's), games of chance for both children and adults and music in the street during the afternoon and evenings. Booths stay on the side of the street during the overnight hours. All monies raised by this event goes towards the upkeep and beautification of the St. Peter's properties.

Street Closure: We respectfully request the closure and use of Federal Street (from Hampshire St. to India St.). The street will be closed to vehicular traffic starting at 8:00 AM Friday August 8th to Saturday 12:00 PM August 9th. The Rain Date will be August 10. Truck Barricades would be placed at India Street and Hampshire Street preventing access to Federal Street. Hours for the Festival are Friday and Sunday (approx. 4:00 PM – 10:00 PM). Setup for the Festival is on Friday 8:00 AM sharp. Federal Street will be closed to traffic from Friday 8:00 through Saturday at midnight (for more setup time and breakdown time) - if needed

Permits: Street Goods Vendor and Temporary Food Service Permit Applications will be obtained.

Parking: Volunteers will be parking at our area lot located behind St. Peter's and at Cathedral of the Immaculate Conception Parish lots. Plus the Walgreen's lot is owned by our Bishop James Ruggieri which allows us event parking. There is also street parking throughout the India St. neighborhood.

Event Time Frame: August 8th and 9th (Friday and Saturday nights) 4:00 PM-9:30 PM. Set up begins Friday morning and afternoon, breakdown Saturday night. Sunday morning Federal Street will be open for our 9:00 AM Mass. As part of the lengthy Festival tradition (we have headliners) each night and have amplified music (alternating Band and DJ and Festival announcements) 75-90 decibels. Courtesy signage will be posted encouraging Festival attendees "Please respect our neighbors, thank you"

Canopy information: 17 canopies size 10ft x 10ft; 3 canopies 20ft x 20ft. No tent stakes will be drilled.

Temporary Stage request: We do wish to set up a temporary stage for our musicians on the street in front of the St. Peter's Parish Msgr. DiMingo Hall. Expected size 12ft x 20ft., a manufactured rental item, professionally set up.

Tables and Chairs: 43 rectangular tables (8ft x 30"); 43 rectangular tables (6ft x 30"); 45 round tables (30" diameter); 450 white plastic folding chairs

Other items on City Property: Rented Moon Bounce set up on Federal Street and one small helium tank (replaceable as needed) for inflating balloons for children. A possible Dunk tank is being considered. It will be sponsored and monitored by parishioner and York County Sheriff, Bill King.

Refreshments for Sale: Italian cookies, cannoli's, fried dough, pizza, ziti and meatballs and other delicious Italian food including specialty items from Bruno's Restaurant, Amato's, Maria's and Micucci's. Temporary Food License Application will be obtained.

Non-food items for Sale: Italian merchandise clothing and religious items (Street Goods Vendor License Application enclosed).

Alcohol sales: Bruno's Restaurant will sell beer and wine in a monitored, separate area. All necessary permission will be obtained from the City of Portland and State of Maine.

PA (sound) system and Amplification: As part of the lengthy Festival tradition each night we have live head line acts and amplified music (alternating Band and DJ and Festival announcements) 75-90 decibels.

Electricity: Event will require electricity, which will be provided by adjacent St. Peter's and Catholic Diocese properties. Longtime parishioners, Mancini Electric provide all temporary electrical needs.

Grill: Natural and Propane grills will be used by trained individuals from Amato's and Bruno's businesses.

Reserved parking spaces/parking meters: 20 No Parking signs will be placed 24 hours in advance of the event. Proper posting notices will be faxed to Police, Fire and Public Works as required.

Safety Equipment: We annually update all our fire extinguishers St. Peter's Parish will provide any necessary vests, signage and cones (three barricades needed)

Public Security - Safety Barricades are placed beside stage, as it is removed at 8:00 AM Monday morning. Over the past 2 years, we've attempted to hire City Police presence, however due to staffing shortage, we now hire private security for during the event and overnight security to protect the public and our private property. We have contracted with Protection One for private security presence throughout the Festival event. .

Street Closures: Federal Street will need to be closed from Hampshire Street to India Street for the stated Festival Hours of 8:00 AM Friday through Saturday at 11:00 PM (August 8 & 9, 10th) for the set up/breakdown, Sunday if needed.

Fire/EMS Assistance: Emergency responders can quickly access the site from Walgreens parking lot and is adjacent to the festival. No buildings' doors will be blocked.

Parking Assistance: We provide a Handicap "drop off zone" on Federal/India sidewalk. Reasonable accommodation for dedicated parking assistance will be offered to select affected neighbors.

Portable Restrooms: Units will be rented through a private company. Royal Flush Company delivers on Friday. Units will be cleaned prior to the start of Saturday night festivities. Units will be removed upon completion of the Festival final clean up early Sunday morning.

Waste Management and Recycling Plan: CLYNK bag stations dispersed throughout Federal Street, along with Trash receptacles. These will be attended to by a dedicated team of volunteers. Waste Management will be provided using our dumpster rented through our contractor (Troiano Waste Services Inc) and placed on India Street for the duration of the Bazaar.

Security Deposit: As needed, \$2000 Certified Check will be provided by St. Peter's Parish as guarantee of cleanup

Insurance Certificate Information: See attached Certificate of Liability Insurance (scheduled to be regularly reissued in July 2025).

2025 Street Map – Attached to this Application is the 2025 Street Map showing the layout of the event.

Temporary Art Permit – We're requesting that our existing Art Permit be extending for another 365 day period. This will be the 4th year we have painted the crosswalks the Italian Colors. A crew of 12-15 parishioner volunteers will be working on the project. We're planning on Sunday July 26th, starting at 4:30 AM and finishing around 8:00 AM. All necessary traffic control measures will be our top priority.

Respectfully Submitted,



Willie Audet, Jr.

Bazaar Chairman



Public Assembly Facilities Division
 Andrew J. Downs, Director
 212 Canco Road • Suite A • Portland, Maine 04103
 (207) 808-5434

Single Concert Permit Application for PUBLIC PROPERTY(*)
Must apply at least seven (7) business days prior to event.
Permit Fee: \$50/day

* If the event is proposed for private property, you must obtain the necessary permits from the Permitting & Inspections Department. They can be reached at (207) 874-8557.

Number of Attendees:	2,500 ¹ / ₂ PER DAY	Will Alcohol be Consumed?	☒ YES or NO
Applicant Information			
Organizer/Business/Group Name(s):	ST. PETER'S CATHOLIC CHURCH		
Organizer/Business/Group Address:	307 CONGRESS ST, PORTLAND, ME 04101		
Applicant/Contact Person's Name:	WILLIE AUDET, JR - BAZAAR CHAIRMAN		
Daytime Phone Number:	207-749-0114		
Phone Number Day of Event:	207-749-0114		
Email Address:	AUDETLAND@AOL.COM		

Event Information			
Name of Event:	ST. PETER'S BAZAAR		
Event Location:	FEDERAL ST. FROM INDIA TO HAMPSHIRE ST		
Date of Event:	AUGUST 8-9 RAIN DATE AUGUST 10		
Time of Event (start to finish):	4:00 - 10:00 PM	Time Frame for Amplified Music:	SAME
Type of Music/Amplified Sound (DJ, Live Band, Acoustic Performance, etc.):	BOTH LIVE AND AMPLIFIED MUSIC		
Please list all bands/performers (If more space is needed, please utilize the back of this page.):			
FRIDAY - JIM CIAMPI BAND -			
SATURDAY - DAN FONTAINE - ELVIS TRIBUTE ARTIST w/ BAND			
SUNDAY - RAIN DATE JIM CIAMPI BAND			

Read Carefully & Sign: I/we understand that any misstatement of material fact in the above application may result in denial of this permit or revocation if the permit has already been issued.

Signature: W. Audet

Date: 5/23/2025

For more information about City Codes regarding Single Concert/Single Dance permits, please see Chapter 4 of the Code of Ordinances at www.portlandmaine.gov.

Email Sent:

Dept.

Fire
 PD
 Treasury

Approval Received

Fee:

Cash: _____
 Check: _____
 CC: _____



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

7/11/2024

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER

Arthur J. Gallagher Risk Management Services, LLC
300 Madison Avenue, 20th Floor
New York NY 10017

CONTACT

NAME: Nicole Anstett

PHONE

(A/C, No, Ext): 914-697-6066

FAX

(A/C, No): 914-323-4566

E-MAIL

ADDRESS: NICOLE_ANSTETT@AJG.COM

INSURER(S) AFFORDING COVERAGE**NAIC #**

INSURER A : National Catholic RRG , Inc

10083

INSURER B :

INSURER C :

INSURER D :

INSURER E :

INSURER F :

INSURED

Roman Catholic Bishop of Portland
510 Ocean Avenue
Portland, ME 04103-7559

COVERAGES

CERTIFICATE NUMBER: 1810620729

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSD WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	☒ COMMERCIAL GENERAL LIABILITY ☐ CLAIMS-MADE ☒ OCCUR ☒ Sexual ☐ Misconduct GEN'L AGGREGATE LIMIT APPLIES PER: ☒ POLICY ☐ PRO-JECT ☐ LOC ☐ OTHER	Y	RRG-016-2024-1	7/1/2024	7/1/2025	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 1,000,000 PRODUCTS - COMP/OP AGG \$ 1,000,000 \$
	AUTOMOBILE LIABILITY ☐ ANY AUTO ☐ OWNED AUTOS ONLY ☐ SCHEDULED AUTOS ☐ HIRED AUTOS ONLY ☐ NON-OWNED AUTOS ONLY					COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
	UMBRELLA LIAB ☐ OCCUR EXCESS LIAB ☐ CLAIMS-MADE DED ☐ RETENTION \$ ☐					EACH OCCURRENCE \$ AGGREGATE \$ \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? ☐ Y/N (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	N/A				PER STATUTE ☐ OTH-ER ☐ E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

Additional Insured Status for any Persons with whom the Named Insured has agreed to provide Insurance Protection. Insurance Shall not exceed amount agreed upon or exceed policy limits provided by this policy. The limit is inclusive of the Insured's \$250,000 Self Insured Retention.

Proof of Insurance

CERTIFICATE HOLDER**CANCELLATION**

Proof of Insurance

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

MEMORANDUM
City Council Agenda Item

FROM:

DATE: May 30, 2025

SUBJECT: Order 3-25/26 Accepting from Judith Kendrick and Jim DiBiase a Sculpture by Giuliano Cecchinelli and Adding This Work to the City's Public Art Collection - Sponsored by Councilor Sarah Michniewicz

SPONSOR: Anna Berke, Chair of the Portland Public Art Committee

(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 7/14/2025

Can action be taken at a later date: No Council approval is needed to inform the Portland Water District's Board of Trustees meeting on July 28, 2025.

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

PRESENTATION: Brief presentation by Anna Berke, Chair of the Portland Public Art Committee and Kevin Kraft, Director; Sean King, Urban Designer (if necessary)

I. SUMMARY

Order accepting the gift of a new sculpture by Giuliano Cecchinelli from donors Judith Kendrick and Jim DiBiase, and formally adding the artwork to the Portland Public Art Collection. As required by the *Guidelines for the Public Art Ordinance*, the City Council must accept any gift of public art into the City's Public Art collection.

II. AGENDA DESCRIPTION

This proposal was reviewed at the Portland Art Committee Meeting held on April 30, 2025. The Committee voted unanimously (9-0, Wilson absent) to recommend this to the City Council for approval.

If approved, this order would accept the gift of a new sculpture by Giuliano Cecchinelli from donors Judith Kendrick and Jim DiBiase, formally adding the artwork to the Portland Public Art Collection. The proposed installation site is 176 India Street, on property owned by the Portland Water District, directly adjacent to the public sidewalk within the India Street neighborhood. As required by the *Guidelines for the Public Art Ordinance*, the City Council must accept any gift of public art into the City's Public Art collection.

Five affirmative votes are required for passage of items on the consent calendar after public comment.

III. BACKGROUND

The City periodically receives offers from potential donors interested in contributing artwork to the City's Public Art Collection. The Portland Public Art Committee is charged with the responsibility to review all artwork offered as gifts to the City based on a review process outlined in the *Guidelines for the Public Art Ordinance*. The proposed donation of artwork is envisioned as a sculpture to represent an immigrant family carved into granite and located within the India Street Neighborhood as a significant place of remembrance. The donors have selected Giuliano Cecchinelli, a renowned stone artist based in Barre, Vermont, to carve the sculpture. The donors anticipate a private fundraising campaign to raise funds for the fabrication, transportation and installation of the proposed gift of public art.

IV. INTENDED RESULT AND/OR COUNCIL GOAL ADDRESSED

The Portland Public Art Committee's stated goals in the *Guidelines for the Public Art Ordinance* are to promote the educational, cultural, economic and general welfare of the City of Portland. The Portland Public Art Committee aims to celebrate the multicultural and diverse character of the City of Portland's communities with place-specific art.

V. FINANCIAL IMPACT

The proposed gift and addition to the City's Public Art Collection would not result in any immediate expenses to the City. The donors intend to launch a private fundraising campaign to cover the costs of fabrication, transportation, and installation of the artwork. Once installed, the sculpture would become part of the City's Public Art Collection, at which point the Portland Public Art Committee would assume responsibility for its ongoing maintenance and conservation using existing committee funds.

VI. STAFF ANALYSIS AND BACKGROUND

The Portland Public Art Committee reviewed the proposed gift of public art at its April 30, 2025, meeting and voted unanimously (9-0, with Wilson absent) to recommend to the City Council acceptance of the donation. In coordination with Committee members and City staff, the donors identified a proposed installation site at 176 India Street, on property owned by the Portland Water District.

To comply with Section 20.3.C of the City of Portland's Land Use Code Public Art Program—which requires that public art be placed in a location with public visibility and access—a public access easement is necessary if the artwork is to be located on property not owned by the City. City Corporation Counsel has prepared a draft easement agreement (Attachment C) with the Portland Water District to allow public access from the sidewalk and to ensure long-term maintenance and care of the artwork as part of the City's Public Art Collection.

The Portland Water District's Planning Committee met on May 12, 2025 and had no objections to the gift proposal. Should the City Council accept the gift, the Portland Water District Board of Trustees will then review and vote on the proposal.

VII. RECOMMENDATION

Staff recommends that the City Council accept the recommendations of the Portland Public Art Committee to proceed with accepting and adding the artwork to the Portland Public Art Collection.

VIII. LIST ATTACHMENTS

1. Order 3 - New Sculpture Gift, Portland Public Art Collection
2. Att A-India St monument artwork proposal
3. Att B-Gift public artwork site location 176 India St
4. Att C-Public Art Easement and Maintenance Agreement

Prepared by:

Date: 05/30/2025

MARK DION (MAYOR)
PIOUS ALI (A/L)
APRIL D. FOURNIER (A/L)
BENJAMIN GRANT (A/L)

**CITY OF PORTLAND
IN THE CITY COUNCIL**

SARAH MICHNIEWICZ (1)
WESLEY PELLETIER (2)
REGINA L. PHILLIPS (3)
ANNA BULLETT (4)
KATE SYKES (5)

**ORDER ACCEPTING FROM JUDITH KENDRICK AND JIM DIBIASE A
SCULPTURE BY GIULIANO CECCHINELLI AND ADDING THIS WORK TO THE
CITY'S PUBLIC ART COLLECTION**

ORDERED, that the City hereby gratefully accepts from Judith Kendrick and Jim DiBiase a new sculpture made by Giuliano Cecchinelli, and adds it to the Portland Public Art Collection; and

BE IT FURTHER ORDERED, that the City Council hereby authorizes the City Manager to execute any documents necessary or convenient to carry out the intent of this Order.

To: Anna Berke, Chair & Portland Public Art Committee Members
From: Sean King
Date: April 11, 2025
Re: Potential gift of public art proposal
Meeting Date: April 16, 2025

I. INTRODUCTION

Judy Kendrick and Jim DiBiase submitted an information and inquiry document for a potential gift of public art to facilitate a review by the Portland Public Art Committee during the April 16, 2025 meeting held via Zoom at 4pm. The proposed public artwork of carved granite, mounted above a granite stone pedestal is located at 176 India Street, owned and operated by the Portland Water District.

For compliance with the City of Portland's Land Use Code Public Art Program, Section 20.3.C, permanent public art must be located in a public place with public visibility and impact. A public access easement between the property owner and the City of Portland is required to oversee the maintenance, care and repair of public artwork within the City's public art collection.

Applicant: Judy Kendrick, Jim DiBiase

II. REVIEW CRITERIA AND NEXT STEPS

As outlined in the [Public Art Guidelines](#), the Portland Public Art Committee is charged with the responsibility of reviewing all artwork offered as gifts to the City. Depending on the proposed location for siting the artwork, other review committees may also need to render a subsequent recommendation.

Following the Portland Public Art Committee recommendation, Portland Water District's Board of Trustees will review. City staff will coordinate the public access easement as necessary with the property owner, Portland Water District.

The Portland Public Art Committee recommendation will next be presented to the City Council to accept the gift or decline the gift. The artwork must be approved and accepted by the City Council before placement can occur. Nothing in these guidelines limits or modifies in any way the authority of the City Council to accept or reject gifts of public art.

III. ATTACHMENTS

- A. Proposal for potential gift of public art – April 16, 2025

Proposal for potential gift of public art

April 16, 2025

Original application	2 – 18
Revised design	19 – 21
Article with info on artist	22 – 31
Example of previous municipal work	32
Inspiration for sculpture	33 – 35



PPAC Gifts & Acquisitions - Information & Inquiry Document - Updated 3/6/24

From time to time, the City of Portland receives offers from potential donors interested in contributing artwork to the City's Public Art Collection for placement on City property. These are generous and much-appreciated gestures to the citizens of Portland, and they often represent substantial investments of time, resources, and effort on the part of donors.

Installing works of art in public spaces is a partnership between the City and the potential donor/artist in conception, design, and implementation. It is an honor for an artist's work to be included in the City of Portland's collection of public art.

Many gifts of art are offered to the City, but only a few can be accepted. There are a limited number of public spaces in Portland, and the City is entrusted with deciding how these spaces are to be enhanced for the greatest good of the community.

The Portland Public Art Committee is charged with the responsibility of reviewing all artwork offered as gifts to the City. Depending on the proposed location for siting the artwork, other review committees may also need to render a subsequent recommendation.

After reviewing a proposal of artwork, the Portland Public Art Committee makes a recommendation to the City Council to accept the gift or decline the gift. The artwork must be approved and accepted by the City Council before placement can occur. Nothing in these guidelines limits or modifies in any way the authority of the City Council to accept or reject gifts of public art.

The Portland Public Art Committee will review potential gifts of art with regard to:

1. Appropriateness of the gift to the City's Public Art Collection as defined in the criteria for review
2. Quality of design, materials, and construction of the proposed gift; and
3. Accessibility, public safety, site improvements, costs to the City, and maintenance requirements.
4. Compatibility with the current Public Art Plan.

Potential donors are invited to consider a proposal to display a work of art temporarily on City property. Eligibility, guidelines and review requirements are outlined in *Guidelines for Temporary Public Art*, see Appendix: Suggestions & Resources.

Summary of the Review Process

1. The potential donor shall discuss the idea of donating artwork to the City's Public Art Collection with the Planning Office. A staff person from the Planning Office and a volunteer from the Public Art Committee will be designated to work with the potential donor throughout the review process.
2. Artist selection is a critical step. If the project is to be gifted to a site on City land, the Public Art Committee must be part of the selection of the artist and the project unless otherwise agreed to by the Public Art Committee. A list of potential artists and other resources can be provided by the Public Art Committee, see Appendix: Suggestions & Resources
3. The potential donor works with the Planning staff and the Public Art Committee to review the appropriateness of a proposed gift to the Public Art Collection. This threshold issue of appropriateness should be addressed before the applicant invests inordinate amounts of time or money in designing work or in preparing a detailed application.
4. Once the Portland Public Art Committee has rendered a decision regarding the appropriateness of the proposed gift, the potential donor will prepare additional application materials for review according to the *Criteria for Review* (see below). Planning staff will assist the potential donor to ensure the completeness of the application.
5. The Portland Public Art Committee reviews a potential donor's application material according to the *Criteria for Review* (see below). To ensure a timely review of a potential gift, the Public Art Committee will schedule a review of a project at its next regularly scheduled meeting, or as requested by the potential donor. Public comment will be taken at the time that the project is reviewed by the Public Art Committee.
 - If the proposed site of the artwork falls within the jurisdiction of another review body (e.g., the Friends of the Parks for park sites, or the Historic Preservation Committee for sites in a historic district), the Planning Office will assist the potential donor in scheduling a review by the other review bodies. After recommendations are received from other review bodies, if any, the Planning Office will forward the recommendations from those review bodies back to the Portland Public Art Committee for consideration.
 - If the application is determined to be complete at the time of its review, and once other appropriate review bodies, if any, have rendered a recommendation, then the Portland Public Art Committee will vote to make a recommendation to the City Council as to whether to accept or not accept a proposed gift. The recommendation of the Public Art Committee is then forwarded to the City Council for review and action. The submission to the City Council will include designs, plans, and supporting documents reviewed by the Portland Public Art Committee, as well as the recommendation from

the Portland Public Art Committee and recommendation(s) from other appropriate review bodies, if any.

6. Artists are required to collaborate with an art conservation expert to determine issues related to sustainability, to make maintenance recommendations, and to submit a maintenance report.

Criteria for Review

1. The proposed donation of artwork must be of appropriate theme, character, and design for public display, and must be consistent with the objectives of the Portland Public Art Collection (as outlined in sections A & C of the [Public Art Guidelines](#)). The Portland Public Art Committee will work with the proponents to develop concepts that respond sensitively to the objectives of the Public Art Collection, the proposed site and the surrounding context.

Appropriateness is a threshold issue. It is recommended that a proposed donor gain the consensus of the Public Art Committee that the proposed gift is appropriate before investing inordinate amounts of time or money in planning, designing or documenting a potential gift.

2. The proposed donation of artwork shall be of the highest quality design, materials, and construction. It shall be designed and fabricated for durability as well as for relatively low maintenance. It should retain its intended appearance, quality, durability and function for a minimum of twenty years.
3. The proposed donation of artwork shall be accessible to the general public.
4. The proposed donation of artwork shall not contain commercial advertising including logos, slogans and mascots.
5. The appropriate level of design documentation will be required at all stages of the review process. Proposed donors must follow the documentation outline as set forth in Guideline III, Requirements for Design Documentation for Review of an Art Project.
6. The Portland Public Art Committee will work with the donor and/or the artist to integrate a Portland Public Art plaque into the site. Public Art plaques adhere to a specified format as laid out by the Committee. Deviation from that format requires proposal and discussion and is subject to a vote by the committee. Concerns include the cohesiveness of information across our collection, accessibility, and cost implications of format changes.
7. Any required commitment of public resources to the project must be thoroughly identified by the proponent, evaluated by the Portland Public Art Committee, and understood and agreed upon prior to the acceptance of any donation. An itemized breakdown of all City contributions shall be required including estimates for all design time, labor, and ongoing maintenance.
8. All applicable considerations found in *Public Art Guidelines*, Sections III *Guidelines for Selecting Artwork and Artists*, and Section IV *Requirements for Design Documentation and Project Records* shall apply.

INQUIRY - Gifts & Donations

After reviewing the guidelines above, individuals interested in entering into the gift/donation process are strongly encouraged to fill out the form below and return it to publicart@portlandmaine.gov.

Images, renderings, or sketches for work proposed or, if available, are highly encouraged to accompany this form.

Name / Organization

Judith Kendrick; Jim DiBiase

This individual is the primary contact regarding this inquiry. If the inquiry is coming from an organization, please be sure to also list an individual contact.

Phone number

207-415-1759; 207-831-4191

E-mail address

jagwindham@aol.com; jdibias@maine.rr.com

Inquiry regarding:



Proposed
neighborhood to
site artwork



Existing
Artwork
proposed

If you have a particular, site, location or neighborhood in mind, please fill out section B.

If you have an existing artwork or object, please fill out section C.

If you have a proposal for an artist commission, please fill out sections C & D.

Section B - Site location

Please fill out as much information as you have available.

Do you have a particular site location or neighborhood you are proposing public art for?

☒ Yes

☐ No

If yes, please provide the name/location of the desired neighborhood.

Southeast corner of Fore Street and India Street

Do you have a particular cross section/intersection/park/other landmark in mind where you would like to see this work of art situated? If so, please notate it here:

The proposed site is on the Portland Water district property at 176 India Street. A public access easement will need to be created between City of Portland and Portland Water district

Rationale:

This is the reasoning for this particular site. If you do not have a rationale, the Public Art Committee is happy to discuss site options with you.

We chose this site because of it's public access and its position in the historic little Italy neighborhood.

Section C - Artwork or Object

Please fill out as much information as you have available or is applicable.

Proposed artist name(s)	Buttura and Girardi Granite Artisans. The artist to be commissioned to sculpt the monument is Giuliano Cecchinelli.
Proposed artwork Title	
Year of creation	2025
Proposed artwork medium(s)	Barre granite
Proposed artwork dimensions	Dimensions as proposed would be roughly 10 feet tall x 8 feet wide and roughly 14 inches deep
Current artwork Condition	In concept
Current artwork owner	
A conservation plan is required for all PPAC artwork. Please provide a plan based on the needs of the artwork. <i>Artworks accepted into the Portland Public Art Collection must have a 20 - year lifespan at minimum.</i>	Granite is the hardest stone other than diamond, and will essentially last forever. It is suggested to let the granite naturally age and develop it's patina. In the event that the monument would need a professional cleaning, ie graffiti or vandalism, the current cost is approximately \$600.

Why do you wish to add this artwork to the Portland Public Art Collection?

Our hope is to memorialize an almost lost neighborhood and the people who settled there. This monument would pay tribute to a moment in our history, and the Italian immigrants who came to Portland at the turn of the 19th century to escape poverty and political unrest. They became an essential part of a workforce necessary for the continuing development of the City of Portland. We feel this long overdue recognition of our ancestors will remind generations to come of their contributions that touched almost every aspect of the growing city. They worked the waterfront, the factories, helped build the railroad, modernized our city, laying water and sewer lines, they were experienced stone cutters and brick layers, and their artisanship can be seen all around our city. They opened a bank, built a church, and changed the way Portland throughout about food forever! Their construction companies, restaurants, tailor shops, barber shops and countless other businesses helped our city grow then and today many still thriving as a testament to their indelible mark on our community.

Anything else we should know?

We are trying to proceed with this application to coincide with a very important milestone in our community. 2025 will mark the 100th anniversary of the renowned St. Peter's Church Italian Bazaar. It would be wonderful to help mark that occasion with the City Council's approval of a monument dedicated to the people that started this tradition 100 years ago. We are also very fortunate to be able to engage Mr. Checcinelli as our sculptor. If you will see information provided, Mr. Cecchinelli is the last living Italian immigrant sculptor, he is currently in his 80s and still working with the aid of his son (the 21st generation of Cecchinelli sculptors). .

Section D - Artist commission

Please fill out as much information as you have available or is applicable.

Summary of Commission process to date:

We have commissioned a designer from Texas, Tony Watson, to put our concept on paper in a format that the granite works will need to proceed. That design concept will generate an estimate, and once we have approval and necessary dollars we can move forward and officially commission the monument.

Proposed project budget & funding sources:

We are waiting for our quote from Buttura and Girardi, but have estimated in the vicinity of \$150,000. A fundraising committee will be tasked with raising the money from businesses and individuals.

Appendix: Suggestions & Resources

It is suggested that you complete this document to the best of your ability before approaching the Portland Public Art Committee. We will be better able to assess your inquiry with all the information that is requested above.

If you are an organization that does not yet have an:

- Artist
- Object
- Site
- Fundraising plan

The PPAC has compiled the below list of resources available

Artists

The PPAC does not make specific artist recommendations due to concerns about conflicts of interest. We therefore direct you to the following organizations and resources that might be able to assist you in connecting with an artist who is an ideal match for your project:

Local Organizations

- Creative Portland
As the City of Portland's official arts agency, Creative Portland's mission is to elevate the artists, makers, and cultural institutions that make our city by the sea one of a kind.

84 Free Street
Portland, ME 04101
<https://www.creativeportland.com/artists>
Tel: 207-370-4784

- [Maine Arts Commission Artists & Organizations Directory](#)
The Maine Arts Commission fosters and encourages public interest and participation in the cultural heritage and artistic expression in our state. The Commission pursues its mission through partnerships and collaborations, initiatives, advocacy, and grants for organizations, individual artists, communities, and schools throughout Maine.

193 State Street
25 State House Station
Augusta, Maine 04333-0025

Phone: 207/287-2724

National / Other resources

PAX - Public Art Exchange

https://www.publicartexchange.org/share/Tt_22UOsjKejq9kt?utm_source=manual

Public Art Exchange is an open and transparent network for artists, administrators, and others interested or involved in the public art field. They promote inclusivity and connectivity in the field through resources, events, and discussion forums.

Objects

If you are working with an artist, we recommend you keep the materials guidelines outlined in the Review Process in mind, as well as the guidelines for the longevity of artwork accepted into our collection.

The PPAC cannot advise on material procurement or selection. It is recommended you work closely with your artist for this aspect of the project.

Site

The PPAC can advise on a location for artwork. We prioritize neighborhoods that have little public art in order to create a more democratic distribution of our collection.

Fundraising

The PPAC occasionally sits on fundraising groups for particular artworks with the goal of communicating developments and progress back to our committee. Beyond this capacity, the PPAC does not directly assist with fundraising needs due to the volume of inquiries we receive.

If your organization is new to fundraising, we recommend you look at grants available from:

[Creative Portland's list of grants](#)

[The Maine Arts Commission](#)

[New England Foundation for the Arts](#)

NEFA invests in artists and communities and fosters equitable access to the arts, enriching the

cultural landscape in New England and the nation.

321 Harrison Ave, Suite 420

Boston, MA 02118

617-951-0010

info@nefa.org

Guidelines

Portland public art program website - <https://www.portlandmaine.gov/470/Public-Art-Program>

Public Art guidelines -

<https://content.civicplus.com/api/assets/c5dea3a8-41e6-4d73-b9fe-2335aa7aec6c>

Temporary Art guidelines -

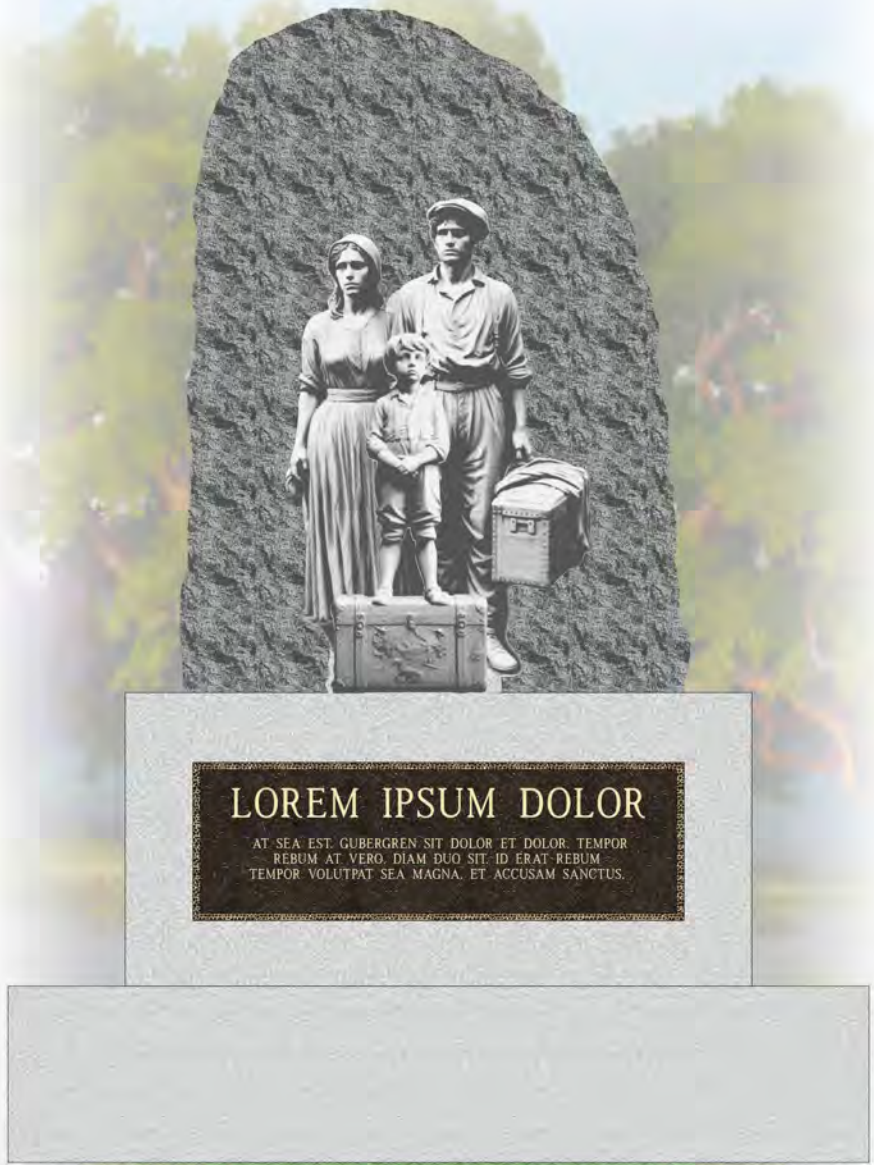
<https://content.civicplus.com/api/assets/2f88e738-53b6-461f-b645-e58e5b7bb31b>

Portland public art collection website - <https://www.publicartportland.org/>

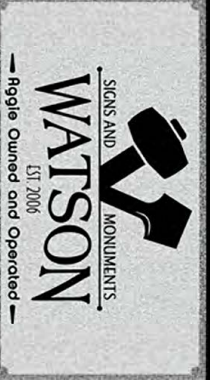


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DATE



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X

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DATE



Artist information

Giuliano Cecchinelli is 79 years old, has a gray beard, a brown plaid shirt and a floppy beret, and is a classically trained sculptor. He's been carving stone since he was a boy in Italy.

"I know more than even the cemetery knows," he says as he walks through Hope Cemetery in Barre. "You know, the family, the workers."

He's part of a long legacy of Italian stone carvers in Barre, craftsmen whose skill transformed an industry and made the small central Vermont town the "Granite Capital of the World."

Hope Cemetery was established here at the turn of the 20th century, when the first Italian stone carvers moved to town. Many of them are buried here, under monuments they created.

"Those carvers way back then, they really had it," Giuliano says while pointing at a tombstone. "They knew what the hell they were doing. Look at the ripples, they look much more realistic than the real thing!"

The stone carvers came from northern Italy, where there have been marble quarries for thousands of years. These craftsmen were the best in the world.

And in the late 1800s, some of them moved to southern Vermont, to work in the burgeoning marble industry in Proctor.

Then granite began to be quarried in Barre, and some of those sculptors moved again. The industry took off, and stonecutters, sculptors, and quarrymen flocked to Barre from all over Europe.

A hundred years ago, immigrants made up almost half of Barre's population, and the majority of them were from Italy.

In Hope Cemetery, I ask Giuliano if there are any old tombstones he's partial to.

"Oh sure," he says, "a lot of them. Matter of fact [if] we walk there, we'll see one of the most famous ones, you know, Elia Corti, the guy who got shot at the Labor Hall."



Anna Van Dine / Vermont Public

Giuliano points out a detailed carving on a tombstone. He says that long ago, carvers were so skilled that they specialized; one man did the flowers, another the lettering.

Listen to oral histories of Barre from the Aldrich Public Library.



Anna Van Dine / Vermont Public

Silicosis is caused by particles of stone dust that become lodged in the lungs. Before workplaces were properly ventilated, silicosis plagued Barre's stone carvers. This monument marks the grave of Louis Brusa, a master stone carver.

The Italian stone workers who came to Barre more than a century ago brought their families, their values, and their way of life. They built a neighborhood in the north end of town, made wine during Prohibition, established a mutual aid society and built the Socialist Labor Party Hall.

In 1903, a man named Elia Corti was shot there. Now he sits in Hope Cemetery on a block of granite, chin in his hand, with the tools of his trade nearby.

Giuliano points them out. "He was a sculptor," he says. "Look at the pneumatic tool... a compass. That's a caliper."

In the early 20th century, Barre was a booming industry town. Thousands of workers spent their days making monuments. The railroad chugged into town to take them around the country. And

stone dust filled the air: Back then, many of the sculptors developed silicosis, a disease caused by the particles that gathered in their lungs.



Anna Van Dine / Vermont Public

Elia Corti was a stone carver who died in a dispute between anarchists and socialists at the Barre Labor Hall in 1903. He's surrounded by the tools of his trade, and the broken column under his elbow represents a life cut short.

Giuliano points to another sculpture — it shows a man slumped back, with his eyes closed. A woman stands next to him, her hand on his chest.

"There's the Brusa monument," he says. "The guy is dying of silica."

But all this happened a long time ago. Barre is no longer the bustling industry town it once was. The granite industry has modernized and consolidated. The flood of immigrants turned into a trickle, and eventually stopped. The Italian sculptors have died, or retired, or moved away. And Giuliano is the only one left.

Descended from 20 generations of stone carvers

Giuliano lives in a brown house north of Barre. Art covers the walls and statues line the shelves. The coffee table in his living room is covered with bouquets of dried flowers.

We sit down in the kitchen, and he shows me his hands.

"See, they're all deformed, see each finger, they're all different, there are calluses all over," he says. "But I mean what do you expect, you know?"

These hands have been carving stone for almost 70 years.

He started as a boy in Carrara, Italy, a city on the Tuscan coast famous for its marble. Michelangelo himself used to source stone there. There are open quarries in the mountains there that make them look like they're covered with snow.

"Whenever I go back, what I miss is — you ride in the car, and you see these great huge mountains, marble all over. You feel so overwhelmed, 'cause no matter where you go, you see it," he says.

Many of the craftsmen who came to Barre around the turn of the century were from Carrara. The town is renowned for its stone carvers. Giuliano's father worked in marble, and his grandfather before that.



Anna Van Dine / Vermont Public

The walls of Giuliano's house in Barre are covered with art, and there are small statues all over the place. The dining room table is covered with flowers,

"We go about 20 generations back or more," Giuliano says.

which Giuliano brings back from his walks. They remind him of his wife, who loved wildflowers.

At age 11, Giuliano went to art school. For his first assignment in sculpture, he was told to make a cube.

"They give you a rough piece of stone, so naturally you get two straight edges, and then you make a parallel," he says. "Then once you got one plane, you take a measurement, and you mark it, then you make a square. Make your surface, and then you understand the planes."

He says he had a natural ability to see these planes, the invisible grid that governs the laws of perspective, proportion, light and shadow.

"In art school, I had a professor and he said, 'I wish I had your eyes,'" Giuliano says.

Over the next few years, he learned the fundamentals of religious sculpture and the essentials of portraiture — the anatomy of a hand, the taper of a perfect column.

In 1959, when Giuliano was a teenager, his father was offered a job at the Vermont Marble Company. He took it, and two years later, Giuliano and his mother joined him. Just like the first Italian stone carvers almost 100 years before, they made the move from northern Italy to southern Vermont.

"I had no say, let's put it this way, to come here," Giuliano says. "I just followed my family because I was underage, I was 17."

He left Carrara behind, and after eight seasick days on a ship called the Christopher Columbus, he found himself in the small Vermont town of Proctor.

He learned English, and spent the next few years going to high school. In the afternoons and over the summers, he worked alongside his dad at the Vermont Marble Company.

Giuliano graduated from Proctor high school in 1964. Next to his photo in the yearbook, he included a quote. It says: "The glory and good of art."



Anna Van Dine / Vermont Public

Giuliano points to a photo of his father, Alberto Cecchinelli.

'A genius, not just a sculptor'

When you walk into the warehouse at Buttura & Gherardi Granite Artisans in Barre, workers transform hunks of granite into headstones. They cut them to size, engrave them, lift them with harnesses and move them from place to place.

Past the production line, under the bright light of a floor lamp, is where you'll find the last Italian stone carver in Barre.

Giuliano is bent over a piece of stone, with a tool in his hand. He wields it like an extension of himself, and a face begins to emerge from the granite: a chin, a nose, two eyes. He's carving a small bust, about 5 inches tall.

He usually works on commission, carving flowers, praying hands, and religious figures for tombstones. Sometimes, like today, he'll come in just to tinker. The stone in front of him is a scrap piece of granite, leftover from a headstone.

"They're making things, but me, I see the lines," he says. "I make it a whole different thing."

After Giuliano graduated from Proctor High School, he worked for a brief time at the Vermont Marble Company. But he says they asked him to do things below the skill level he'd shown them, so he quit.

"Me, I said, 'forward yes, but backward never,'" Giuliano says. "So I called a friend of my father that lived in Barre, and I says, 'Can you find a spot for me?' He says, 'Oh yeah, no problem.'"

Giuliano got a job at what was then called Buttura and Sons, and just like Vermont's very first Italian stone carvers in the late 1800s, he and his father made the move from Proctor to Barre and from marble to granite.

When he first arrived here, Giuliano was 22, the youngest Italian stone carver in town.



Anna Van Dine / Vermont Public

A collection of photos from Giuliano's childhood. They show him as a boy in Italy (top right), at art school (center), and on the way to the United States (bottom left).

"All the Italians, we used to gather... We used to go downtown, sit around, and talk," he remembers. "Today, it doesn't work that way, because there isn't that many Italians any longer."

By the time Giuliano moved here in the mid '60s, the Italian population in Barre was on the decline. It's only dwindled further in the years since. And the granite industry has changed.

More from Vermont Public: 'Extremely Busy': Amid The Pandemic, Barre's Granite Industry Booms

Mark Gherardi owns the company where Giuliano works, and bought it in 2000.

"In the '70s, it was probably 35 or so manufacturers in the greater Barre area," he says. "And now there's, you know, about maybe a little more than half of that."

He says manufacturers have gotten bigger, and fulfill more orders. Automation and computers have reduced the amount of labor they need to run. Sculpture isn't as popular as it used to be, and there aren't many people left who know how to do it.

"We can do certain things on automated equipment, but we can't get that human element that a sculptor, a true good sculptor, can get," Gherardi says. "So we understand that we're going to lose an art unless we can find some younger people to come into it."

He doesn't know what he'll do when Giuliano's gone.

In the first few years Mark Gherardi worked with Giuliano, they got a commission for a monument for a young man who'd died. The family wanted a bust, and sent some photos to go by.

"He got done the portrait and we're all looking at it saying, 'Wow, he did a super job.' And we had the people fly in to look at it," Gherardi remembers. "And it was a mother and daughter, and they looked at it, and they were talking, and they're going back and forth, and we're wondering, 'Oh, what's going on here?' And he says, 'Well, do you like it?' And she said, 'It's him. But my son had happy eyes, not sad eyes.'"



Anna Van Dine / Vermont Public

Giuliano was in his early 20s when he graduated from Proctor High School in 1964.

Gherardi says he wasn't sure that fix could be made. But: "Giuliano said, 'Give me 20 minutes.' And we all walked away for 20 minutes. And we came back, and he created happy eyes from sad eyes."

Gherardi adds: "That's when I really knew that this guy was a genius, not just a sculptor."

The last Italian stone carver in Barre

When the landline in Giuliano's kitchen rings, he answers.

"Matter of fact, I'm giving an interview now," he tells the caller. He hangs up, and sits back down at the kitchen table. He resumes flipping through a three-ring binder of photographs and newspaper clippings.

One photo shows Giuliano in the '80s, with long hair and his signature beret, standing next to the model he made for the Italian-American stonecutter monument in downtown Barre.

Another shows him with his interpretation of Mr. Pickwick, the Charles Dickens character, which stands outside the library.

Giuliano's parents moved back to Italy decades ago, but he stayed here in Barre. He fell in love, got married, and had three children. He became well-known in town. His skill gained renown in the granite industry.

He says he sometimes misses the huge, marble-topped mountains of Carrara. And he wonders, sometimes, what he's doing here, and what would have happened if he'd gone somewhere else. But, he stayed.

"I'm a person that takes whatever is in front of you," he says. "It isn't that you dream, or you want to be. You take things as they come along and you try to make the best of it."

Giuliano lives alone in this house, with the art on the walls, the statues on the shelves. His wife, Julia, died in 2015. His children have grown, and his health isn't what it used to be. He could have quit working years ago.

"But what can I say. Carving or sculpting is everything to me," he says. "I don't know — that's it. If something happened [and] they stopped quarrying the granite, I mean what



Anna Van Dine / Vermont Public

Giuliano with a bust he made of former president Lyndon B. Johnson.

would I do?"

And as the decades passed, the youngest Italian stone carver in Barre became the last. There are others with Italian heritage working with granite, but as far as Giuliano knows, he's living in the final sentence of a story that began more than a century ago.

"I don't know how long I'll still be doing it," he says. "As long as I get up in the morning, I go to work."

'I make the best of the happening'

Hope Cemetery is just down the road from Giuliano's house. There are more than 10,000 monuments here, but just like you can identify someone's handwriting, you can tell which sculptures are his.

"I got landscapes, I got portraitures, I got religious figures, I got about everything. It's all the profession that I learned and now I put them to use," he says.

He walks over to a rough-hewn stone, where a young man in an army uniform sits with a cigarette. The figure of a young woman emerges from its smoke. They are carved in perfect detail, from the gaze of their eyes to the folds of their clothes. And

if it weren't for the gray granite color of their skin, you might think they were alive.

Giuliano made this for a stone worker named Giuseppe Donati.

"He came to this country with my father back in 1959," Giuliano says. "But you see how realistic? Just like, I got that certain eye for it, you know."

He walks around, pointing out his other work. A granite biplane; a young woman in the arms of an angel; a giant pair of hands holding a bouquet of flowers.

He walks over to a stone that shows a man and a woman in long coats, standing pressed together. His arm is around her, and she's leaning into him. It's made from a piece of granite that was cut wrong, and would have been discarded.



Anna Van Dine / Vermont Public

Giuliano was inspired to carve Mr. Pickwick while reading "The Pickwick Papers" in high school. The final sculpture stands outside the public library in downtown Barre.

"I believe this is the best tombstone that there is in the whole damn cemetery," he says. "Because it's an original thing. It's a happening. And I make the best of the happening."

He points out his own tombstone, which he made a few years ago. It's unlike any of the others in Hope Cemetery. It's rough-hewn, and shows his wife, Julia, as a little girl, seated barefoot next to Giuliano as a young man, who's dragging a bundle of sticks.

"It's my life, and her life also," he says. "Matter of fact, I got her ashes in the living room, that's why I've got flowers all over the house."



Anna Van Dine / Vermont Public

Giuseppe Donati came to Vermont with Giuliano's father to work at the Vermont Marble Company. Giuliano carved this stone for him, based on an image he saw on a postcard.



Anna Van Dine / Vermont Public

Giuliano's own tombstone is prominently displayed in Hope Cemetery. He says it tells the story of his life.

"Do you believe in God?" I ask him, this man who's spent his life carving cemetery monuments.

"To tell you the truth, no," he says. "I'm God. You're God. Everybody's God. Try to explain who's God. God. Piece of grass is God. A bush. A flower. It's all created by nature, and nature is God."

More from Vermont Public: 'I Don't Believe In An Afterlife': Why This TikTok-Famous Vermonter Cleans Graves

Giuliano hates it when people wash the tombstones here. He prefers the dirt and lichen that slowly come to cover them, and give depth to the carvings. If it's left untouched, his own stone will darken with age and exposure. Maybe 100 years from now, a tour guide will point to it and say, "That was the last Italian stone carver in Barre."

But as far as Giuliano's concerned, he doesn't want to be remembered for anything. Like all the others before him, he's left his mark.

"It's all a story, just like what you're doing, you're making a story of me!" he says. "It's a story, that's all." ■



1 Giuliano was inspired to carve Mr. Pickwick while reading "The Pickwick Papers" in high school. The final sculpture stands outside the public library in downtown Barre

Previous Municipal Work Example



Work by Giuliano Cecchinelli. Hope Cemetery, Barre, Vermont.

Inspiration for Italian Heritage Sculpture



Work by Giuliano Cecchinelli. Hope Cemetery, Barre, Vermont.

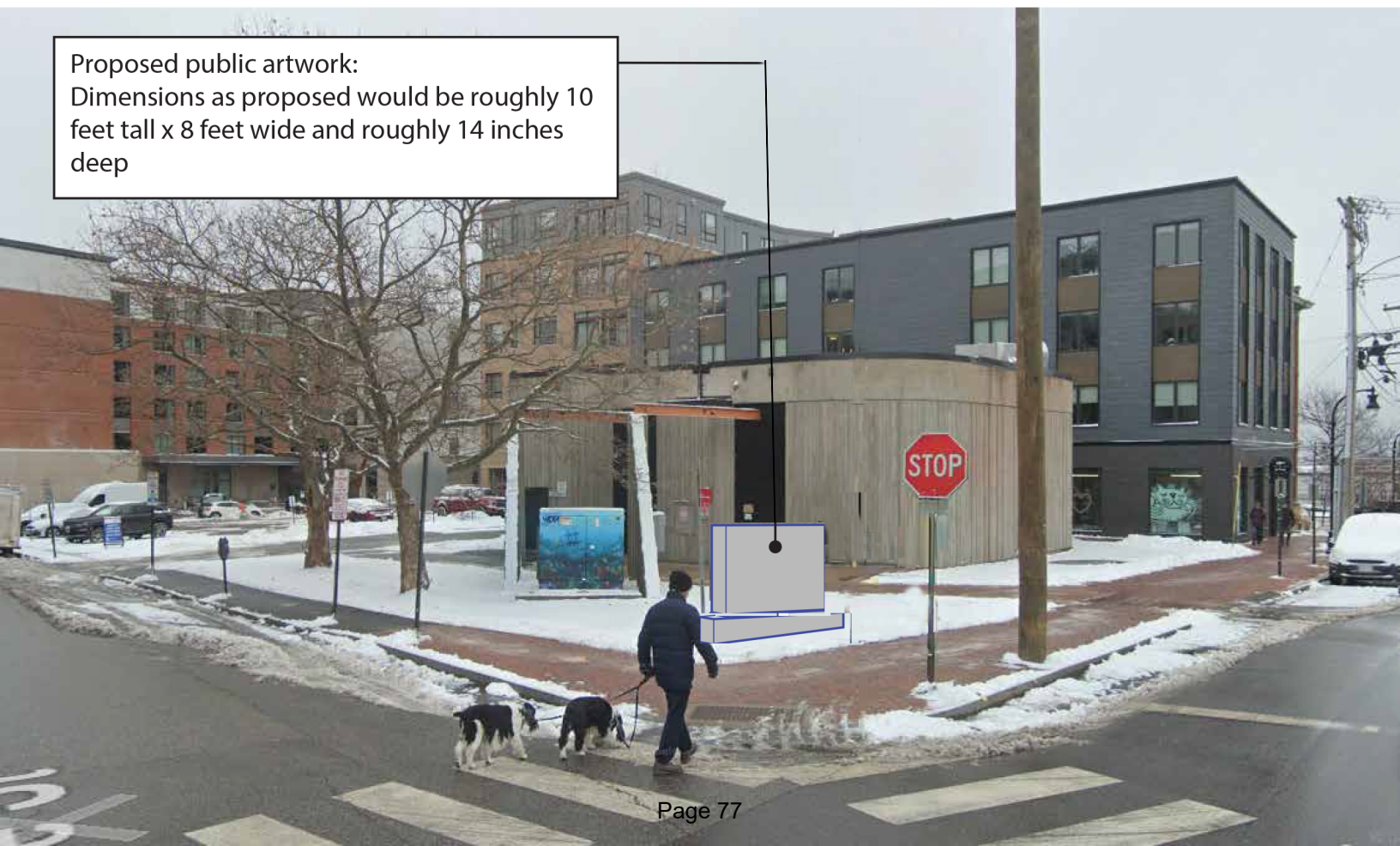


Work by Giuliano Cecchinelli. Hope Cemetery, Barre, Vermont.

Inspiration for Italian Heritage Sculpture



Proposed site location:
Adjacent to right-of-way



Proposed public artwork:
Dimensions as proposed would be roughly 10
feet tall x 8 feet wide and roughly 14 inches
deep

PUBLIC ART INSTALLATION EASEMENT AND MAINTENANCE AGREEMENT

THIS PUBLIC ART INSTALLATION EASEMENT AND MAINTENANCE AGREEMENT (this “Agreement”) is made this _____ day of _____ 2025, by and between **Portland Water District** a quasi-municipal corporation organized and existing under the laws of the State of Maine with a mailing address of 225 Douglas Street, Portland, Maine 04102 (“Grantor”) and the **City of Portland**, a Maine municipal corporation with a place of business in Portland, Maine and a mailing address of 389 Congress Street, Portland, Maine 04101 (the “City” or “Grantee”) hereinafter, collectively, the “Parties”).

RECITALS

WHEREAS, on April 30, 2025, the Portland Public Art Committee reviewed and voted 9-0 to recommend to the City Council to accept a proposed gift from donors Judith Kendrick and Jim DiBiase (“Donors”) of a barre granite monument approximately 10 feet tall, 8 feet wide and 14 inches deep to be curated by Giuliano Cecchinelli of Buttura and Girardi Granite Artisans and (hereinafter “Artwork”) and to add the Artwork into the City’s Public Art Collection;

WHEREAS, on July 14, 2025 the City Council voted to accept the donation of the Artwork;

WHEREAS, pursuant to a certain deed dated June 7, 1976 and recorded in the Cumberland County Registry of Deeds in Book 3870, Page 101, the Grantor is the owner of certain real property situated in Portland, Cumberland County, Maine, and located on the northeasterly side of India (the “Property”), said real property being more particularly described in said deed; and

WHEREAS, Pursuant to Section 20.3.C of the City of Portland’s Land Use Code, the public art collection shall include art objects that are owned by the City and are permanently installed in public, accessible locations with public visibility; and

WHEREAS, the City desires to install, maintain, and exhibit the Artwork as a public art display on a specific portion of the Property for the benefit and enjoyment of the public; and

WHEREAS, Grantor is willing to grant an easement to the Grantee for the aforementioned purpose, subject to the terms and conditions set forth herein.

NOW THEREFORE, for good and valuation consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. **Grant of Easement.** The Grantor hereby gives, grants, bargains, and conveys unto the City, its successors and assigns, in perpetuity, a nonexclusive easement, for the purposes of installing, maintaining, replacing and exhibiting the Artwork as a public art display, and an easement for members of the public to view the Artwork, in, over and across a certain portion of the Property generally shown on the Site Plan sketch attached hereto as Exhibit A, and more particularly depicted in Exhibit B, attached hereto (the “Easement Area”). The

Easement Area shall be twelve (12) feet wide and eight (8) feet deep, centered on the Artwork. The Artwork shall be placed no closer than ten (10) feet from the northwesterly sideline of the Property's driveway on India Street, and no more than eight (8) feet onto the Property, from the easterly edge of the India Street sidewalk.

2. **Description of Artwork.** A monument approximately 10 feet tall, 8 feet wide and 14 inches deep sculpted with barre granite to be curated by Giuliano Cecchinelli of Buttura and Girardi Granite Artisans as more particularly depicted in Exhibit C attached hereto.
3. **Installation.** The City shall furnish the Grantor with no less than 14 days' prior notice of the intended Artwork installation date. Upon such notice, the Grantor shall permit the installation contractor designated by the City to access the Property and Easement Area for the purpose of the Artwork installation. If the Grantor is unable to accommodate the date proposed by the City, the parties shall endeavor to find a reasonable alternate date close to the original timing. The Donors shall be responsible for all costs and expenses associated with the transportation and installation of the Artwork within the Easement Area. The City shall be responsible for all policy and procedures associated within the public right-of-way and coordinate with Grantor during installation.
4. **Maintenance Repair of Easement Area.** The City, at its sole cost and expense, shall be solely responsible for ongoing maintenance, repair, and conservation of the Artwork, including but not limited to cleaning and any necessary restoration. The City, its agents, contractors, and invitees, shall have the right to enter and exit the Easement Area during normal business hours, and at other times with prior reasonable notice to Grantor (except in cases of emergency, where no prior notice may be required), for the purpose of exercising its rights to repair and maintain the Artwork, including but not limited to the installation, inspection, maintenance, repair, or removal of the Artwork.
5. **Maintenance of Property Adjacent to Artwork:** Grantor shall be responsible for the general maintenance of the Property surrounding the Easement Area, ensuring that the area immediately adjacent to the Artwork is kept clean and free from debris that could impede viewing or maintenance of the Artwork.
6. **No Alteration of Artwork:** Grantor shall not alter, deface, remove, or obstruct the Artwork under any circumstances. In the event that Grantor must temporarily use the Easement Area for its operations, including but not limited to repair or maintenance of infrastructure, the Grantor shall provide the Grantee 60 days' notice and Grantee shall move the Artwork at its expense to accommodate the work unless it is an emergency. In the event of an emergency, Grantor may move the Artwork at its expense in order to accommodate the need for emergency access. The Grantor will make a good faith effort to allow the Artwork to remain on the Property while work under this provision is ongoing. The City may reinstall the Artwork in the Easement Area when work required under this provision is complete.
7. **Restoration:** Upon removal of the Artwork by Grantee, the City shall restore the Easement Area to its prior condition, normal wear and tear excepted, within a reasonable timeframe.

8. **Quiet Enjoyment:** Grantor shall permit the City its agents, contractors, and invitees and members of the public to exercise its rights under this Easement without unreasonable interference.
9. **Property Use:** Grantor reserves the right to use and enjoy the Property, including the Easement Area, for any purpose that does not unreasonably interfere with Grantee's rights under this Easement.
10. **Ownership of the Artwork.** The Artwork is owned by the City and shall continue be part of the City's public art collection for the duration and following termination of this Agreement. This Easement only includes the right to display and maintain and for the public to view the Artwork on the Property as described herein and shall not be deemed to include any ownership interest in the Artwork to the Grantor.
11. **Insurance.** Prior to the execution of this Easement, Grantee will procure and maintain: Occurrence-based General Liability Insurance coverage in amounts of not less than Four Hundred Thousand Dollars (\$400,000.00) per occurrence for bodily injury, death and property damage; The General Liability Insurance name the Grantor as an additional insured or member on its general liability coverage for coverage for claims for which the Grantor does not have governmental immunity, including, without limitation, those areas where government immunity has been expressly waived as set forth in 14 M.R.S. A. § 8104-A, as limited by § 8104-B, and § 8111. This provision shall not be deemed a waiver of any defenses, immunities or limitations of liability or damages available to the Grantor under the Maine Tort Claims Act, other Maine statutory law, judicial precedent, common law, or any other defenses, immunities or limitations of liability available to the Grantor. Policies required herein shall be primary and noncontributory. Prior to execution of this Agreement, Grantee shall furnish the Grantor and thereafter maintain certificates evidencing all such coverages, which certificates shall guarantee thirty (30) days' notice to the Grantor of termination of insurance from the insurance provider or agent. The Grantor's acceptance or lack of acceptance of Grantee's Certificate of Insurance or other evidence of insurance shall not be construed as a waiver of the Grantee's obligation to obtain and maintain such insurance as required by this Agreement. The above insurance requirements shall also be required of the contractor that installs the Artwork.
12. **Indemnification.** To the fullest extent permitted by law, City shall defend, indemnify and hold harmless the Grantor, its officers, agents and employees, at all times from any claims, liability, losses, costs, expenses (including, without limitation, reasonable attorney's fees) fines, damages or judgments, just or unjust, that arise out of or are caused by any act or omission of Grantor, its partners or members, agents, invitees, contractors, subcontractors, or employees, which claims arise out of or result from the activities hereunder, said claims to include, without being limited to, claims for personal injury, death, or property damage, including injury or damage to Grantor employees or property; and claims based upon violation of any environmental law or regulation governing hazardous substances to the extent caused by the negligence of the Grantor, its officers, agents and employees. Such obligation of indemnification shall not be construed to

negate or abridge any other obligation of indemnification running to the Grantor that otherwise exists. City's obligations under this paragraph shall survive termination of this Agreement.

Notwithstanding the foregoing, City's obligation of indemnification hereunder shall be subject to the defenses, immunities, and limitations of liability under the Maine Tort Claims Act, 14 M.R.S.A. Sec. 8101 et. seq., other applicable state or federal law, judicial precedent, common law, or any other defenses, immunities or limitations of liability available to the City. Nothing herein is intended, nor shall it be deemed, to modify, waive or amend any immunity or limitation of liability available to Grantor and City under the Maine Tort Claims Act, 14 M.R.S.A. Sec. 8101 et. seq., other applicable state or federal law, judicial precedent, common law, or any other defenses, immunities or limitations of liability available to the Grantor or City.

13. Termination.

- a. By the City (without Cause):** The City may terminate this Easement at any time upon 30 days' written notice to Grantor. Upon such termination, Grantee shall remove the Artwork and restore the Easement Area as provided in Section 7 of this Agreement.
- b. By Grantor (for Cause):** Grantor may terminate this Easement upon 90 days' written notice to the City if the City is in material breach of any of its obligations hereunder and fails to cure such breach within the notice period. Upon such termination, the City shall remove the Artwork and restore the Easement Area as provided in Section 7 of this Agreement.
- c. By City (for Cause):** The City may terminate this Easement upon 90 days' written notice to Grantor if Grantor is in material breach of any of its obligations hereunder and fails to cure such breach within the notice period. Upon such termination, the City shall remove the Artwork and restore the Easement Area as provided in Section 7, and the City may pursue other available remedies.

14. Binding. This Agreement shall be binding upon the Grantor and the City and their respective successors, tenants and assigns.

15. Recording. The City shall record this Agreement in the Cumberland County Registry of Deeds at its sole costs and expense.

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

17. Entire Agreement This Agreement constitutes the entire agreement between the Parties with respect to the subject matter hereof and supersedes all prior discussions, negotiations, and agreements, whether oral or written.

18. **Amendment.** This Agreement may not be amended, modified, or terminated except by a written instrument executed by authorized representatives of both Parties.
19. **Notices.** Any notice required or permitted under this Agreement shall be in writing and sent to the addresses first set forth above, or to such other address as a Party may designate by written notice to the other Party. Notices shall be deemed given upon personal delivery, recognized overnight courier service, or three (3) business days after deposit in the U.S. Mail, certified or registered, return receipt requested.
20. **Severability.** If any term or provision of this Agreement is held to be invalid, illegal, or unenforceable, the remaining provisions shall remain in full force and effect.

IN WITNESS WHEREOF, the Grantor, **Portland Water District**, has caused this easement to be executed by _____, its duly authorized General Manager on this ____ day of _____, 2025.

WITNESS

Portland Water District

By: Scott Firmin

Its: General Manager

State of Maine
County of Cumberland, ss.

_____, 2025

PERSONALLY APPEARED before me the above-named Scott Firmin in their capacity as General Manager for **Portland Water District** and acknowledged the foregoing instrument to be his free act and deed in his said capacity and the free act and deed of **Portland Water District**.

Before me,

Name:

Notary Public / Attorney at Law

Notary Commission Expires:

WITNESS

City of Portland

By: Danielle P. West
Its: City Manager

State of Maine
County of Cumberland, ss.

_____ - 2025

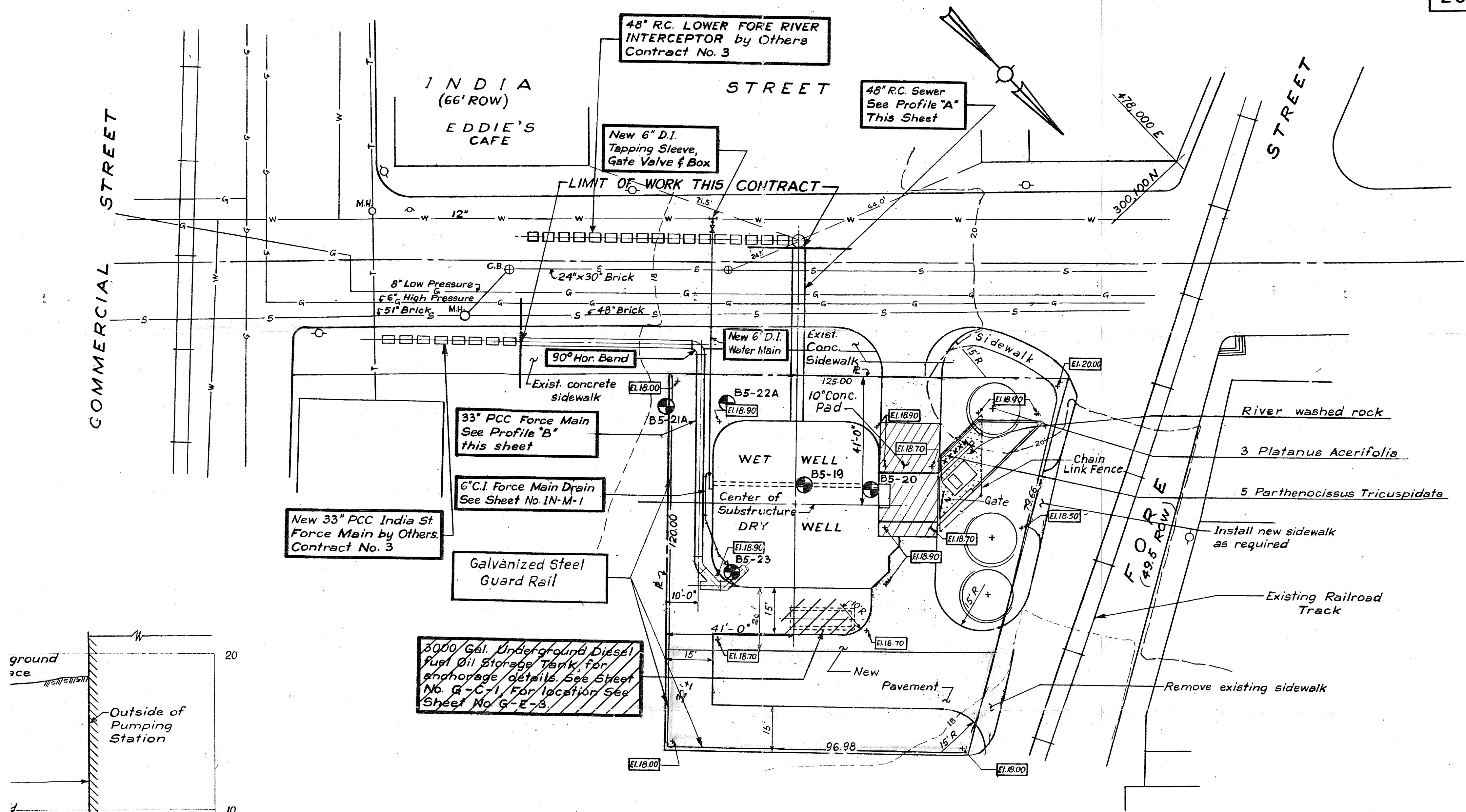
PERSONALLY APPEARED before me the above-named Danielle P. West in her capacity as City Manager for **City of Portland** and acknowledged the foregoing instrument to be her free act and deed in her said capacity and the free act and deed of **City of Portland**.

Before me,

Name:
Notary Public / Attorney at Law
Notary Commission Expires:

Exhibit A

DRAFT



SITE PLAN
Scale: 1" = 20'

ENTIRE PWD PARCEL
PORTION PROPOSED TO BE
SOLD

PLANT SCHEDULE

SYMBOL	QUANT	BOTANICAL NAME	COMMON NAME	SIZE	REMARKS
	3	Platanus Acerifolia	London Plane Tree	20' Ht.	Branch above 13' ht. B & B
xxxxx	5	Parthenocissus Tricuspidata	Boston Ivy	3" Pots	

Exhibit B

DRAFT



Proposed site location:
Adjacent to right-of-way



Proposed public artwork:
Dimensions as proposed would be roughly 10
feet tall x 8 feet wide and roughly 14 inches
deep

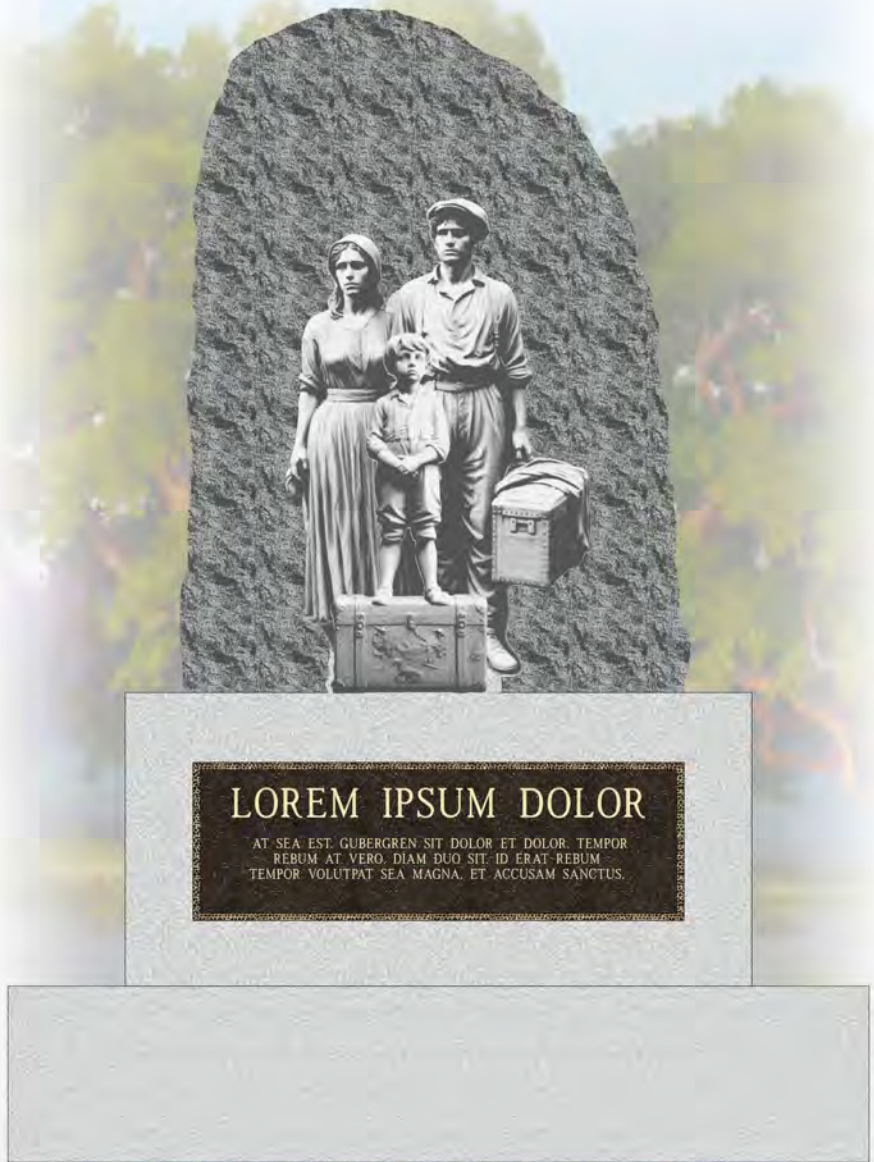
Exhibit C

DRAFT



Watson Signs & Monuments

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I, the undersigned, acknowledge that I have reviewed and approved the design, lettering, and layout for accuracy, including spelling, dates, and burial direction. By signing this document, I accept full responsibility for any errors, including misspellings, incorrect dates, or layout issues. I further agree that no additional changes will be made to the design after signing unless expressly agreed upon in writing. I understand and accept that the final product is a natural and handcrafted item, which may include variations within the tolerances of the stone material. I also acknowledge that the image provided is a digital representation of the selected color and may not precisely match the final product.

X

DATE

Watson Signs & Monuments

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www.watsonmonumentco.com



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X

Page 90

DATE



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IMPORTANT!!!!: DELIVERY TIMES ON ALL CUSTOM SHAPE STONES CAN NOT BE ESTIMATED UNTIL SIGNED APPROVAL IS RECEIVED.

LOREM IPSUM DOLOR

AD SEA EST GERBUREM ET DOLOR ET DOLOR. TEMPOR
PULUM AT VERA DUM DOLOR ET ERAT REDEM
TEMPOR VOLUTATE SEA MAGNA. ET ACCUSAM SANCTUS

I, the undersigned, acknowledge that I have reviewed and approved the design, lettering, and layout for accuracy, including spelling, dates, and burial direction. By signing this document, I accept full responsibility for any errors, including misspellings, incorrect dates, or layout issues. I further agree that no additional changes will be made to the design after signing unless expressly agreed upon in writing. I understand and accept that the final product is a natural and handcrafted item, which may include variations within the tolerances of the stone material. I also acknowledge that the image provided is a digital representation of the selected color and may not precisely match the final product.

X

Page 91

DATE



MEMORANDUM
City Council Agenda Item

FROM: Jeremiah Bartlett
DATE: June 27, 2025
SUBJECT: Order 220-24/25 Traffic Schedule Amendment RE: Parking Reassignments on Pearl Street and Cotton Street - Sponsored by Danielle P. West, City Manager
SPONSOR: Danielle P. West, City Manager
(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 5/19/2025

Final Action 7/14/2025

Can action be taken at a later date: Yes

Does this item involve a new contract with the City: No

PRESENTATION: Public Works Director Mike Murray will be available for questions.

I. SUMMARY

City Council is being asked to amend the parking schedule on Pearl Street between Kennebec Street and Oxford Street from no parking to two-hour parking, and on on Cotton Street North of Fore Street from no parking to a combination of two-hour and commercial loading zone parking spots.

II. AGENDA DESCRIPTION

The City Council is being asked to approve a reassignment of the no parking zones along two street segments. The first is to add six parking spaces signed for 2-hour parking from 9AM to 5PM along the west side length of Pearl Street between Lancaster Street and Kennebec Street. The second is to add parking along the west side of Cotton Street including a 30-minute Commercial Loading Zone (9AM-6PM) with six spaces, and six spaces signed for 2-hour parking from 9AM to 5PM (Attachment B includes maps for both locations).

City staff's original recommendation for the Pearl Street segment proposed adding 17 parking spaces. However, subsequent consultation with the adjacent property owner (Noyes & Sons) confirmed the need to reduce the additional parking on Pearl Street to accommodate tractor-trailer size and turning movements.

The original recommendations were presented to and unanimously approved by the Sustainability and Transportation Committee on April 9, 2025. Although there is a reduction in the number of parking spaces added to Pearl Street, the general scope of the updated plan is within the parameters of the Committee's action.

This item must be read on two separate days. It received its first reading on May 19 and was postponed on June 2 and June 23. Five affirmative votes are required for passage after public comment.

III. BACKGROUND

Pearl Street is typically 32 feet wide north of Oxford Street, which is sufficient for on-street parking on one side where there are no truck movements. Residents of nearby apartment buildings have requested on-street parking and to provide more parking options for residents and visitors alike. Adding time limited daytime parking will make sure residents and their visitors have better options. Cotton Street is a dead-end road with a turn around at the end. With commercial loading on the east side, there remains adequate space for traffic given the street's low volumes. Adding commercial loading spots near the businesses on the west side will help improve safety as

less people will be crossing the road and get delivery trucks off of Fore Street. The additional stops will be a safer spot for customers too.

IV. INTENDED RESULT AND/OR COUNCIL GOAL ADDRESSED

The intended result of this request for Pearl Street north of Lancaster Street is to allow limited parking during working hours while giving some residents of the adjacent apartment buildings closer parking. The intended result of this request for Cotton Street is to allow safer walking conditions for the businesses as delivery trucks and customers will not have to cross Fore Street to visit.

V. FINANCIAL IMPACT

The financial impact of this parking change is minimal; we anticipate a cost of \$500 for Pearl Street and \$1,000 for Cotton Street, with two signs and four signs respectively, including installation costs and staff time. There is also positive financial impact from this change due to the addition of five time-restricted parking spaces in a heavily trafficked area for Cotton Street.

VI. STAFF ANALYSIS AND BACKGROUND

The Transportation Systems Engineer has suggested the parking schedule changes for these locations in consultation with Parking Division, adjacent property owners, and the S&T Committee. Additional space options will be examined on Lancaster Street and provided as a future Council request.

VII. RECOMMENDATION

The Department of Public Works recommends approving the parking schedule change for these spots

VIII. LIST ATTACHMENTS

1. Attachment A - Orders
2. Attachment B - Location Maps
3. Attachment C - Noyes Moving & Storage Email

Prepared by:

Jeremiah Bartlett

Date: 06/27/2025

MARK DION (MAYOR)
SARAH MICHNIEWICZ (1)
WESLEY PELLETIER (2)
REGINA PHILLIPS (3)
ANNA BULLETT (4)

**CITY OF PORTLAND
IN THE CITY COUNCIL**

KATE SYKES (5)
APRIL D. FOURNIER (A/L)
PIOUS ALI (A/L)
BENJAMIN GRANT (A/L)

**TRAFFIC SCHEDULE AMENDMENT
RE: PEARL STREET**

ORDERED, that the City of Portland's Traffic Schedule be and hereby is amended as follows:

**By Removing under Pearl Street, from a point approximately 11 feet south of
Kennebec Street for a distance of 162 feet:**

➤ **Schedule I - No Parking**

**By Adding under Pearl Street, from a point approximately 11 feet south of
Kennebec Street for a distance of 162 feet:**

South Side – 6 spots:

➤ **Schedule XVIII - 2 Hour Parking**

MARK DION (MAYOR)
SARAH MICHNIEWICZ (1)
WESLEY PELLETIER (2)
REGINA PHILLIPS (3)
ANNA BULLETT (4)

**CITY OF PORTLAND
IN THE CITY COUNCIL**

KATE SYKES (5)
APRIL D. FOURNIER (A/L)
PIOUS ALI (A/L)
BENJAMIN GRANT (A/L)

**TRAFFIC SCHEDULE AMENDMENT
RE: COTTON STREET**

ORDERED, that the City of Portland's Traffic Schedule be and hereby is amended as follows:

By Removing under Cotton Street, from a point approximately 28 feet north of Fore Street for a distance of 281 feet:

➤ **Schedule I** – No Parking

By Adding under Cotton Street, from a point approximately 28 feet north of Fore Street for a distance of 281 feet:

South Side – Southmost 6 spots:

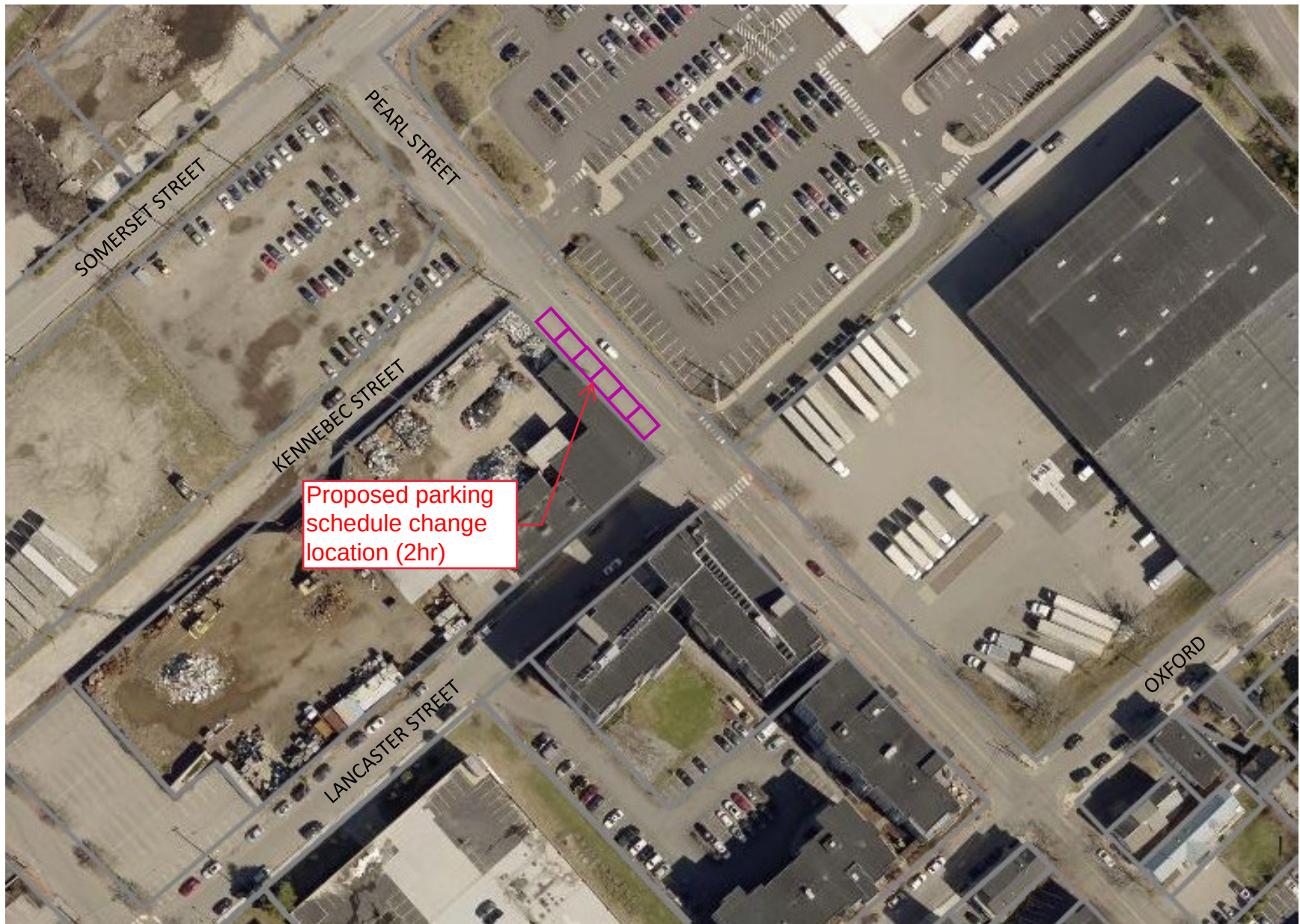
➤ **Schedule XI** – Commercial Loading Zone

South Side – Middle 43 feet:

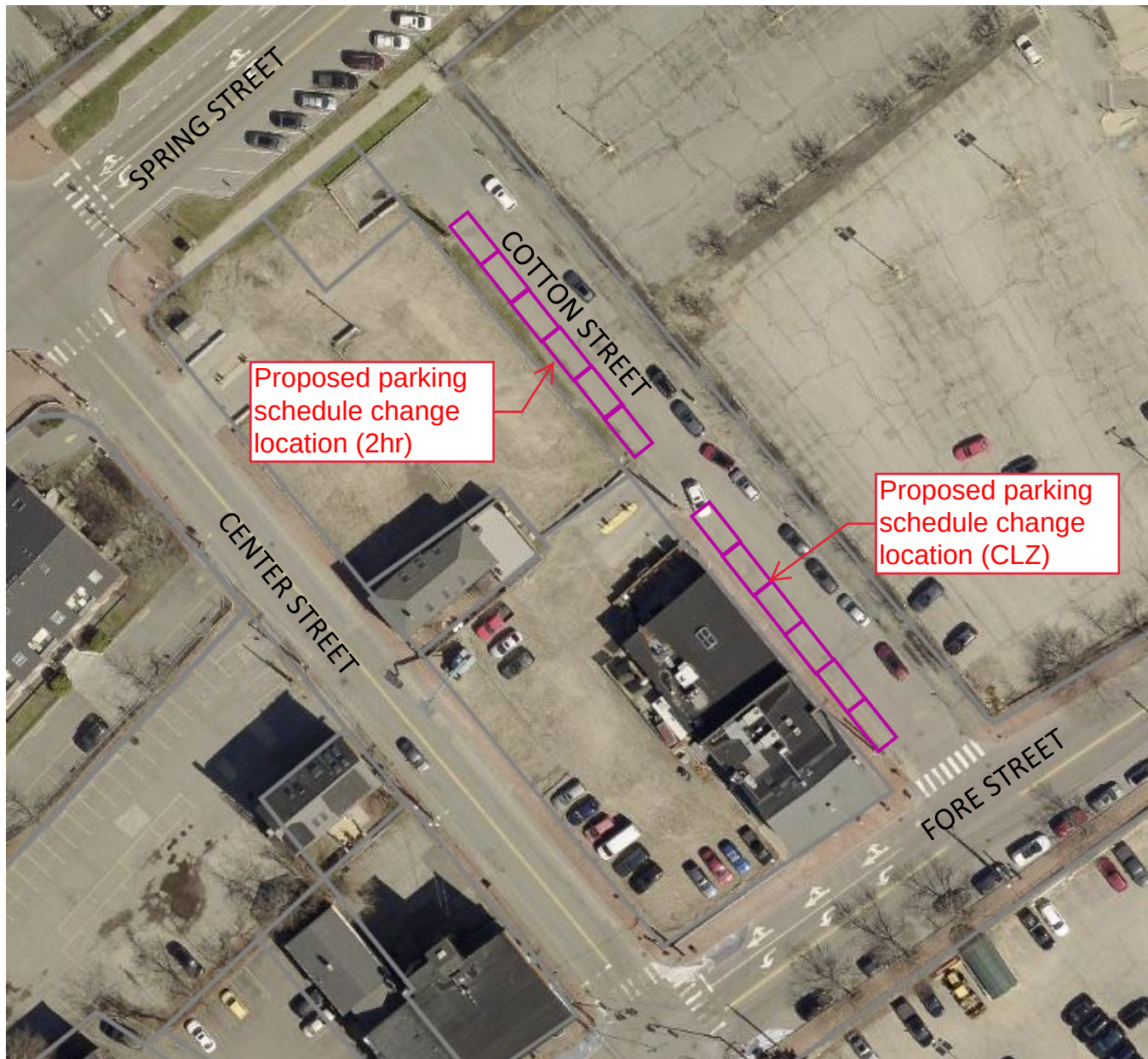
➤ **Schedule I** – No Parking

South Side – Northmost 6 spots:

➤ **Schedule XVIII** – 2 Hour Parking



Location Map: Pearl Street Parking Schedule Change



Location Map: Cotton Street Parking Schedule Change

From: Will Noyes <wnoyes@noyesmoving.com>
Date: June 13, 2025 at 9:31:41 AM EDT
To: Jeremiah Bartlett <jbartlett@portlandmaine.gov>
Subject: RE: Pearl Street Operations Coordination Meeting with Portland DPW

Hi Jeremiah,

That revision looks much better! I don't foresee any issues with the parking shown in this revision.

Thank you and your team for meeting with us yesterday. I appreciate you taking the time to understand the issues the first revision of the proposed parking was going to create. I think the outcome is a much safer and more manageable street.

Should you need anything further from me, please feel free to let me know.

All the best,
Will

William J. Noyes
CEO
Earle W. Noyes & Sons Moving Specialists, Inc.
127 Oxford Street, Portland, ME 04101
(800) 341-7576 x214 - (207) 347-3582
www.noyesmoving.com
www.noyesselfstorage.com

Family owned and operated since 1923
Celebrating over 100 Years of Quality Service

MEMORANDUM
City Council Agenda Item

FROM:

DATE: June 27, 2025

SUBJECT: Order 236-24/25 Accepting and Appropriating a \$20,000 Homeland Security Grant for the Portland Fire Department - 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: Yes

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

I. SUMMARY

II. AGENDA DESCRIPTION

The Portland Fire Department was awarded \$20,000 to support the Hazmat team's efforts to enhance preparedness and Hazmat response capabilities for Homeland Security Incidents in the state. This grant was awarded on September 25, 2024 but has not been brought to the Council for approval. The grant expires on May 31, 2027.

This item must be read on two separate days. It received its first reading on June 23. 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 - Accepting and Appropriating a 20k Homeland Security Grant for PFD
2. Portland Award Agreement

Prepared by:

Date: 06/27/2025

MARK DION (MAYOR)
PIOUS ALI (A/L)
APRIL D. FOURNIER (A/L)
BENJAMIN GRANT (A/L)

CITY OF PORTLAND
IN THE CITY COUNCIL

SARAH MICHNIEWICZ (1)
WESLEY PELLETIER (2)
REGINA L. PHILLIPS (3)
ANNA BULLETT (4)
KATE SYKES (5)

**ORDER ACCEPTING AND APPROPRIATING A \$20,000 HOMELAND SECURITY
GRANT FOR THE PORTLAND FIRE DEPARTMENT**

ORDERED, that a \$20,000 Homeland Security Grant is hereby accepted and that amount appropriated to the Portland Fire Department to support the Hazmat team; and

BE IT FURTHER ORDERED, that the City Council hereby approves the Grant Agreement in substantially the form attached hereto and authorizes the City Manager or designee to execute said Agreement and any other related documents necessary or convenient to carry out the intent of said Agreement and this order.



STATE OF MAINE
JANET T. MILLS
GOVERNOR
BRIGADIER GENERAL
DIANE L. DUNN
COMMISSIONER

STATE OF MAINE
DEPARTMENT OF DEFENSE, VETERANS AND
EMERGENCY MANAGEMENT
MAINE EMERGENCY MANAGEMENT AGENCY
72 STATE HOUSE STATION
AUGUSTA, MAINE 04333-0072
PHONE: 207-624-4400/800-452-8735
FAX: 207-287-3178



PETER J. ROGERS
DIRECTOR

September 25, 2024

Portland Fire,

On behalf of the Department of Homeland Security (DHS), the Federal Emergency Management Agency (FEMA), and the Maine Emergency Management Agency (MEMA), we are pleased to inform you that your application for financial assistance under the Fiscal Year (FY) 2024 Homeland Security Grant Program (HSGP) has been approved for funding in the amount of \$20,000.00.

This grant will specifically support your hazmat team's efforts to enhance preparedness and hazmat response capabilities for homeland security incidents in the State of Maine.

The funding is available for the performance period from September 1, 2024, to May 31, 2027, or until the allocated funds have been fully utilized for eligible expenses, whichever occurs first. This award does not require a matching contribution of non-Federal funds. Please note that no purchases may be made until the signed and fully completed Award Packet has been returned. Additionally, any projects requiring Environmental and Historical Preservation (EHP) reviews must receive approval from FEMA before purchases can commence.

To proceed with the FY2024 HSGP funding, we kindly request that you complete and sign the Award Packet and return it by October 11, 2024.

Congratulations on this funding award. We look forward to working with you to enhance Maine's preparedness and response capabilities.

Sincerely,


Peter J. Rogers (Sent: 9/23/2024 16:31 EDT)

Peter J. Rogers
Director
Maine Emergency Management Agency



MAINE EMERGENCY MANAGEMENT AGENCY HOMELAND SECURITY GRANT PROGRAM SUBRECIPIENT GRANT AWARD

Subrecipient Name: City of Portland

Subrecipient Point of Contact: Devin Mills

Subrecipient Point of Contact Email: dmills@portlandmaine.gov

MEMA HSGP Program Manager: Stephanie Buzzell

MEMA HSGP Program Manager Email: stephanie.buzzell@maine.gov

MEMA Grant Email: HSgrants.Maine@maine.gov

Federal Award Information

Subrecipient Award Information

Federal Awarding Agency:	FEMA	Award Amount:	\$20,000.00
Federal Grant Performance Year:	2024	Vendor Customer #:	VC1000073493
	09/01/2024-		
Federal Grant Award Period:	08/31/2027	Subrecipient Award Period:	09/01/2024-05/31/2027
Federal Grant Identification #:	EMW-2024-SS-05053	Award Liquidation Period End Date:	08/31/2027
CFDA #	97.008	Award Identification #:	20240923000000000810
		Unique Entity Identifier (UEI) #:	LZKCFAJXBAC8

This AWARD is entered into by and between the **STATE OF MAINE (AWARDING AGENCY)**, acting through and by its **MAINE EMERGENCY MANAGEMENT AGENCY** (hereinafter referred to as “MEMA”), an agency of state government with its principal place of business located at 45 Commerce Drive, Suite 2, Augusta, Maine 04333, with a mailing address of 72 State House Station, Augusta, Maine 04333-0072, and City of Portland, a non-federal agency (hereinafter referred to as “Subrecipient”), with its principal place of business and mailing address identified as 380 Congress Street, Portland, ME, 04101-3513.

The following documents are incorporated into the terms of your award:

- ☒ Appendix A – MEMA General Conditions & Subrecipient Risk Assessment Questions
- ☒ Appendix B – The Department of Homeland Security General Terms and Conditions FY24
- ☒ Appendix C – Subrecipient Transparency Act
- ☒ Appendix D – Subrecipient Federal Funding Accountability and Transparency Act (FFATA)
- ☒ Appendix F – FY24 HSGP Approved Project List

MEMA and the Sub-Recipient, in consideration of the mutual promises set forth in this contract, hereby agree as follows:

- 1) **Subrecipient Grant Award:** Upon both parties’ signature, this Award shall become effective as of 09/01/2024, which shall constitute the earliest date work may commence. Work cannot continue after 05/31/2027, listed above as the end of the Subrecipient Award Period without a written a modification approved by both parties.
- 2) **Reimbursement:** MEMA will reimburse up to 100% of the allowable and approved direct expenses within the request for reimbursement, not to exceed the Subrecipient’s award amount for projects preapproved by FEMA. Quarterly requests for reimbursement must be submitted within 30 (thirty) calendar days of the end of the Federal Fiscal quarter. Monthly requests for reimbursement must be submitted within 30 (thirty) calendar days of the following month to be in compliance with federal quarterly reporting.
- 3) **Terms and Conditions:** The Subrecipient agrees to be bound by the Terms and Conditions set forth in this Award and attached Appendices. MEMA, as the pass-through entity, may terminate this Award per the terms of the Federal

Award, and the Federal Requirements per 2 CFR §200.340 (Termination), including any related modifications, which are hereby incorporated by reference.

The Subrecipient agrees when issuing subcontracts, all lower tier subcontracts and agreements, they must contain or reference all applicable provisions of this Award.

4) **DEBARMENT, PERFORMANCE, AND NON-COLLUSION CERTIFICATION:** By signing this AWARD, the Subrecipient certifies to the best of its knowledge and belief that the aforementioned organization, its principals and any subcontractors named in this Award:

- a) Are not presently debarred, suspended, proposed for debarment, or declared ineligible or voluntarily excluded from bidding or working on AWARDS issued by any governmental agency.
 - i) The Sub-recipient further agrees that the Debarment and Suspension Provision shall be included, without modification, in all sub-agreements.
- b) Have not within the preceding three (3) years of this Award been convicted of or had a civil judgment rendered against them for:
 - i) Fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a federal, state or local government transaction or contract;
 - ii) Violating Federal or State antitrust statutes or committing embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property.
 - iii) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or Local) with commission of any of the offenses enumerated in paragraph(b) of this certification; and
 - iv) Have not within a three (3) year period preceding this Award had one or more federal, state, or local government transactions terminated for cause or default.
- c) Have not entered into a prior understanding, agreement, or connection with any corporation, firm, person, or other entity submitting a response for the same materials, supplies, equipment, or services and this proposal is in all respects fair and without collusion or fraud. The above-mentioned entities understand and agree that collusive bidding is a violation of state and federal law and can result in fines, prison sentences, and civil damage awards.

5) **Environmental and Historic Preservation (EHP):** If FEMA Environmental and Historic Preservation (EHP) approval is required, per the MEMA Terms & Conditions, any costs incurred prior to receiving such approval will not be reimbursed.

IN WITNESS, WHEREOF, the individual signing below is legally authorized to sign this Grant Award on behalf of the Subrecipient and to legally bind the Subrecipient to the terms of this Grant Award.

By submitting this form, I certify that the typed name, electronic signature, or digital signature (a) is intended to have the same force as a manual signature (b) is unique to myself, (c) is capable of verification, (d) is under the sole control of myself, (e) is linked to data in such a manner that it is invalidated if the data are changed. (10 M.R.S.A. §9502 et seq.).

MAINE EMERGENCY MANAGEMENT AGENCY

Christopher Goodall
Christopher Goodall (Oct 9, 2024 12:04 EDT)

Chris Goodall

Joe Legee, Deputy Director

10/09/2024

Date

Date



APPENDIX A

MAINE EMERGENCY MANAGEMENT AGENCY (MEMA)

GENERAL TERMS AND CONDITIONS

This document provides a high-level overview of the Federal requirements and MEMA's processes for complying with those requirements. Subrecipients are advised to consult the original Federal documents for guidance.

General Compliance Authority:

All work, to the extent applicable, shall conform to the appropriate, related, current editions of the following publications, including but not limited to:

- Federal laws and Executive orders
- Federal regulations including the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR Part 200)
- Department of Homeland Security (DHS) General Terms and Conditions
- Notices of Funding Opportunities
- Annual MEMA grant application
- National Incident Management System (NIMS) and the Incident Command System (ICS)

Subrecipient Responsibilities:

The Subrecipient responsibilities noted below are not an exhaustive list of all requirements. Subrecipients are directed to refer to source publications for detailed information.

1. Conflict of Interest

Under 2 CFR § 200.318 General procurement standards (c)(1), non-Federal entities other than states must maintain written standards of conduct covering conflicts of interest and governing the actions of their employees engaged in the selection, award, and administration of contracts. No employee, officer, or agent may participate in the selection, award, or administration of a contract supported by a Federal award if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract.

2. Procurement

Subrecipients must use their own documented procurement procedures that reflect applicable State, local, and tribal laws, and regulations. These procurement procedures must conform to the requirements of 2 CFR § 200.318- 200.327.

3. Property Control

The Subrecipient must follow the property and equipment management requirements in 2 CFR Part 200.310 -.313 and must:

- a. Maintain insurance coverage of at least the same as that the coverage maintained on the Subrecipient's own property and equipment,
- b. Keep property and equipment in good repair,
- c. Include property and equipment in the Subrecipient's inventory system. Inventory results must be reported to MEMA within 45 days of the Subrecipient grant award expiration. Subrecipients may be required to complete a Tangible Personal Property Report (SF-428) upon request,
- d. Report theft, destruction, or loss of property and equipment to MEMA and
- e. Inform MEMA (in writing) when the property and equipment is no longer needed for its original purpose.

MEMA maintains the right to inspect property equipment and to request its return at any time.

4. Reporting

The progress report shall be used to keep the MEMA Grant Program Managers informed about program status, issues, and used as a basis for grant reporting. These reports shall be submitted to MEMA regardless of whether payments are due.

- a. **Homeland Security Grant Program (HSGP) & Nonprofit Security Grant Program (NSGP):**
 - i. During the period of performance for this Grant Award, the Subrecipient shall submit to MEMA quarterly performance reports of accomplishments. Reports are due within 20 (twenty) calendar days of the end of each Federal Fiscal quarter.
- b. **Emergency Management Performance Grant (EMPG):**
 - i. During the period of performance for this Grant Award, the Subrecipient shall submit to MEMA quarterly performance reports of accomplishments. Reports are due within 20 (twenty) calendar days of the end of each Federal Fiscal quarter.
 - ii. The Training and Exercise (T&E) spreadsheet must be continually updated per training and exercise policies. Exercise reporting shall follow the Homeland Security Exercise and Evaluation Program (HSEEP) requirements. In addition, Subrecipients must update the T&E spreadsheet quarterly. Quarterly updates are due within 20 (twenty) calendar days of the end of each Federal Fiscal quarter.

Refer to the T&E Policy for National Qualifications System (NQS) for program specific requirements.

- iii. The annual NIMS survey must be submitted to MEMA as part of the Threat and Hazard Identification and Risk Assessment (THIRA) and Stakeholder Preparedness Review (SPR) process. The NIMS Implementation Survey must be submitted to MEMA's NIMS Program Manager by November 30 of each calendar year.

c. **Hazard Mitigation Assistance Grant (HMA):**

- i. During the period of performance for this Grant Award, the Subrecipient shall submit a quarterly performance report of accomplishments to the State Hazard Mitigation Officer. Reports are due within 15 (fifteen) calendar days of the end of each Federal Fiscal Quarter. Failure to submit could result in non-payment of invoice, or a determination for cause of default under 2 CFR 200.305(b).

5. **Written Approval of Changes:**

All requests for an extension of the Period of Performance, additional funds, services, changes in scope of work, or other prior approval items as listed in 2 CFR Part 200.407, must be submitted in writing to the applicable MEMA Grants Program Manager.

MEMA's Grant Award Modification form must be utilized, and it must include a justification of the request. Upon approval of the request, signed by both parties (Subrecipient and MEMA), the Subrecipient is authorized to begin work as of MEMA's signature date. The Subrecipient shall not proceed with the work until a written modification has been executed by MEMA and approved by both parties.

6. **MEMA is Held Harmless:**

The Subrecipient agrees not to bring any claims for damages sought by any party that the Subrecipient contracts with against MEMA and hereby indemnifies and holds MEMA harmless against any claims arising from its failure to coordinate and manage its subcontractors from all claims or liabilities arising from work performed by a Subrecipient. Contracting with other parties does not alter the Subrecipient's obligations under the grant award with MEMA.

7. **Subrecipient Must Maintain Effective Internal Controls:**

The Subrecipient's system of internal controls must provide reasonable assurance of compliance with laws, regulations, and the terms and conditions of this agreement. The system will allow the Subrecipient will take prompt action when instances of noncompliance are identified in audit findings or through other means.

The Subrecipient's accounting records must:

- Identify the receipt and expenditure of funds under each grant,
- Be supported by source documents,
- Support the production of accurate and timely financial reports, and
- Be integrated into a system of internal control.

8. **Determining the Allowability of Costs**

The allowability of costs incurred under any grant shall be determined in accordance with the general principles of allowability and standards for selected cost items as set forth in 2 CFR Part 200, Grant Notice of Funding Opportunity, and other authoritative sources.

a. **Budgeting:**

- i. Funds awarded are to be expended only for purposes budgeted items and activities identified in the Subrecipients approved grant application. Items must be in the Subrecipient's approved grant budget to be eligible for reimbursement.

b. Direct Expenses

- i. Direct expenses such as telephone, tolls, reproduction costs, and travel costs shall be billed at actual costs; mileage and per diem shall be billed in accordance with the guidance set forth below. MEMA does not allow any mark-up on direct expenses. Mileage shall be reimbursed at the current amount allowed by the State of Maine, Title 5, M.R.S.A § 1541, or existing written county or local policy. Per diem rates shall be in accordance with the Federal Government's General Services Administration (GSA) travel rates for calculating maximum per diem for meals and lodging reimbursement. All travel costs must be documented in accordance with federal regulations and must comply with the Subrecipients own travel reimbursement policies, not to exceed federal per diem rates.

c. Meals

- i. If it is the Subrecipient's policy to reimburse its employees utilizing per diem rates, the Subrecipient will not be required to submit receipts when invoicing MEMA at the per diem rate for meals. If it is the Subrecipient's policy to reimburse employees for the actual cost of meals, the Subrecipient will be required to submit receipts and the corresponding section of the county policy, and MEMA will reimburse the Subrecipient for the actual amount up to the GSA per diem rate.

d. Lodging

- i. MEMA reimbursements will not exceed the GSA per diem amount and receipts are always required.

e. Travel

- i. MEMA will reimburse airfare at the economy class rate. Documentation that must accompany the request for reimbursement must include at least three (3) quotes from qualified sources and the final itinerary. Quotes (online or otherwise) must include the date of the quote, name of the airline, rates, and dates of travel.

9. Other Restrictions on Purchases

a. Listed Equipment

If required in the FEMA program guidance, all equipment expenditures must appear on the Department of Homeland Security's Allowable Expenditures List (AEL) for the fiscal year covered by these grant funds.

Grant funds may not be used for the purchase of Prohibited Equipment. Refer to Information Bulletin 407, "Use of Grant Funds for Controlled Equipment" for a complete Prohibited Equipment List. Consult with the MEMA Grants Program Manager for further details.

b. Domestic Preferences for Procurements (2 CFR § 200.322):

As appropriate and to the extent consistent with law, the Subrecipient should, to the greatest extent practicable under a Federal award, provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States

- c. **Build America Buy America (Section 70914 of Public Law No. 117-58 §§ 70901-52)**
On FEMA non-disaster grant programs (including BRIC, FMA, and LPDM) with grant funding for projects or project scoping over \$250,000, the Subrecipient must provide assurance that all iron and steel items and all construction materials used in the project were produced in the United States. Subrecipients must provide a letter of certification from product manufacturers and self-certification letters from contractors and subcontractors to demonstrate compliance with BABAA requirements.
In Interim Policy #207-22-0001, FEMA recommends recipients and Subrecipients document compliance with BABAA by requesting a BABAA certification letter from manufacturers. MEMA requires Subrecipients to implement this recommendation.
- d. **Prohibition on Certain Telecommunications and Video Surveillance Services or Equipment (2 CFR § 200.216):**
Subrecipients must not expend grant funds on equipment, services, or systems provided by listed companies such as Huawei Technologies Company or ZTE Corporation.
- e. **CONOPS**
All requests for approval to purchase communication equipment and mass subscription-based services for alerts and warnings must be approved by the SWICs Office.
- Requests to purchase communication equipment must include supporting documentation, including but not limited to, equipment specification sheets, programming sheets, and an updated County All Hazards Communication Plan. The SWIC reserves the right to request a demonstration of equipment purchased to ensure proficient operation and usage.
- Projects will conform to SafeCom Guidance and must also incorporate reference to Maine's SCIP and CONOPS Plans.
- All public safety radios must be programmed with CONOPS. These channels must be grouped to make interoperability quickly accessed and user friendly. It is recommended to utilize a separate bank of CONOPS 1-7. These channels should be named as CONOPS, instead of generic names i.e. SWCC, State Fire, SPCC etc.
- CONOPS 8 should be labeled with the tower name. If local teams are responding outside their local area, most of the RegionNet channels should be programmed.
- It is highly encouraged that the requesting agency provide guidance on sustaining radio replacement through budgeting.

10. Remedies for Noncompliance.

Per 2 CFR 200.339, this Grant Award may be withheld, suspended, terminated, or fund payments discontinued by MEMA where MEMA determines a Subrecipient has failed to comply with the provisions of the legislation governing these funds or regulations promulgated, including those grant conditions or other obligations established by MEMA. In the event the Subrecipient fails to perform the services described herein and has previously received financial assistance from MEMA, the Subrecipient shall reimburse MEMA the full amount of the payments made. However, if the services

described herein are partially performed, and the Subrecipient has previously received financial assistance, the Subrecipient shall proportionally reimburse MEMA for payments made. MEMA may make specific requests in connection with its Subrecipient monitoring responsibilities. Failure to provide requested information on a timely basis may result in suspension of payments.

a. **Amounts due MEMA**

The Subrecipient shall remit all amounts due to MEMA within the earlier of 30 days of notice by MEMA or when the Subrecipient is first aware of amounts owed to MEMA.

11. Submission of Invoices

Invoices must be generated using MEMA's Reimbursement Request Form (RRF). The Subrecipient must submit invoices by email to the applicable program mailbox:

EMPG: empggrants.maine@maine.gov

HSGP: hsgrants.maine@maine.gov

NSGP: hsgrants.maine@maine.gov

OPSG: osg.maine@maine.gov

SERC: maine.serc@maine.gov

HMA: hmagrants@maine.gov

Invoices must be accompanied by supporting documentation, including but not limited to receipts, timesheets, travel documents, approved EHP (if necessary), and proof of payment.

No payments due to the Subrecipient shall be adjusted for inflation. No interest shall be due or payable on any payment due the Subrecipient, regardless of any statement on the billing invoice.

12. After the Period of Performance

All funds must be obligated by the end of the performance period. Final reimbursement requests, close-out package and equipment reports must be received by MEMA within forty-five (45) days of this Grant Award's end date. Failure to de-obligate remaining funds in a timely manner may result in an automatic de-obligation of remaining funds by MEMA.

a. **Audit Requirements**

A non-Federal entity that expends a combined total of \$750,000 or more during its fiscal year in Federal awards must have a Federal compliance audit (Single Audit) as required by 2 CFR Part 200 Subpart F.

b. **Retention of Records**

Records for real property and equipment acquired with Federal funds must be retained for three (3) years after final disposition. Financial records, supporting documents, statistical records, and all other non-Federal entity records pertinent to a Federal award must be retained for a period of three (3) years from the date of submission of the final expenditure report or, for Federal awards that are renewed quarterly or annually, from the date of the submission of the quarterly or annual financial report, respectively, as reported to the Federal awarding agency or pass-through entity in the case of a Subrecipient. However, if any litigation, claim or audit is started before the expiration of the three-year period, the records must be retained until all litigation, claims, or audit findings involving the records have been resolved and final action taken. 2 CFR § 200.334.



MAINE EMERGENCY MANAGEMENT AGENCY (MEMA) SUBRECIPIENT RISK ASSESSMENT QUESTIONS

Subrecipient Name: City of Portland
Physical Address: 380 Congress Street, Portland ME 04101-3513
Contact Name: Keith Gautreau
Contact Email Address: kng@portlandmaine.gov

Please choose Yes or No to the following questions:

In the previous two fiscal years, did your organization operate any MEMA agreements or other Federally funded agreements? ☒ Yes ☐ No

In the previous fiscal year, have there been any changes in key administrative, programmatic, or fiscal personnel? ☒ Yes ☐ No

If yes, insert brief narrative of changes in key administrative, programmatic, or fiscal personnel:

Principal Finance Officer change from Benjamin Bettez to Devin Mills

If your organization is subject to a Single Audit or Federal monitoring, were there any findings in the previous fiscal year? ☒ Yes ☐ No

If yes, insert brief narrative of findings and any corrective actions.

Please see attached document - will also send in independent email

Does your accounting system identify funds separately for each grant/contract agreement that you operate? ☒ Yes ☐ No

By submitting this form, I certify that the typed name, electronic signature, or digital signature (a) is intended to have the same force as a manual signature (b) is unique to myself, (c) is capable of verification, (d) is under the sole control of myself, (e) is linked to data in such a manner that it is invalidated if the data are changed. (10 M.R.S.A. §9502 et seq.).

Signature: Christopher Goodall
Christopher Goodall (Oct 9, 2024 12:04 EDT)

Date: 10/09/2024

Printed Name: Chris Goodall

FY 2024 DHS STANDARD TERMS AND CONDITIONS

The Fiscal Year (FY) 2024 Department of Homeland Security (DHS) Standard Terms and Conditions apply to all new federal awards of federal financial assistance (federal awards) for which the federal award date occurs in FY 2024 and flow down to subrecipients unless a term or condition specifically indicates otherwise. For federal awards that may involve continuation awards made in subsequent FYs, these FY 2024 DHS Standard Terms and Conditions will apply to the continuation award unless otherwise specified in the terms and conditions of the continuation award. The United States has the right to seek judicial enforcement of these terms and conditions.

All legislation and digital resources are referenced with no digital links. These FY 2024 DHS Standard Terms and Conditions are maintained on the DHS website at www.dhs.gov/publication/fy15-dhs-standard-terms-and-conditions.

A. Assurances, Administrative Requirements, Cost Principles, Representations, and Certifications

- I. Recipients must complete either the Office of Management and Budget (OMB) Standard Form 424B Assurances – Non- Construction Programs, or OMB Standard Form 424D Assurances – Construction Programs, as applicable. Certain assurances in these documents may not be applicable to your program and the DHS financial assistance office (DHS FAO) may require applicants to certify additional assurances. Applicants are required to fill out the assurances as instructed by the federal awarding agency.

B. Recipients are required to follow the applicable provisions of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards in effect as of the federal award date and located at 2 C.F.R. Part 200 and adopted by DHS at 2 C.F.R. § 3002.10. General Acknowledgements and Assurances

All recipients and subrecipients must acknowledge and agree to provide DHS access to records, accounts, documents, information, facilities, and staff pursuant to 2 C.F.R. § 200.337.

- I. Recipients must cooperate with any DHS compliance reviews or compliance investigations.
- II. Recipients must give DHS access to examine and copy records, accounts, and other documents and sources of information related to the federal financial assistance award and permit access to facilities and personnel.
- III. Recipients must submit timely, complete, and accurate reports to the appropriate DHS officials and maintain appropriate backup documentation to support the reports.
- IV. Recipients must comply with all other special reporting, data collection, and evaluation requirements required by law, federal regulation, Notice of Funding Opportunity, federal award specific terms and conditions, and/or federal awarding agency program guidance.
- V. Recipients must complete the DHS Civil Rights Evaluation Tool within thirty (30) days of receiving the Notice of Award for the first award under which this term applies. Recipients of multiple federal awards from DHS should only submit one completed tool for their organization, not per federal award. After the initial submission, recipients are required to complete the tool once every two (2) years if they have an active federal award, not every time a federal award is made. Recipients must submit the completed tool, including supporting materials, to CivilRightsEvaluation@hq.dhs.gov. This tool clarifies the civil rights obligations and related reporting requirements contained in these DHS Standard Terms and

FY 2024 DHS STANDARD TERMS AND CONDITIONS

Conditions. Subrecipients are not required to complete and submit this tool to DHS. The evaluation tool can be found at <https://www.dhs.gov/publication/dhs-civil-rights-evaluation-tool>. DHS Civil Rights Evaluation Tool | Homeland Security

The DHS Office for Civil Rights and Civil Liberties will consider, in its discretion, granting an extension to the 30-day deadline if the recipient identifies steps and a timeline for completing the tool. Recipients must request extensions by emailing the request to CivilRightsEvaluation@hq.dhs.gov prior to expiration of the 30-day deadline.

C. Standard Terms & Conditions

I. Acknowledgement of Federal Funding from DHS

Recipients must acknowledge their use of federal award funding when issuing statements, press releases, requests for proposal, bid invitations, and other documents describing projects or programs funded in whole or in part with federal award funds.

II. Activities Conducted Abroad

Recipients must coordinate with appropriate government authorities when performing project activities outside the United States obtain all appropriate licenses, permits, or approvals.

III. Age Discrimination Act of 1975

Recipients must comply with the requirements of the Age Discrimination Act of 1975, Pub. L. No. 94-135 (codified as amended at 42 U.S.C. § 6101 *et seq.*), which prohibits discrimination on the basis of age in any program or activity receiving federal financial assistance.

IV. Americans with Disabilities Act of 1990

Recipients must comply with the requirements of Titles I, II, and III of the Americans with Disabilities Act, Pub. L. No. 101-336 (1990) (codified as amended at 42 U.S.C. §§ 12101– 12213), which prohibits recipients from discriminating on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities.

V. Best Practices for Collection and Use of Personally Identifiable Information

Recipients who collect personally identifiable information (PII) as part of carrying out the scope of work under a federal award are required to have a publicly available privacy policy that describes standards on the usage and maintenance of the PII they collect. DHS defines PII as any information that permits the identity of an individual to be directly or indirectly inferred, including any information that is linked or linkable to that individual. Recipients may also find the DHS Privacy Impact Assessments: Privacy Guidance and Privacy Template as useful resources respectively.

VI. Civil Rights Act of 1964 – Title VI

Recipients must comply with the requirements of Title VI of the Civil Rights Act of 1964, Pub. L. No. 88-352 (codified as amended at 42 U.S.C. § 2000d *et seq.*), which provides that no person in the United States will, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance. DHS implementing regulations for the Act are found at 6 C.F.R. Part 21. Recipients of an award from the Federal Emergency Management Agency (FEMA) must also comply with FEMA's implementing regulations at 44 C.F.R. Part 7.

FY 2024 DHS STANDARD TERMS AND CONDITIONS

VII. Civil Rights Act of 1968

Recipients must comply with Title VIII of the Civil Rights Act of 1968, Pub. L. No. 90-284 (codified as amended at 42 U.S.C. § 3601 *et seq.*) which prohibits recipients from discriminating in the sale, rental, financing, and advertising of dwellings, or in the provision of services in connection therewith, on the basis of race, color, national origin, religion, disability, familial status, and sex, as implemented by the U.S. Department of Housing and Urban Development at 24 C.F.R. Part 100. The prohibition on disability discrimination includes the requirement that new multifamily housing with four or more dwelling units—i.e., the public and common use areas and individual apartment units (all units in buildings with elevators and ground-floor units in buildings without elevators)—be designed and constructed with certain accessible features. (See 24 C.F.R. Part 100, Subpart D.)

VIII. Copyright

Recipients must affix the applicable copyright notices of 17 U.S.C. §§ 401 or 402 to any work first produced under federal awards and also include an acknowledgement that the work was produced under a federal award (including the federal award number and federal awarding agency). As detailed in 2 C.F.R. § 200.315, a federal awarding agency reserves a royalty-free, nonexclusive, and irrevocable right to reproduce, publish, or otherwise use the work for federal purposes and to authorize others to do so.

IX. Debarment and Suspension

Recipients must comply with the non-procurement debarment and suspension regulations implementing Executive Orders (E.O.) 12549 and 12689 set forth at 2 C.F.R. Part 180 as implemented by DHS at 2 C.F.R. Part 3000. These regulations prohibit recipients from entering into covered transactions (such as subawards and contracts) with certain parties that are debarred, suspended, or otherwise excluded from or ineligible for participation in federal assistance programs or activities.

X. Drug-Free Workplace Regulations

Recipients must comply with drug-free workplace requirements in Subpart B (or Subpart C, if the recipient is an individual) of 2 C.F.R. Part 3001, which adopts the Government-wide implementation (2 C.F.R. Part 182) of the Drug-Free Workplace Act of 1988 (41 U.S.C. §§ 8101-8106).

XI. Duplicative Costs

Recipients are prohibited from charging any cost to this federal award that will be included as a cost or used to meet cost sharing or matching requirements of any other federal award in either the current or a prior budget period. (See 2 C.F.R. § 200.403(f)). However, recipients may shift costs that are allowable under two or more federal awards where otherwise permitted by federal statutes, regulations, or the federal financial assistance award terms and conditions.

XII. Education Amendments of 1972 (Equal Opportunity in Education Act) – Title IX

Recipients must comply with the requirements of Title IX of the Education Amendments of 1972, Pub. L. No. 92-318 (codified as amended at 20 U.S.C. § 1681 *et seq.*), which provide that no person in the United States will, on the basis of sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any educational program or activity receiving federal financial assistance. DHS implementing regulations are codified at 6 C.F.R. Part 17. Recipients of an award from the Federal Emergency Management Agency (FEMA) must also comply with FEMA's implementing regulations at 44 C.F.R. Part 19.

XIII. Energy Policy and Conservation Act

Recipients must comply with the requirements of the Energy Policy and Conservation Act,

FY 2024 DHS STANDARD TERMS AND CONDITIONS

Pub. L. No. 94-163 (1975) (codified as amended at 42 U.S.C. § 6201 *et seq.*), which contain policies relating to energy efficiency that are defined in the state energy conservation plan issued in compliance with this Act.

XIV. False Claims Act and Program Fraud Civil Remedies

Recipients must comply with the requirements of the False Claims Act, 31 U.S.C. §§ 3729-3733, which prohibit the submission of false or fraudulent claims for payment to the Federal Government. (See 31 U.S.C. §§ 3801-3812, which details the administrative remedies for false claims and statements made.)

XV. Federal Debt Status

All recipients are required to be non-delinquent in their repayment of any federal debt. Examples of relevant debt include delinquent payroll and other taxes, audit disallowances, and benefit overpayments. (See OMB Circular A-129.)

XVI. Federal Leadership on Reducing Text Messaging while Driving

Recipients are encouraged to adopt and enforce policies that ban text messaging while driving recipient-owned, recipient-rented, or privately owned vehicles when on official government business or when performing any work for or on behalf of the Federal Government. Recipients are also encouraged to conduct the initiatives of the type described in Section 3(a) of E.O. 13513.

XVII. Fly America Act of 1974

Recipients must comply with Preference for U.S. Flag Air Carriers (a list of certified air carriers can be found at: [Certificated Air Carriers List | US Department of Transportation](https://www.transportation.gov/policy/aviation-policy/certificated-air-carriers-list), <https://www.transportation.gov/policy/aviation-policy/certificated-air-carriers-list>) for international air transportation of people and property to the extent that such service is available, in accordance with the International Air Transportation Fair Competitive Practices Act of 1974, 49 U.S.C. § 40118, and the interpretative guidelines issued by the Comptroller General of the United States in the March 31, 1981, amendment to Comptroller General Decision B-138942.

XVIII. Hotel and Motel Fire Safety Act of 1990

Recipients must ensure that all conference, meeting, convention, or training space funded entirely or in part by federal award funds complies with the fire prevention and control guidelines of Section 6 of the Hotel and Motel Fire Safety Act of 1990, 15 U.S.C. § 2225a.

XIX. John S. McCain National Defense Authorization Act of Fiscal Year 2019

Recipients, subrecipients, and their contractors and subcontractors are subject to the prohibitions described in section 889 of the John S. McCain National Defense Authorization Act for Fiscal Year 2019, Pub. L. No. 115-232 (2018) and 2 C.F.R. §§ 200.216, 200.327, 200.471, and Appendix II to 2 C.F.R. Part 200. The statute – as it applies to DHS recipients, subrecipients, and their contractors and subcontractors – prohibits obligating or expending federal award funds on certain telecommunications and video surveillance products and contracting with certain entities for national security reasons.

XX. Limited English Proficiency (Civil Rights Act of 1964, Title VI)

Recipients must comply with Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d *et seq.*) prohibition against discrimination on the basis of national origin, which requires that recipients of federal financial assistance take reasonable steps to provide meaningful access to persons with limited English proficiency (LEP) to their programs and services. For additional assistance and information regarding language access obligations, please refer to the DHS Recipient Guidance: <https://www.dhs.gov/guidance-published-help-department-supported-organizations-provide-meaningful-access-people-limited> and additional resources on <http://www.lep.gov>.

FY 2024 DHS STANDARD TERMS AND CONDITIONS

XXI. Lobbying Prohibitions

Recipients must comply with 31 U.S.C. § 1352 and 6 C.F.R. Part 9, which provide that none of the funds provided under a federal award may be expended by the recipient to pay any person to influence, or attempt to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any federal action related to a federal award or contract, including any extension, continuation, renewal, amendment, or modification. Per 6 C.F.R. Part 9, recipients must file a lobbying certification form as described in Appendix A to 6 C.F.R. Part 9 or available on Grants.gov as the Grants.gov Lobbying Form and file a lobbying disclosure form as described in Appendix B to 6 C.F.R. Part 9 or available on Grants.gov as the Disclosure of Lobbying Activities (SF-LLL).

XXII. National Environmental Policy Act

Recipients must comply with the requirements of the National Environmental Policy Act of 1969, Pub. L. No. 91-190 (1970) (codified as amended at 42 U.S.C. § 4321 *et seq.*) (NEPA) and the Council on Environmental Quality (CEQ) Regulations for Implementing the Procedural Provisions of NEPA, which require recipients to use all practicable means within their authority, and consistent with other essential considerations of national policy, to create and maintain conditions under which people and nature can exist in productive harmony and fulfill the social, economic, and other needs of present and future generations of Americans.

XXIII. Nondiscrimination in Matters Pertaining to Faith-Based Organizations

It is DHS policy to ensure the equal treatment of faith-based organizations in social service programs administered or supported by DHS or its component agencies, enabling those organizations to participate in providing important social services to beneficiaries. Recipients must comply with the equal treatment policies and requirements contained in 6 C.F.R. Part 19 and other applicable statutes, regulations, and guidance governing the participations of faith-based organizations in individual DHS programs.

XXIV. Non-Supplanting Requirement

Recipients of federal awards under programs that prohibit supplanting by law must ensure that federal funds supplement but do not supplant non-federal funds that, in the absence of such federal funds, would otherwise have been made available for the same purpose.

XXV. Notice of Funding Opportunity Requirements

All the instructions, guidance, limitations, scope of work, and other conditions set forth in the Notice of Funding Opportunity (NOFO) for this federal award are incorporated by reference. All recipients must comply with any such requirements set forth in the NOFO. If a condition of the NOFO is inconsistent with these terms and conditions and any such terms of the Award, the condition in the NOFO shall be invalid to the extent of the inconsistency. The remainder of that condition and all other conditions set forth in the NOFO shall remain in effect.

XXVI. Patents and Intellectual Property Rights

Recipients are subject to the Bayh-Dole Act, 35 U.S.C. § 200 *et seq.* and applicable regulations governing inventions and patents, including the regulations issued by the Department of Commerce at 37 C.F.R. Part 401 (Rights to Inventions Made by Nonprofit Organizations and Small Business Firms under Government Awards, Contracts, and Cooperative Agreements) and the standard patent rights clause set forth at 37 C.F.R. § 401.14.

XXVII. Procurement of Recovered Materials

States, political subdivisions of states, and their contractors must comply with Section

FY 2024 DHS STANDARD TERMS AND CONDITIONS

6002 of the Solid Waste Disposal Act, Pub. L. No. 89-272 (1965) (codified as amended by the Resource Conservation and Recovery Act at 42 U.S.C. § 6962) and 2 C.F.R. § 200.323. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 C.F.R. Part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition.

XXVIII. Rehabilitation Act of 1973

Recipients must comply with the requirements of Section 504 of the Rehabilitation Act of 1973, Pub. L. No. 93-112 (codified as amended at 29 U.S.C. § 794), which provides that no otherwise qualified handicapped individuals in the United States will, solely by reason of the handicap, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance.

XXIX. Reporting of Matters Related to Recipient Integrity and Performance

If the total value of any currently active grants, cooperative agreements, and procurement contracts from all federal awarding agencies exceeds \$10,000,000 for any period of time during the period of performance of the federal award, then the recipient must comply with the requirements set forth in the government-wide Award Term and Condition for Recipient Integrity and Performance Matters located at 2 C.F.R. Part 200, Appendix XII, the full text of which is incorporated by reference.

XXX. Reporting Subawards and Executive Compensation

For federal awards that equal or exceed \$30,000, recipients are required to comply with the requirements set forth in the government-wide award term on Reporting Subawards and Executive Compensation set forth at 2 C.F.R. Part 170, Appendix A, the full text of which is incorporated by reference.

XXXI. Required Use of American Iron, Steel, Manufactured Products, and Construction Materials

Recipients of an award of Federal financial assistance from a program for infrastructure are hereby notified that none of the funds provided under this award may be used for a project for infrastructure unless:

- (1) all iron and steel used in the project are produced in the United States—this means all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States;
- (2) all manufactured products used in the project are produced in the United States—this means the manufactured product was manufactured in the United States; and the cost of the components of the manufactured product that are mined, produced, or manufactured in the United States is greater than 55 percent of the total cost of all components of the manufactured product, unless another standard for determining the minimum amount of domestic content of the manufactured product has been established under applicable law or regulation; and
- (3) all construction materials are manufactured in the United States—this means that all manufacturing processes for the construction material occurred in the United States.

The Buy America preference only applies to articles, materials, and supplies that are consumed in, incorporated into, or affixed to an infrastructure project. As such, it does not apply to tools, equipment, and supplies, such as temporary scaffolding, brought to the construction site and removed at or before the completion of the infrastructure project. Nor does a Buy America preference apply to equipment and furnishings, such as movable chairs, desks, and portable computer equipment, that are used at or within the finished infrastructure project but are not an integral part of the structure or permanently affixed to the infrastructure project.

FY 2024 DHS STANDARD TERMS AND CONDITIONS

Waivers

When necessary, recipients may apply for, and the agency may grant, a waiver from these requirements. The agency should notify the recipient for information on the process for requesting a waiver from these requirements.

- (a) When the Federal agency has determined that one of the following exceptions applies, the awarding official may waive the application of the domestic content procurement preference in any case in which the agency determines that:
 - (1) applying the domestic content procurement preference would be inconsistent with the public interest;
 - (2) the types of iron, steel, manufactured products, or construction materials are not produced in the United States in sufficient and reasonably available quantities or of a satisfactory quality; or
 - (3) the inclusion of iron, steel, manufactured products, or construction materials produced in the United States will increase the cost of the overall project by more than 25 percent.

A request to waive the application of the domestic content procurement preference must be in writing. The agency will provide instructions on the format, contents, and supporting materials required for any waiver request. Waiver requests are subject to public comment periods of no less than 15 days and must be reviewed by the Made in America Office.

There may be instances where an award qualifies, in whole or in part, for an existing waiver described at ["Buy America" Preference in FEMA Financial Assistance Programs for Infrastructure | FEMA.gov](#).

Definitions

The definitions applicable to this term are set forth at 2 C.F.R. § 184.3, the full text of which is incorporated by reference.

XXXII. SAFECOM

Recipients receiving federal financial assistance awards made under programs that provide emergency communication equipment and its related activities must comply with the SAFECOM Guidance for Emergency Communication Grants, including provisions on technical standards that ensure and enhance interoperable communications. The SAFECOM Guidance is updated annually and can be found at [Funding and Sustainment | CISA](#).

XXXIII. Terrorist Financing

Recipients must comply with E.O. 13224 and applicable statutory prohibitions on transactions with, and the provisions of resources and support to, individuals and organizations associated with terrorism. Recipients are legally responsible for ensuring compliance with the E.O. and laws.

XXXIV. Trafficking Victims Protection Act of 2000 (TVPA)

Recipients must comply with the requirements of the government-wide financial assistance award term which implements Trafficking Victims Protection Act of 2000, Pub. L. No. 106-386, § 106 (codified as amended at 22 U.S.C. § 7104). The award term is located at 2 C.F.R. § 175.15, the full text of which is incorporated by reference.

FY 2024 DHS STANDARD TERMS AND CONDITIONS

XXXV. Universal Identifier and System of Award Management

Recipients are required to comply with the requirements set forth in the government-wide financial assistance award term regarding the System for Award Management and Universal Identifier Requirements located at 2 C.F.R. Part 25, Appendix A, the full text of which is incorporated reference.

XXXVI. USA PATRIOT Act of 2001

Recipients must comply with requirements of Section 817 of the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (USA PATRIOT Act), which amends 18 U.S.C. §§ 175–175c.

XXXVII. Use of DHS Seal, Logo and Flags

Recipients must obtain written permission from DHS prior to using the DHS seals, logos, crests, or reproductions of flags, or likenesses of DHS agency officials. This includes use of DHS component (e.g., FEMA, CISA, etc.) seals, logos, crests, or reproductions of flags, or likenesses of component officials.

XXXVIII. Whistleblower Protection Act

Recipients must comply with the statutory requirements for whistleblower protections at 10 U.S.C § 470141 U.S.C. § 4712.



Appendix C
Subrecipient Transparency Act
Grant Reporting Information for Federal Awards
Greater than \$25,000

Doing Business as Name (if applicable):

Subrecipient Address:

380 Congress Street, Portland ME 04101-3513

Subrecipient Place of Performance:

380 Congress Street, Portland ME 04101-3513

Congressional District: 1

Unique Entity Identifier (UEI) #: LZKCFAJXBAC8

By signing below, I certify the EUI number associated address and Congressional District are correct. If the information is not current, please return the form with current information and signature; and

I certify that the typed name, electronic signature or digital signature (a) is intended to have the same force as a manual signature (b) is unique to myself, (c) is capable of verification, (d) is under the sole control of myself, (e) is linked to data in such a manner that it is invalidated if the data are changed. (10 M.R.S.A. §9502 et seq.).

Signature: *Christopher Goodall*
Christopher Goodall (Oct 9, 2024 12:04 EDT)

Date: 10/09/2024

Chris Goodall
Printed Name & Title



APPENDIX D
SUBRECIPIENT FEDERAL FUNDING ACCOUNTABILITY & TRANSPARENCY (FFATA)
GRANT REPORTING QUESTIONNAIRE FOR FEDERAL FUNDS
GRANT THAN \$30,000.00

Q1. In your business or organization's previous fiscal year, did your business or organization (including parent organization, all branches, and all affiliates worldwide) receive 1) 80 percent or more of your annual gross revenues in U.S. federal contracts, subcontracts, loans, grants, sub-grants, and/or cooperative agreements; **AND** 2) \$30,000,000 or more in annual gross revenues from U.S. federal contracts, subcontracts, loans, grants, sub-grants, and/or cooperative agreements?

(If answer is **Yes**, go to Q2. If answer is No, sign, date, and return questionnaire with the contract)

* ☐ Yes ☒ No

Q2. Does the public have access to information about the compensation of the executives in your business or organization (including parent organization, all branches, and all affiliates worldwide) through periodic reports filed under section 13(a) or 15 (d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986? (If answer is No, please provide name and amount of compensation for top 5 executives below).

- If answer is **YES**, sign date, and return questionnaire with the contract.
- If answer is **NO**, please enter N/A in the Executive Name fields below.

* ☒ Yes ☐ No

Executive 1 Name		Compensation	
Executive 2 Name		Compensation	
Executive 3 Name		Compensation	
Executive 4 Name		Compensation	
Executive 5 Name		Compensation	

Signature: Christopher Goodall
Christopher Goodall (Oct 9, 2024 12:04 EDT)

Date: 10/09/2024

Chris Goodall
Printed Name & Title

I certify that the typed name, electronic signature or digital signature (a) is intended to have the same force as a manual signature (b) is unique to myself, (c) is capable of verification, (d) is under the sole control of myself, (e) is linked to data in such a manner that it is invalidated if the data are changed. (10 M.R.S.A. §9502 et seq.).

Total Award		\$20,000.00				
HSGP	LETPP	Planning	Operations	Equipment	Training	Exercise
\$20,000.00	\$0.00	\$0.00	\$15,000.00	\$5,000.00	\$0.00	\$0.00
\$20,000.00		\$20,000.00				
Balanced		Balanced				

Balanced\$20,000.00

Project ID#		National Priority	State Priority		
PorMonitoring Equipment		Combating domestic violent extremism		Original Project Budget	\$5,000.00

0

	HSGP	LETPP	Planning	Organization	Equipment	Training	Exercise	Total Project
Original Project	\$5,000.00				\$5,000.00			\$5,000.00
Modifications								
Balance after MMFs	\$5,000.00				\$5,000.00			\$5,000.00
Payments								
Project Balance	\$5,000.00				\$5,000.00			

Notes: 0

Project ID#		National Priority	State Priority		
PorWages		Combating domestic violent extremism		Original Project Budget	\$15,000.00

0

	HSGP	LETPP	Planning	Organization	Equipment	Training	Exercise	Total Project
Original Project	\$15,000.00			\$15,000.00				\$15,000.00
Modifications								
Balance after MMFs	\$15,000.00			\$15,000.00				\$15,000.00
Payments								
Project Balance	\$15,000.00			\$15,000.00				

Notes: 0

MEMORANDUM
City Council Agenda Item

FROM: Mary Davis, Division Director

DATE: June 27, 2025

SUBJECT: Order 237-24/25 Designating Front Street Phase 3/35 and 41 W. Presumpscot Street an Affordable Housing Development District and Tax Increment Financing District and Adopting the Municipal Development Program for the District - Sponsored by the Housing & 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 May 20, 2025 and voted 4-0 to recommend City Council approval of this item.

(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 6/2/2025

Final

Action 6/23/2025

Can action be taken at a later date: No There is a 10 public notice requirement prior to the City Council taking action on this item. The notice is published in the Portland Press Herald 10 days prior to the 2nd read.

Does this item involve a new contract with the City: This item will require the submission of an Affordable Housing Tax Increment Financing Application with Maine Housing, which includes a Development Program, Credit Enhancement Agreement and Declaration of Covenants and Restrictions. All documents will be reviewed and approved by Corporation Counsel prior to execution by the City Manager and developer.

PRESENTATION: Mary Davis is available to answer any questions.

I. SUMMARY

Affordable Housing and Tax Increment Financing Development Program and Credit Enhancement Agreement for Front Street Phase 3 located at 35-41 W. Presumpscot Street.

II. AGENDA DESCRIPTION

The Housing & Economic Development Committee met on May 20, 2025 and voted 4-0 to recommend this item to the City Council.

Portland Housing Development Corporation (PHDC) requested the creation of an Affordable Housing Tax Increment Financing (AHTIF) District and Credit Enhancement Agreement (CEA) for a project located at 35-41 W. Presumpscot Street. The proposed project would create eight (8) townhouse-style condominiums. Six (6) of the units will be restricted and sold to households earning at or below 120% of the area median income (2-person household \$109,050; 4-person household \$155,750). Two (2) units will be sold as unrestricted market-rate units. The purchase price for an affordable workforce housing 2-bedroom unit will be \$298,500 and a 3-bedroom unit will be \$358,000.

As part of the capital stack for the development of the project, PHDC has applied for a loan from the Genesis Community Loan Fund. Genesis will provide gap financing in the amount of \$370,000 to pay for construction costs. The tax revenue or captured valuation realized through the AHTIF CEA, will be used to pay the debt service on the Genesis loan. Under the terms of the CEA, captured revenue would return to the developer their

actual costs paid on annual project debt service based on an annual maximum 75% capture rate for upwards of thirty (30) years and include a total captured revenue cumulative “cap” or maximum amount. The cap would be the total cumulative AHTIF CEA payment amount equal to the total actual debt service cost. When the cap is reached, the AHTIF CEA expires.

This item must be read on two separate days. It received its first reading on June 23. Five affirmative votes are required for passage after public comment.

III. BACKGROUND

The redevelopment of Front Street was approved by the City's Planning Board in 2019. Therefore, this project is not subject to the changes made to the Inclusionary Zoning (IZ) Ordinance and Green Building Ordinance after that date. The Front Street Redevelopment project exceeded any IZ requirements with the completion of Phase 1 and 2. The building design will meet the requirements of the Green Building Ordinance in place at the time of Planning Board approval. The project will be designed and constructed to an extremely high energy efficiency standard; the building will be 100% electric and will provide Energy Star appliances, heat pump heating and cooling, and mechanical ventilation to provide fresh air and continuous air circulation indoors.

IV. INTENDED RESULT AND/OR COUNCIL GOAL ADDRESSED

Increase, and modify the overall supply of housing city-wide to meet the needs, preferences and financial capabilities of all Portland residents. Council Goal 2: Housing Affordability

V. FINANCIAL IMPACT

When completed, the project's total assessed value is estimated at \$3,586,320, which would yield \$53,830.66 in property tax at the current FY25 millage rate. Captured revenue to be returned to the developer will be capped at the total amount of debt service due on a loan from the Genesis Community Loan Fund. Repayment of the loan is expected in approximately 15 years. If the district was in place for the full 30-years, estimated total amount of captured revenue to be returned the developer is slightly over \$1. 6 million or \$53,540 per year averaged over the 30-year term. The estimated total amount of non-captured revenue deposited into the general fund is \$535,402 (\$17,847 annual average) if the district was in place for the full 30-year term. Tax sheltering benefits of the Districts would create savings for the City during the term of the district of an estimated \$21,373 per year or \$641,195+ over the life of the district, if it is in place for the full 30 years.

If the project is not completed, the tax revenue on this property would remain at the existing amount of \$69,300, which would be deposited into the general fund. No revenue would be returned to the developer.

VI. STAFF ANALYSIS AND BACKGROUND

Staff supports the underwriting recommendation for approval of a 75% TIF with a maximum term of 30 years.

VII. RECOMMENDATION

As required by the City's Tax Increment Financing Policy, an underwriting analysis was completed with a recommendation for a 75% AHTIF with a maximum potential 30-year term, with the actual term of the TIF will be the date of complete repayment of the Genesis bridge loan (expected in approximately 15 years). This recommendation is conditioned upon satisfactory review of the following:

- A satisfactory appraisal supporting the per-unit land price and the sales price;
- Financing commitments for all sources prior to closing on terms and conditions acceptable to the City of Portland.

TIF documents will require all standard construction 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 staff support this recommendation.

VIII. LIST ATTACHMENTS

1. Order - Designating and Adopting the Municipal Development Program for Front Street Phase 3 - 35-41 W Presumpscot Street
2. 03 Council Packet Attachments 06.02.2025
3. 04.2 Att 3.2 Dec of Cov DRAFT FS Ph 3 clean for council 061825
4. 03 Att 7 Dev Prog Draft FS Ph 3 clean for council 061825

Prepared by:

Mary Davis, Division Director

Date: 06/27/2025

MARK DION (MAYOR)
PIOUS ALI (A/L)
APRIL D. FOURNIER(A/L)
BENJAMIN GRANT (A/L)

**CITY OF PORTLAND
IN THE CITY COUNCIL**

SARAH MICHNIEWICZ (1)
WESLEY. PELLETIER (2)
REGINA L. PHILLIPS (3)
ANNA BULLETT (4)
KATE SYKES (5)

**ORDER DESIGNATING FRONT STREET PHASE 3 / 35 AND 41 W. PRESUMPCOT
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 specific 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, Front Street Condominium, LLC intends to construct certain improvements within the Front Street Phase 3 / 35 and 41 W. Presumpscot Street Affordable Housing Development and Tax Increment Financing (“TIF”) District, including 8 townhouse-style condominium units; and

WHEREAS, the District will remain in place for a period of 30 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 Front Street Phase 3 / 35 and 41 W. Presumpscot 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 Front Street Phase 3 / 35 and 41 W. Presumpscot 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 Front Street Phase 3 / 35 and 41 W. Presumpscot 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 Front Street Phase 3 / 35 and 41 W. Presumpscot Street Affordable Housing Development and Tax Increment Financing 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 “Front Street Phase 3 / 35 and 41 W. Presumpscot 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 “Front Street Phase 3 / 35 and 41 W. Presumpscot 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 “Front Street Phase 3 / 35 and 41 W. Presumpscot 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 “Front Street Phase 3 / 35 and 41 W. Presumpscot Street Affordable Housing Development and Tax Increment Financing District” on behalf of the municipal legislative body; and

BE IT FURTHER ORDERED, that upon approval of the Director of the Maine State Housing Authority, the City Manager is hereby authorized and directed on behalf of the City of Portland to execute and deliver a Credit Enhancement Agreement substantially in the form attached to the Development Program hereby approved, with such changes thereto as deemed appropriate by the City Manager.

B. Project Information

Completed by statarczuk@porthouse.org on 1/24/2025 11:34 AM

Case Id: 30597

Name: Portland Housing Development Corporation -

Address: 33 W Presumpscot Street, Portland, ME 04103

B. Project Information

Please provide the following information.

B.1. Property Address

33 W Presumpscot Street Portland, ME 04103

B.2. Project Name

Front Street Phase 3

B.3. Tax chart, block, and lot number

Tax Chart 167, Block E, Lot 9 & 10

B.4. Zoning Designation

RN3

B.5. Is the requested funding type HOME/HTF?

No

B.6. Requested amount of Affordable Housing Development Funding

\$0.00

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 to support construction costs for this homeownership development. The term requested is 30 years.

B.8. Total number of housing units to be constructed:

8

B.9. Total number of housing units to be rehabilitated:

0

B.10. Total Number of market rate units:

2

B.11. Total number of deed restricted units:

6

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B.12. Total number of Units at 120% AMI:

6

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:

0

B.17. Total number of Units at 50% AMI:

0

B.18. Total number of Units at 40% AMI:

0

B.19. Housing Type

Condo

B.20. Total number of studio/efficiency units:

0

B.21. Total number of one-bedroom units:

0

B.22. Total number of two-bedroom units:

4

B.23. Total number of three-bedroom units

2

B.24. Total number of four-bedroom units

2

B.25. Total number of five-bedroom units

0

B.26. Property Manager

Condo Association

B.27. When is construction expected to begin?

05/01/2025

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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 Front Street Phase 3 consists of eight townhouse-style condominiums, six units will be restricted to households earning at or below 120% Area Median Income (AMI), and two units will be sold as unrestricted-market rate units. The development will consist of two buildings: one building containing six, two-story townhomes, and one building containing two, two-story townhomes. The site will include a small parking lot with eight parking spaces, one per unit. The project is located in the East Deering neighborhood of Portland Maine and is the third and final phase of the larger Front Street Redevelopment completed by Portland Housing Development Corporation. The first two phases include 105 affordable rental homes for families and seniors. This third phase will bring housing diversity to the neighborhood by providing homeownership opportunities, a need which was expressed by the neighborhood during early community meetings. Phases 1 and 2 are fully complete and occupied. Front Street Phase 3 has received all municipal and state land use approvals and the timeline for appeals has expired. The East Deering neighborhood mostly consists of residential uses ranging from single family homes to large multifamily complexes, and is in close proximity to a healthcare facility, regional park, and commercial activity along Washington Avenue. The new homes will be built at a high residential density, and the buildings will be constructed to an extremely high standard of energy efficiency. The development will be 100% electric. The condominiums will be owned by individual households. The eight households will collectively run their condominium association and either choose to self-manage or contract with a third-party. Ongoing use restrictions will be monitored by the City of Portland and MaineHousing, if awarded funding.

DESCRIPTION OF MUNICIPAL HOUSING NEED AND HOW THE DEVELOPMENT ADDRESSES THAT NEED 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. The Project proposed in this application is an 8 unit mixed-income homeownership development in the East Deering neighborhood. Six of the eight units will be restricted to households earning at or below 120% Area Median Income. The population that these units will serve is one that is often on the edge, making too much income to qualify for low-income subsidized rental housing, but not making enough to rent or purchase at market-rate prices. There is a shortage of affordable for-sale housing. It is particularly difficult for developers to produce for-sale units at an affordable price due to current cost of construction. Portland Housing

Development Corporation continues to make an effort to serve all types of households by providing a diversity of housing types and affordability in our community.

REQUESTED AMOUNT OF AFFORDABLE HOUSING DEVELOPMENT FUNDING This application is requesting the creation of an Affordable Housing Tax Increment Financing District and Credit Enhancement Agreement only.

DESCRIPTION OF HOW CITY'S PARTICIPATION IS FINANCIALLY NECESSARY IN ORDER FOR THE PROJECT TO PROCEED Should the project receive the proposed AHTIF, Portland Housing Development Corporation will partner with Genesis Community Loan Fund who have expressed interest in providing an AHTIF Bridge Loan. This AHTIF Bridge Loan will provide the necessary gap funding to make this deal feasible. The Genesis Loan will be used to pay for construction costs. Front Street Phase 3 has been awarded a \$1,000,000 U.S. EPA Brownfields Cleanup grant and a \$420,000 Congressional Appropriations grant and still faces a funding gap of approximately \$370,000 due to the high cost of construction and professional services associated with development. The City's participation is necessary to fill the remaining funding gap and make this project financially feasible. Without this funding, the project could not proceed as currently envisioned.

DESCRIPTION OF ALLOWED USES IN THE ZONE Front Street Phase 3 was approved by the Planning Board in 2019 as part of a phased site plan which included phase 1 and phase 2. At the time of Planning Board approval, the parcel was zoned as R5 and Multiplex development was permitted, allowing for multifamily residential development.

DESCRIPTION OF RESIDENTIAL AND NON-RESIDENTIAL USES IN THE AREA; Uses immediately surrounding the Front Street Phase 3 parcel include Front Street Phase 1 and 2, mixed-income rental housing for families and seniors, as well as single family residential properties. Payson Park is within walking distance to the southwest of the property providing recreational access, and Washington Ave's commercial uses to the northeast.

DESCRIPTION OF ACCESSORY USES RELATING TO RESIDENTIAL USE, IF ANY Not Applicable.

INDICATE IF THIS PROJECT REQUIRES RELOCATION OF EXISTING COMMERCIAL OR RESIDENTIAL TENANTS The Front Street Phase 3 parcel is currently a vacant lot and therefore no relocation is required for this project.

DESCRIPTION OF RELOCATION PLAN FOR PERSONS TEMPORARILY OR PERMANENTLY DISPLACED BY DEVELOPMENT ACTIVITIES Not Applicable.

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." – Front Street Phase 3 will include the redevelopment of a brownfields site. The project has received a \$1MM U.S. EPA Cleanup Grant for the cleanup of contaminated soils.
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." – While the current zoning of the Front Street phase 3 parcel allows for substantial density, this project has been designed to provide a mix of housing types to the neighborhood. With larger-scale rental residential housing directly abutting this property, this development will serve as a transition to lower density housing on the other side of the neighborhood.
4. Promote Sustainability • "Encourage energy efficiency in new construction and rehabilitation of our housing stock." – Front Street Phase 3 will be built with extremely energy efficient building design, materials, and mechanical systems. This means the new buildings will be significantly more efficient than a code-built building. The buildings will be 100% electric.
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. The project will include two market rate units and six income restricted units which will contribute to the income diversity in the community.

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DESCRIPTION OF HOW HOUSING AND FACILITIES IN THE DEVELOPMENT WILL BE OPERATED AFTER COMPLETION The condominiums at Front Street Phase 3 will be owned by individual households. The eight households will collectively run their condominium association and either choose to self-manage or contract with a third-party. Ongoing use restrictions will be monitored by the City of Portland.

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 incremental taxable revenue for the entire property towards debt service coverage of the Genesis AHTIF Bridge Loan for a term of 30 years. This will allow the project to work with Genesis Community Loan Fund who will provide gap funding. In order to make the project financially feasible, this project requires multiple subsidy sources in addition to a AHTIF of no less than 75%.

Development Budget
33 West Presumpscot St Portland Maine

Sources of Funds:

Construction Sources:			
Lender	Amount (\$)	Rate (%)	Terms (mos.)
Construction Loan	\$ 2,495,600.00	7.50%	18
AHTIF Loan	\$ 370,000.00	6.50%	324
MH AHOP	\$ 468,747.00	0.00%	
CDS Congressional Earmark	\$ 420,000.00	N/A	
EPA Brownfields Grant	\$ 1,000,000.00	N/A	
Sponsor Equity - Seller Note	\$ 270,000.00	N/A	
Sponsor Equity - Deferred Developer Fee	\$ 250,000.00	N/A	
Construction Sources Total	\$ 5,274,347.00		

Permanent Sources:			
Lender	Amount (\$)	Rate (%)	Terms (mos.)
Net Proceeds of Home Sales	\$ 3,015,600.00		
AHTIF Loan	\$ 370,000.00	6.50%	
MH AHOP	\$ 468,747.00	0.00%	
CDS Congressional Earmark	\$ 420,000.00	N/A	
EPA Brownfields Grant	\$ 1,000,000.00	N/A	
Permanent Sources Total	\$ 5,274,347.00		

Use of Funds:

Description:	Costs (\$)
Land Acquisition	\$ 270,000.00
Site Infrastructure (sidewalks, utilities, brownfields, landscaping)	\$ 600,000.00
Professional Services (Consultants, Design, Engineering, Legal)	\$ 369,350.00
Financing Fees (Const. loan Interest, Title/Recording, AHTIF Reserve)	\$ 224,000.00
Soft Cost Contingency	\$ 60,000.00
Developer Overhead	\$ 250,000.00
Marketing & Broker Fee	\$ 120,624.00
Taxes & Insurance	\$ 47,500.00
Permits (specify)	
<i>Building Permit (City of Portland)</i>	\$ 30,000.00
<i>Impact Fees</i>	\$ 37,945.00
<i>CMP Fees</i>	\$ 25,000.00
<i>Other Permitting Fees</i>	\$ 29,200.00
Construction Costs (specify)	
<i>Construction Costs (MODULAR)</i>	\$ 2,714,915.00
<i>Inflation Contingency (10%)</i>	\$ 301,492.00
<i>Construction Contingency (5%)</i>	\$ 194,321.00
Total Development Costs	\$ 5,274,347.00

NOTE: Front Street Phase 3 is a Brownfields site. The site infrastructure line above accounts for additional costs associated with Brownfields soil.

City of Portland - TIF Model
 PHDC - Phase III of Front St. Development
[35 W. Presumpscot St., 167-E-9 and 10](#)
 OAV as of 3/31/2025: \$69,300
 4/4/2025

City of Portland- TIF Projection Table									
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	2025	\$3,517,020	75.00%	\$2,637,765	15.01	\$39,593	\$39,593	\$0	\$13,198
2	2026	\$3,517,020	75.00%	\$2,637,765	15.31	\$40,385	\$40,385	\$0	\$13,462
3	2027	\$3,517,020	75.00%	\$2,637,765	15.62	\$41,192	\$41,192	\$0	\$13,731
4	2028	\$3,517,020	75.00%	\$2,637,765	15.93	\$42,016	\$42,016	\$0	\$14,005
5	2029	\$3,517,020	75.00%	\$2,637,765	16.25	\$42,857	\$42,857	\$0	\$14,286
6	2030	\$3,517,020	75.00%	\$2,637,765	16.57	\$43,714	\$43,714	\$0	\$14,571
7	2031	\$3,517,020	75.00%	\$2,637,765	16.90	\$44,588	\$44,588	\$0	\$14,863
8	2032	\$3,517,020	75.00%	\$2,637,765	17.24	\$45,480	\$45,480	\$0	\$15,160
9	2033	\$3,517,020	75.00%	\$2,637,765	17.59	\$46,389	\$46,389	\$0	\$15,463
10	2034	\$3,517,020	75.00%	\$2,637,765	17.94	\$47,317	\$47,317	\$0	\$15,772
11	2035	\$3,517,020	75.00%	\$2,637,765	18.30	\$48,263	\$48,263	\$0	\$16,088
12	2036	\$3,517,020	75.00%	\$2,637,765	18.66	\$49,229	\$49,229	\$0	\$16,410
13	2037	\$3,517,020	75.00%	\$2,637,765	19.04	\$50,213	\$50,213	\$0	\$16,738
14	2038	\$3,517,020	75.00%	\$2,637,765	19.42	\$51,218	\$51,218	\$0	\$17,073
15	2039	\$3,517,020	75.00%	\$2,637,765	19.81	\$52,242	\$52,242	\$0	\$17,414
16	2040	\$3,517,020	75.00%	\$2,637,765	20.20	\$53,287	\$53,287	\$0	\$17,762
17	2041	\$3,517,020	75.00%	\$2,637,765	20.61	\$54,353	\$54,353	\$0	\$18,118
18	2042	\$3,517,020	75.00%	\$2,637,765	21.02	\$55,440	\$55,440	\$0	\$18,480
19	2043	\$3,517,020	75.00%	\$2,637,765	21.44	\$56,548	\$56,548	\$0	\$18,849
20	2044	\$3,517,020	75.00%	\$2,637,765	21.87	\$57,679	\$57,679	\$0	\$19,226
21	2045	\$3,517,020	75.00%	\$2,637,765	22.30	\$58,833	\$58,833	\$0	\$19,611
22	2046	\$3,517,020	75.00%	\$2,637,765	22.75	\$60,010	\$60,010	\$0	\$20,003
23	2047	\$3,517,020	75.00%	\$2,637,765	23.21	\$61,210	\$61,210	\$0	\$20,403
24	2048	\$3,517,020	75.00%	\$2,637,765	23.67	\$62,434	\$62,434	\$0	\$20,811
25	2049	\$3,517,020	75.00%	\$2,637,765	24.14	\$63,683	\$63,683	\$0	\$21,228
26	2050	\$3,517,020	75.00%	\$2,637,765	24.63	\$64,956	\$64,956	\$0	\$21,652
27	2051	\$3,517,020	75.00%	\$2,637,765	25.12	\$66,255	\$66,255	\$0	\$22,085
28	2052	\$3,517,020	75.00%	\$2,637,765	25.62	\$67,581	\$67,581	\$0	\$22,527
29	2053	\$3,517,020	75.00%	\$2,637,765	26.13	\$68,932	\$68,932	\$0	\$22,977
30	2054	\$3,517,020	75.00%	\$2,637,765	26.66	\$70,311	\$70,311	\$0	\$23,437
30 Year TIF Total		\$105,510,600		\$79,132,950		\$1,606,206	\$1,606,206	\$0	\$535,402
30 Year TIF Average		\$3,517,020		\$2,637,765		\$53,540	\$53,540		\$17,847

City of Portland - TIF Model
 PHDC - Phase III of Front St. Development
[35 W. Presumpscot St., 167-E-9 and 10](#)
 OAV as of 3/31/2025: \$69,300
 4/4/2025

Tax Shifts-Avoided Formula Impacts from Sheltering of Valuation: City of Portland- TIF Model							
75% Sheltered - 30 years - 75% to Developer Project Account - 25% to City General Fund							
TIF Year	Tax Year- April 1	Total Added Valuation	Sheltered Valuation	Avoided Formula Impacts from Sheltering of Valuation			
				Avoided Loss of State Aid to for Education	Avoided Loss of State Municipal Revenue Sharing	Avoided Increase in County Tax	Total Avoided Impacts
1	2025	\$3,517,020	\$2,637,765	\$0	\$5,183	\$1,057	\$6,240
2	2026	\$3,517,020	\$2,637,765	\$0	\$5,183	\$1,056	\$6,239
3	2027	\$3,517,020	\$2,637,765	\$0	\$5,183	\$1,056	\$6,239
4	2028	\$3,517,020	\$2,637,765	\$5,821	\$5,183	\$1,056	\$12,060
5	2029	\$3,517,020	\$2,637,765	\$11,641	\$5,183	\$1,056	\$17,881
6	2030	\$3,517,020	\$2,637,765	\$17,462	\$5,183	\$1,056	\$23,701
7	2031	\$3,517,020	\$2,637,765	\$17,462	\$5,183	\$1,056	\$23,701
8	2032	\$3,517,020	\$2,637,765	\$17,462	\$5,183	\$1,056	\$23,701
9	2033	\$3,517,020	\$2,637,765	\$17,462	\$5,183	\$1,056	\$23,701
10	2034	\$3,517,020	\$2,637,765	\$17,462	\$5,183	\$1,056	\$23,701
11	2035	\$3,517,020	\$2,637,765	\$17,462	\$5,183	\$1,056	\$23,701
12	2036	\$3,517,020	\$2,637,765	\$17,462	\$5,183	\$1,056	\$23,701
13	2037	\$3,517,020	\$2,637,765	\$17,462	\$5,183	\$1,056	\$23,701
14	2038	\$3,517,020	\$2,637,765	\$17,462	\$5,183	\$1,056	\$23,701
15	2039	\$3,517,020	\$2,637,765	\$17,462	\$5,183	\$1,056	\$23,701
16	2040	\$3,517,020	\$2,637,765	\$17,462	\$5,183	\$1,056	\$23,701
17	2041	\$3,517,020	\$2,637,765	\$17,462	\$5,183	\$1,056	\$23,701
18	2042	\$3,517,020	\$2,637,765	\$17,462	\$5,183	\$1,056	\$23,701
19	2043	\$3,517,020	\$2,637,765	\$17,462	\$5,183	\$1,056	\$23,701
20	2044	\$3,517,020	\$2,637,765	\$17,462	\$5,183	\$1,056	\$23,701
21	2045	\$3,517,020	\$2,637,765	\$17,462	\$5,183	\$1,056	\$23,701
22	2046	\$3,517,020	\$2,637,765	\$17,462	\$5,183	\$1,056	\$23,701
23	2047	\$3,517,020	\$2,637,765	\$17,462	\$5,183	\$1,056	\$23,701
24	2048	\$3,517,020	\$2,637,765	\$17,462	\$5,183	\$1,056	\$23,701
25	2049	\$3,517,020	\$2,637,765	\$17,462	\$5,183	\$1,056	\$23,701
26	2050	\$3,517,020	\$2,637,765	\$17,462	\$5,183	\$1,056	\$23,701
27	2051	\$3,517,020	\$2,637,765	\$17,462	\$5,183	\$1,056	\$23,701
28	2052	\$3,517,020	\$2,637,765	\$17,462	\$5,183	\$1,056	\$23,701
29	2053	\$3,517,020	\$2,637,765	\$17,462	\$5,183	\$1,056	\$23,701
30	2054	\$3,517,020	\$2,637,765	\$17,462	\$5,183	\$1,056	\$23,701
30 Year TIF Total		\$105,510,600	\$79,132,950	\$454,012	\$155,491	\$31,693	\$641,195
30 Year TIF Average		\$3,517,020	\$2,637,765	\$15,134	\$5,183	\$1,056	\$21,373

To: Mary Davis, City of Portland
From: Anne Boynton, Urban Ventures, Inc.
Re: PHDC's Front Street Phase III
Date: 5/16/25

Portland Housing Development Corporation (PHDC) requests a 75%, 30-year Affordable Housing TIF to secure a construction loan for the proposed new construction of 8 units of for sale condominium housing, and 8 parking spots. Six units will be affordable townhomes and two units will be market rate. This is Phase III of the comprehensive development of Portland Housing Authority's Front Street property. Phase I & Phase II, which provided 105 units of affordable rental housing, have been successfully constructed and leased up. Phase III is responsive to the neighborhood's expressed desire for additional homeownership opportunities in the neighborhood. The site is currently vacant.

Using the City's TIF Model spreadsheets, the year 1 value of a 75% TIF would be \$39,593. This represents a \$6,599-year one subsidy per affordable residential unit. While the projected value of a 30-year TIF would be \$1,606,206, the TIF will be used to secure and repay a construction loan of \$370,000, and the TIF will terminate when the construction loan is fully retired. It is expected that the TIF will be retired approximately 15 years after unit occupancy.

Sources and Uses

Permanent Sources:		Permanent Uses:	
Net Proceeds of Unit Sales	\$3,015,600	Land Acquisition	\$270,000
TIF Loan (Genesis Fund)	\$370,000	Construction Hard Costs	\$3,314,915
Maine Housing AHOP	\$468,747	Hard & Soft Contingency	\$555,813
Congressional Earmark	\$420,000	Soft Costs (incl. sales costs)	\$883,619
EPA Brownfields	<u>\$1,000,000</u>	Developer Fee	<u>\$250,000</u>
Total Sources:	\$5,274,347	Total Uses:	\$5,274,347

Status of Sources: Norway Savings is expected to finance the construction loan of \$2,495,600, and has provided a term sheet for up to \$3 million, with a requirement of 3 income eligible presales prior to closing. Norway Savings is currently in underwriting. PHDC intends to borrow less from Norway Savings than their stated maximum due to market uncertainty.

The TIF will secure a long-term bridge loan from Genesis Fund. Genesis Fund has provided a letter of interest and term sheet and is in underwriting. Maine Housing recently awarded subsidy funds from the Affordable Homeownership Program (AHOP). The Congressional Earmark and the Brownfields funding were awarded in the prior administration. It is unclear if/how the change in administration will impact the accessibility of these funds.

Development Budget

Construction Costs:

Construction costs are based on an estimate for modular construction from Backyard ADU, plus an estimate for site work including infrastructure and brownfields remediation. Total construction cost divided among the 8 units is \$414,364, including the site work. Excluding site work, the unit construction costs are \$398,877 each for the two duplex units and \$319,527 each for the six townhouses.

Soft Costs:

Soft costs are moderate and within industry standard. More than typical engineering is necessary to address the brownfield site. Developer fee is \$250,000. This is a reasonable fee by industry standards, 5.1% of total development costs, excluding reserves and developer fee.

Contingency:

The hard cost contingency is budgeted at industry standard 5% of construction costs, plus an additional 10% “inflation contingency.” This is not industry standard and adds an additional \$301,492 to the hard cost budget (an additional cost of \$37,686 per unit). Backyard ADU is carrying an additional \$118,172 in line items labeled “Overhead/Contingency” and “Modular Overhead/Contingency.” This is 4.35% of their total cost. Though these additional layers of contingency are extraordinary, these are extraordinary times -- construction costs are extremely unpredictable due to rapidly changing federal policy and the volatility that creates in the market.

Soft cost contingency is \$60,000, which is 7.8% of soft costs. This should be adequate for the remaining soft costs. There are three additional reserves: \$12,000 condominium reserve, \$60,000 AHTIF reserve, and \$40,000 Warranty Reserve.

Acquisition:

The vacant site is owned by PHDC, acquired for \$275,000 in 2019. So PHDC is selling the land to the project for slightly less than what they paid, not including their carrying costs over the last 6 years. The land cost per unit is \$33,750. A satisfactory appraisal, with the land value separately evaluated, is a recommended condition of approval.

Market Analysis and Sales/Affordability Projections

The MaineHousing AHOP funds for the 2024 round commit PHDC to sell for a **maximum** sales price of \$378,000 per affordable unit, but provides incentives through the point scoring process for additional subsidy leveraged allowing decreases in the sales price to the homebuyer. PHDC plans to sell the units at \$298,500 for the affordable 2-bedroom units and \$358,000 for the affordable 4-bedroom units, substantially below the MH maximum and also below the City of Portland maximum affordable price. Considering the median sales price for a unit in City of Portland is in the \$600,000 range, it is safe to say these units will be “below market.” PHDC has confirmed that Maine Housing will provide incentive points for the value of the TIF award, hence the TIF funding is an important part of a competitive score.

The maximum income level per household is \$137,760, which was 120% of AMI in 2024. Though demand is expected to be high for these units, sales will be on a “first paperwork completed” basis from all income eligible, prequalified buyers. So, while these units are affordable to households substantially below 120% of AMI, there is no additional income level targeting to households with incomes below 120%.

For subsequent sales (if the original purchaser decides to sell the property within the 15-year term) Maine Housing will require the 6 affordable units be sold:

- for a price under 70% of the maximum price in MH’s First Home Loan Program; and
- to a household with an income below 120% AMI.

Homeowners must agree to reside in the unit as their primary residence and not to rent the unit for short or long terms.

City of Portland TIF policy will require units sold during the duration of the TIF (estimated at approximately 15 years) to be sold at an affordable price, as calculated by a predetermined formula at that time.

Given the deep discount to market value, high demand for these units is expected despite potential buyer concern about these restrictions and the uncertainty they generate regarding resale of the unit.

Developer Financials

Portland Housing Authority has submitted audits for FY 2021, 2022, 2023 and 2024. The audits include primary (consolidated) entities, which include PHDC, and also report on “Discrete Component Units,” projects controlled by PHA but reflected separately in the audit. Their fiscal year ends 6/30.

For PHA (consolidated entities), 2024 was (yet another) very strong year operationally. Their audit as of 6/30/24 shows strong financial health, with current assets of \$33.5 million and current liabilities of \$3.1 mill, for a very strong current ratio of 10.82. The Quick Ratio (cash and cash equivalents divided by current liabilities) is a remarkably healthy 8.9. Net position is up \$19 million, to \$45 million, a 74.6% increase in net position from 2023 to 2024. PHA FY24 operating revenue was up a 16.8%. Non-operating revenue was \$18 million (an increase of 1,011% over ’23), primarily from HUD capital grants and gain on sale of Harbor Terrace. Operating expenses were up 19%, but revenues exceeded expenses by over \$19 million.

“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 \$15.5 million, bringing the total combined net position of PHA & Discrete Component Entities to over \$60.5 million. In 2024, “Discrete Component Entities” revenues exceeded expenses by \$3.8 million.

Managements income/expense reports as of February 28, 2025 (unaudited) suggest this year will be strong for PHA overall. Operating income is above budget, while operating expenses are below budget, with YTD net income of \$1.7 million. PHDC statements dated March 25, 2025, viewed as if it were a stand-alone entity (which it is not), show a rockier start to the year. Though rental income exceeded budget by 21% and expenses ran under budget by 13%, the YTD net income was -\$84,216. This was due to several budgeted developer fees that had not been received to date. Delayed developer fees can lead

to large swings in income between periods which can be challenging especially for small developers, but PHDC/PHA has the capital base and resources to thrive financially even when developer fee income is delayed.

Overall, PHA has very strong financial health. This developer has the financial capacity to intervene in a development facing unexpected set backs and/or cost over-runs to keep the development process moving forward. Their financial strength as an organization mitigates the risk of present market volatility.

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 6 units of for sale housing for households with incomes up to 120% AMI, and 2 units of market rate housing. Affordable housing is identified as a community need in Portland's Plan 2030 and the City Council's 2025 Common Goals.

2. Financial Necessity: "The applicant must demonstrate the City's participation is financially necessary in order for the project to proceed."

The development budget shows that a TIF is needed to fill a gap in the financing package and therefore for the project to proceed. Given the extraordinary level of market uncertainty due to federal policy volatility, PHDC is reluctant to take on additional conventional debt and the unit sales prices are constrained by the MH funding. The TIF secures/repays a bridge loan which provides for extraordinary contingency for extraordinary times.

3. Financial Capacity: "The applicant must demonstrate financial capacity to support their project."

PHA & PHDC have demonstrated financial capacity to support their project through the following:

- financing commitments (all projected sources have either committed or expressed written interest with suggested terms), and
- very strong organizational financials (see Developer Financials above)

I recommend a 75% AHTIF with a maximum potential 30-year term. The actual term of TIF will be the date of complete repayment of the Genesis construction loan (expected in approximately 15 years). This recommendation is conditioned upon satisfactory review of the following:

- A satisfactory appraisal supporting the per unit land price and the sales price;
- Financing commitments for all sources prior to closing on terms and conditions acceptable to the City of Portland.

TIF documents to require:

- All standard construction 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.

Development Budget with Permanent Sources

Date 5/16/2025
 Project Name Front St Phase III
 Project Address 33 West Presumpscot St
 Developer/Sponsor PHDC

Total Units 8
 Total Square Feet 9,400

	Initial Application Values		
	Total	Per Unit	Per Sq Ft
Sources of Funds -- Construction			
Conventional Construction Financing - 1st Lien	\$2,495,600	\$311,950	\$265
Genesis Fund: Affordable Housing TIF loan	\$370,000	\$46,250	\$39
Maine Housing AHOP	\$468,747	\$58,593	\$50
Congressional Earmark	\$420,000	\$52,500	\$45
EPA Brownfields	\$1,000,000	\$125,000	\$106
Seller Note	\$270,000	\$33,750	\$29
Deferred Developer Fee	\$250,000	\$31,250	\$27
Total Sources of Funds	\$5,274,347	\$659,293	\$561

Sources of Funds -- Permanent			
Net Proceeds of Home Sales	\$3,015,600	\$376,950	\$321
Genesis Fund: Affordable Housing TIF loan	\$370,000	\$46,250	\$39
Maine Housing AHOP	\$468,747	\$58,593	\$50
Congressional Earmark	\$420,000	\$52,500	\$45
EPA Brownfields	\$1,000,000	\$125,000	\$106
Other		\$0	\$0
Total Sources of Funds	\$5,274,347	\$659,293	\$561

Uses of Funds

Hard Costs			
Site Improvements	\$600,000	\$75,000	\$64
Rehabilitation		\$0	\$0
New Construction	\$2,714,915	\$339,364	\$289
Contractor's Profit, Overhead, & Gen. Requirements	0.0%	\$0	\$0
Hazardous Materials abatement (if contracted separately)		\$0	\$0
Demolition Cost (if contracted separately)		\$0	\$0
Bond Premium		\$0	\$0
Other		\$0	\$0
Hard Cost Contingency (% of hard costs)	15.0%	\$495,813	\$53
Total Hard Costs		\$3,810,728	\$405

Soft Costs				
Building Permit & Fees		\$122,145	\$15,268	\$13
Survey & Engineering		\$65,750	\$8,219	\$7
Design & Permitting (% of const exp)	3.9%	\$65,000	\$8,125	\$7
Borrower Legal (all closings, excluding syndication legal)		\$125,000	\$15,625	\$13
Title & Recording		\$30,000	\$3,750	\$3
Accounting			\$0	\$0
Construction Period Taxes and insurance		\$47,500	\$5,938	\$5
Construction Period Insurance			\$0	\$0
Other: FF&E, Security			\$0	\$0
Other: Brownfields Environmental Engineering		\$100,000	\$12,500	\$11
Total Soft Costs		\$555,395	\$69,424	\$59

Financing Costs				
Construction Loan Origination Fees			\$0	\$0
Construction Period Interest		\$65,000	\$8,125	\$7
Lender Inspection Fees			\$0	\$0
Letter of Credit Fee			\$0	\$0
Permanent Loan Fee			\$0	\$0
Construction Lender Legal			\$0	\$0
Other AHTIF fees and Genesis Loan Costs		\$15,000	\$1,875	\$2
Total Financing Costs		\$80,000	\$10,000	\$9

Miscellaneous				
Market Survey			\$0	\$0
Appraisal			\$0	\$0
Environmental Study			\$0	\$0
LIHTC Fees -- prepaid monitoring			\$0	\$0
Other: Commissioning			\$0	\$0
Relocation Costs			\$0	\$0
Other Radon testing & Commissioning		\$15,600	\$1,950	\$2
Soft Cost Contingency (% of soft costs excl Dev Fee)	9.22%	\$60,000	\$7,500	\$6
Total Miscellaneous:		\$75,600	\$9,450	\$17

Acquisition				
Acquisition: Buildings			\$0	\$0
Acquisition: Land		\$270,000	\$33,750	\$29
Acquisition: Legal			\$0	\$0
Other			\$0	\$0
Total Acquisition		\$270,000	\$33,750	\$29

Reserves and Developer Fee				
Operating Deficit Escrow			\$0	\$0
Prefunded Replacement Reserve			\$0	\$0
Taxes & Insurance Escrow			\$0	\$0
Developer Overhead		\$250,000	\$31,250	\$27
Developer Profit			\$0	\$0
Marketing & Brokerage Fees		\$120,624	\$15,078	\$13
Other Condo & AHTIF Reserves		\$112,000	\$14,000	\$12
Total Reserves and Developer Fee		\$482,624	\$60,328	\$51

Total Uses of Funds		\$5,274,347	\$659,293	\$570
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Developer Fee Analysis: Total Fees: \$250,000
(excluding reserves & developer fee) Percent TDC: 5.22%

CITY OF PORTLAND

Declaration of Covenants, Conditions and Restrictions for the *Front Street Phase 3/ 35-41 W. Presumpscot 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 **Front Street Condominium LLC**, a Maine Limited Liability Company with a mailing address of, 970 Baxter Blvd, 3rd Floor, Portland, Maine 04103 (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 capital financing costs associated with the development of eight (8) townhouse-style condominiums of homeownership housing (the “Units”) located at 35-41 W. Presumpscot Street, Portland, Maine (the “Development”), at least six (6) of which units shall be Workforce Units; as that term is used herein; 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, because the Development consists of homeownership units, Developer has agreed to certain restrictions on the sale and resale of the Workforce Units, including restrictions on the price for which the Workforce Units may be sold, the parties who may purchase Workforce Units, and occupancy restrictions, all on the terms and conditions hereinafter provided; 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”). With respect to each Workforce Unit, as that term is defined below, this Declaration shall remain in full force and effect until the later of (1) of the date that is ten years after the date of the initial sale of such unit by the Developer, or (2) the date that the City has paid the Developer for all Qualified Reimbursable Costs due to the Developer (the “Qualified Project Period”) under a certain Credit Enhancement Agreement between the City and Developer of near or even date herewith (the “Credit Enhancement Agreement”). The Workforce Units are identified in the Schedule of Workforce Units that is attached hereto as Exhibit A and made a part hereof.
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 B 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 Declaration of Front Street Condominium, which Developer shall record in the Cumberland County Registry of Deeds prior to the sale of any Units, shall establish that the Executive Board of the Front Street Condominium Association is obligated and authorized to enforce the covenants against the owner of a non-compliant Workforce Unit. In the event that the Executive Board of the Condominium Association fails to enforce the covenants, the City may enforce the covenants set forth herein against the owner(s) of a Workforce Unit (the then-current owner of a Workforce Units is referred to herein as “Workforce Unit Owner”) as a contract beneficiary whether or not Developer is or remains indebted to the City. In order to avoid any confusion, the above sentence authorizes the City to enforce a violation of the covenants against the Developer at any point prior to Developer’s compliant sale of a Workforce Unit, and authorizes the City to enforce a violation of the covenants against subsequent Workforce Unit Owners, but not the Developer, at any point subsequent to Developer’s compliant sale of a Workforce Unit during the term of the covenants. In the event that the Front Street Condominium Association fails to enforce the covenants and the City takes steps to do so, the City shall be entitled to recover its costs of enforcement, including reasonable attorney fees, from the Front Street Condominium Association as set forth in the Declaration of Condominium.

The covenants of Developer set forth herein shall survive a sale, transfer, or other disposition of the Development, or any portion thereof, a foreclosure or transfer of title in lieu of foreclosure, of the repayment of the AHTIF, 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, provided that funds paid to Developer under the Credit Enhancement Agreement are repaid to the City within a reasonable period of time after such involuntary loss or substantial destruction.

3. **Covenants.** Developer hereby covenants and represents to the City as follows:
 - a. **Development.** The Development shall consist of the land described in Exhibit B attached hereto, together with all buildings and improvements, which after completion

of the work will contain a total of eight (8) townhouse-style condominium units of homeownership 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 nature, size number or location of the units in the Development and the facilities in the units. The Development's declaration of condominium shall incorporate by reference, and be subject to, the provisions of this Declaration.

- b. **Transfer to Qualified Buyer.** Except as may be set forth herein, a Workforce Unit Owner may sell, transfer, or otherwise dispose of a Workforce Unit only to a Qualified Buyer, as that term is defined herein. Any purported sale, transfer or other disposition to any other person or entity done without following the procedures set forth below, or in violation of the price limitations set forth below, shall be ***null and void***. For purposes hereof, the parties agree that the term "**Qualified Buyer**" means a person or household with a gross income not exceeding 120% of the HUD Portland, Maine Metropolitan FMR Area Median Income figures for a household of that size as calculated by the City and which person or household must intend to and in fact occupy the Workforce Unit as their primary residence on a continuing basis. Workforce Units may not be rented out by the Developer or Workforce Unit Owner for short or long-term periods during the term of this Declaration. A Qualified Buyer may not qualify if any member of the household owns other residential real estate at the time the Workforce Unit Owner provides the City with a Notice of Intent, as that term is defined below. The City reserves the right to perform an asset test to help determine a household's income.
 - c. Household size/composition upon the unit's sale should be appropriate to the size of the unit.
4. **Transfer to Owner's Heirs.** If a Workforce Unit Owner should die still owning a Workforce Unit during the term of this Declaration, then upon receipt of notice from the personal representative of the decedent's estate given within ninety (90) days of the death of such owner (or the last surviving co-owner if the Workforce Unit was owned in joint tenancy), the City shall, except for good cause shown, consent to a transfer of the Workforce Unit to one or more of the following:
- a. The spouse of the deceased owner (in cases where such spouse was not a joint tenant with owner); or
 - b. The child or children of the deceased owner; or
 - c. Member(s) of the deceased owner's household who have resided in the Workforce Unit for at least three years prior to the owner's death.

Any subsequent transfer by a transferee under A, B, or C, above, shall be subject to the terms of this Agreement.

5. Notice to the City; Procedure for Sale.

- a. In each instance that a Workforce Unit Owner intends to sell, transfer or otherwise

dispose of a Workforce Unit to a third party, then prior to listing the Workforce Unit for sale or entering into a purchase and sale agreement, or otherwise taking any steps to consummate the sale of the Workforce Unit, the Workforce Unit Owner shall first give the City written notice of such intent (the “**Notice of Intent**”) addressed to the City at the address set forth below or at such other address as the City shall provide to Developer by written notice.

b. Within ten (10) days of receiving the Notice of Intent, the City shall determine (1) the qualifications and income guidelines for a Qualified Buyer hereunder, and (2) the Workforce Unit Owner’s “**Maximum Allowable Price**” as determined under Section 5(d), below. The City shall communicate the results of such determinations to the Workforce Unit Owner within said ten (10) day period.

c. The Workforce Unit Owner shall market Workforce Units to Qualified Buyers at a price not to exceed the Maximum Allowable Price. The City shall have the right in all cases to determine whether a proposed buyer is a Qualified Buyer, as defined herein. The City shall have ten (10) days from the date it receives all information about a prospective buyer necessary to determine if the prospective buyer is indeed a Qualified Buyer hereunder. The Workforce Unit Owner shall contractually require such potential buyers to provide the City with whatever reasonable information the City requests in order to make the determinations required under this subsection. To the extent permitted by law, all information provided regarding any prospective Qualified Buyer shall be kept and maintained in confidence by the City. The Workforce Unit Owner shall require the Qualified Buyer to acknowledge and agree to be bound by the terms and conditions of this Declaration by executing an acknowledgment form in substantially the same form as that attached hereto as **Exhibit C** (the “Buyer’s Agreement”). As a condition of the purchase of any of the Workforce Units, the buyer shall assume, in writing, all of the obligations of the “Developer” hereunder with respect to said Workforce Unit. The Buyer’s Agreement shall be attached to and recorded in the Cumberland County Registry of Deeds with the deed from the Workforce Unit Owner conveying the Workforce Unit. A Workforce Unit Owner shall not be liable for the Qualified Buyer’s performance of its obligations under the Buyer’s Agreement.

d. Maximum Allowable Price. The City will determine the Maximum Allowable Price for any sale of a Workforce Unit during the term of this Declaration based on the following calculations:

1) Begin by determining monthly income available for the Housing Expenses described below (“Monthly Housing Income”) by calculating 30% of the gross monthly income for a household earning 110% AMI as appropriate for the minimum household size for each Workforce Unit by bedroom type.

(Household’s 110% AMI x 0.30)/12 = Monthly Housing Income.

2) Housing Expenses covered by Monthly Housing Income include mortgage payments and other housing related expenses such as real estate taxes, mortgage insurance, condominium/homeowner association fees, property insurance, and utilities, as set forth below.

- Utilities included in Housing Expenses include electricity, heat, hot water, cooking energy, sewer, water, and trash collection. The City shall make reasonable assumptions based on a unit's bedroom count as to the monthly cost of each utility. To determine what is reasonable, the City may utilize the figures estimated by HUD and distributed through the Portland Housing Authority annually for similar utility allowances based on a unit's bedroom count. The City shall reserve the right to determine a different metric should the HUD figures be unavailable.
 - Mortgage insurance will be estimated similar to current rates utilized by the Federal Housing Administration (FHA) or another reasonable method as determined by the City. Currently, for 30 year mortgages of less than \$726,200 with Loan to Value (LTV) ratios equal or less than 95%, the FHA utilizes a rate of 75 basis points on the mortgaged amount. The actual rate used in the calculation will be determined at the time the unit is marketed.
- 3) The Maximum Allowable Price will then be based on a 30 year fixed rate mortgage with a 5% down payment. It will be allowable for a Qualified Buyer to offer a larger down payment, but a down payment larger than 5% will not increase the Maximum Allowable Price of a Workforce Unit. Mortgage interest rates for the Maximum Allocable Price calculation will be the average national mortgage rate over the past thirteen years as determined by the Freddie Mac Primary Mortgage Market Survey or another source as determined reasonable by the City. The interest rate for the calculation will be determined at the time the unit is marketed
- e. Developer shall not segregate or physically isolate the Workforce Units from other units in the Development and the Developer shall use its best efforts to proportionately distribute the Workforce Units among each unit size in the Development.
5. **Compliance.** At the time of initial sale of a Workforce Unit, the Workforce Unit Owner 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 compliance with the covenants set forth herein. Information deemed acceptable by Maine State Housing Authority shall be acceptable to the 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; provided, however, that a Workforce Unit Owner shall be responsible for paying all real estate taxes assessed on a Workforce Unit owned by the owner. Nothing contained in this section shall be deemed a waiver or limitation on Developer's or a Workforce Unit Owner'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 minimum of six (6) years after the expiration of the Qualified Project Period for those books, records, documents and plans pertaining to the sale and occupancy requirements described in this Declaration, 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.** A Workforce Unit Owner shall immediately notify the City if the owner anticipates or discovers that it is in noncompliance with any restriction or covenant in this Declaration, including, without limitation, noncompliance with the occupancy restrictions in Section 3 of this Declaration. A Workforce Unit Owner 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 a Workforce Unit Owner 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 Workforce Unit Owner to recover damages incurred by the City from such failure, including, without limitation, reasonable attorneys' fees and costs, and to require the Workforce Unit Owner (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.** Workforce Unit Owners 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 Workforce Unit Owner'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 all Workforce Unit Owners, the 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 all Workforce Unit Owners 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, a Workforce Unit Owner, 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.

Signature pages follow.

IN WITNESS WHEREOF, this Declaration has been duly executed by the Developer and City as of _____, 2025.

CITY OF PORTLAND, ME

Witness

By: _____
Danielle P. West
Its: City Manager

State of Maine
Cumberland, ss.

_____, 2025

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.

Front Street Condominium LLC

Witness

By: _____
Name:
Its:

State of Maine
Cumberland, ss.

_____, 2025

Personally appeared the above named _____, Manager of Front Street Condominium LLC, General Partner of _____ and acknowledged the foregoing instrument to be his free act and deed in said capacity and the free act and deed of said limited partnership and limited liability company.

Before me,

Notary Public/Attorney-at-Law

(Print or type name)

CITY OF PORTLAND

**FRONT STREET PHASE 3/35-41 W. PRESUMPCOT STREET AFFORDABLE HOUSING
DEVELOPMENT AND TAX INCREMENT FINANCING DISTRICT**

DEVELOPMENT PROGRAM

Date: _____, 2025

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Front Street Phase 3/35-41 W. Presumpscot 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 35 and 41 W. Presumpscot Street in Portland. The area includes approximately 0.4121 acre located on Tax Map 167, Block E, Lot 9 at 35-41 W. Presumpscot Street in the RN3 zone. 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 FRONT STREET PHASE 3 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 certain allowable Project Costs per 30-A M.R.S.A. §5249 and described in Section 2.03 hereof by Front Street Condominium LLC, 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 35-41 W. Presumpscot Street involves the construction of a building on approximately 0.4121 acres, into an affordable housing neighborhood. The objective of the project is that 75% 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 120% of the area median income for the area as defined by the United States Department of Housing and Urban Development. This project will consist of two buildings; one building containing six, two-story townhomes and one building containing two, two-story townhomes, both buildings to be built with a total of eight (8) units, six (6) of those units will be affordable to households whose income does not exceed 120% of the area median income. The zoning for the project assures that this number of units and this affordability objective will be met.

The 35-41 W. Presumpscot Street project is projected to have a total local increased assessed valuation at build out of approximately \$3,517,020 based upon current real estate values and City assessment practices. Based upon the estimated tax rate upon completion, the project will generate approximately a thirty-year annual average of \$53,540 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 capital costs, including but not limited to the acquisition of land or construction of public infrastructure improvements for affordable housing development; the demolition, alteration, remodeling, repair or reconstruction of existing buildings, structures and fixtures; site preparation and finishing work; and all fees and expenses that are eligible to be included in the capital costs of such improvements, including but not limited to, licensing and permitting expenses and planning, engineering, architectural, testing, legal and accounting expenses; financing costs, including but not limited to closing costs, issuance costs, and interest paid to holders of evidence of indebtedness issued to pay for project costs and any premium paid over the principal amount of that indebtedness because of the redemption of the obligations before maturity.

B. Need for the Affordable Housing TIF. Over the 30-year TIF, the estimated average annual payment is \$53,540 (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 35-41 W. Presumpscot Street. The Tax Increment Revenue described in section 3.04 will help pay for Qualified Reimbursable Costs for a period of up to thirty (30) years as described in the Credit Enhancement Agreement. 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 property is currently vacant and will continue to be vacant until Front Street Condominium LLC’s acquisition and development of the property. No businesses or persons will be displaced as a result of the development activities proposed in the District.

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. The Developer, its successor or assigns, will operate the improvements constructed 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 ten (10) to thirty (30) 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, 2025, and the last Tax Year of the Development Program begins April 1, 2054.

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 0.4121 acres and thus such area represents less than 2% (or 0.00298935%) of the total acreage of the City. The total area of the proposed AHTIF Districts (.4121) and the total area of all development districts in the City (889.6387) totals 890.0508 acres which is approximately 6.4491% (890.050/13,785.6) 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 (416.1688 acres)—which, when subtracted from the 889.6387 acres is 443.470 acres, which is 3.216% (443.470/13,785.6) 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 37.882 acres or 0.2747% of the total acreage of the City (37.882/13,785.6) and does not exceed 5% of the total acreage of the City;

(iii) The Original Assessed Value of the proposed Affordable Housing TIF Districts (\$69,300) combined with the Original Assessed Value of all existing Affordable Housing TIF Districts within the City totals \$5,030,461. The taxable property value as of the April 1st before MaineHousing approval (4/1/2025) equals \$14,872,866,446. As the aggregate OAV as a percent of taxable value is 0.0338%, 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 a maximum of 30 (thirty) years, which mechanism is the Declaration attached hereto as Exhibit I. The District is primarily a residential development in which 75% 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 Front Street Phase 3/35-41 W. Presumpscot 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 the end of the City's Fiscal Year 2025, which was March 31, 2025. 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 Qualified Reimbursable Costs pursuant to the Credit Enhancement Agreement. The Tax Increment Revenues (Developer's Share) shall be equal to the corresponding fiscal year's projected allocation percentage for each payment according to Exhibit A, but Developer's Share will be an amount equal to the lesser of (1) the total amount of Developer's Qualified Reimbursable Costs for prior Fiscal Years, or (2) all amounts then on deposit in the Project Cost Account. To the extent that the Qualified Reimbursable Costs in any given CEA Year exceed the amounts then on deposit in the Project Cost Account, then the Developer is eligible to receive payment for the unreimbursed portion of Qualified Reimbursable Costs of Prior Fiscal Years in a future year if and when the amounts on deposit in the Project Cost Account exceed the then current year's Qualified Reimbursable Costs. In no event shall the total aggregate amount paid to Developer during the term of the District exceed the cumulative amount of Qualified Reimbursable Costs paid to the Developer's AHTIF Lender (as defined in the Credit Enhancement Agreement the "Developer's Aggregate Share"). 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. The Development Program will terminate when Developer's Aggregate Share has been paid.

"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.

The amount of the Tax Increment Revenues on the Increased Assessed Value of all property in the District for each year during the term of the District to be allocated and paid to the Developer each year pursuant to the Credit Enhancement Agreement shall be equal to the product for each year during the term of the District of (a) the relevant Developers Percentage Allocation of the Tax Increment (Developer share) for each year as computed as described above, times (b) the actual amount of the Tax Increment Revenues each year are more or less than the Tax Increment Revenues as estimated or projected in Exhibit A of this Development Program, provided that in no fiscal year will the Developer's Share be less than 100% of the captured revenue through the term of the District.

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 Front Street Phase 3/35-41 W. Presumpscot 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 30 years based upon the estimated local assessed valuation and the estimated tax rate of \$15.01/\$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 _____, 2025, 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 June 23, 2025. 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 June 23, 2025 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

MEMORANDUM
City Council Agenda Item

FROM: Mary Davis, Division Director

DATE: June 27, 2025

SUBJECT: Order 238-24/25 Approving the Front Street Phase 3/35 and 41 W. Presumpscot Street Affordable Housing Credit Enhancement Agreement with Front Street Condominium, LLC - Sponsored by the Housing & Economic Development Committee, Councilor Pious Ali, Chair

SPONSOR: Sponsored by the Housing and Economic Development Committee, Councilor Pious Ali, Chair. The Committee met on May 20, 2025 and voted 4-0 to recommend approval by the City Council.

(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 6/2/2025

**Final
Action 6/23/2025**

Can action be taken at a later date: No A 10 day public notice must be published prior to the Council Action. The public notice is published in the Portland Press Herald

Does this item involve a new contract with the City: Corporation Counsel has reviewed the Credit Enhancement Agreement.

PRESENTATION: Mary Davis will be available to answer questions

I. SUMMARY

This is a companion Order to Order XX 24/25 above.

II. AGENDA DESCRIPTION

The Housing & Economic Development Committee met on May 20, 2025 and voted 4-0 to recommend this item to the City Council.

This is a companion order to the order above.

This item must be read on two separate days. It received its first reading on June 23. Five affirmative votes are required for passage after public comment.

III. BACKGROUND

IV. INTENDED RESULT AND/OR COUNCIL GOAL ADDRESSED

V. FINANCIAL IMPACT

VI. STAFF ANALYSIS AND BACKGROUND

VII. RECOMMENDATION

The Housing and Economic Development Committee met on May 20, 2025, and voted 4-0 to recommend this item for approval by the City Council.

VIII. LIST ATTACHMENTS

1. Order - Approving the Affordable Housing Credit Enhancement Agreement Front Street Condominium LLC

2. 03 Att 8 Ex E CEA DRAFT FS Ph 3 clean for council 061825

Prepared by:

Mary Davis, Division Director

Date: 06/27/2025

MARK DION (MAYOR)
PIOUS ALI (A/L)
APRIL D. FOURNIER(A/L)
BENJAMIN GRANT (A/L)

CITY OF PORTLAND
IN THE CITY COUNCIL

SARAH MICHNIEWICZ (1)
WESLEY PELLETIER (2)
REGINA L. PHILLIPS (3)
ANNA BULLETT (4)
KATE SYKES (5)

**ORDER APPROVING THE FRONT STREET PHASE 3 / 35 AND 41 W.
PRESUMPCOT STREET AFFORDABLE HOUSING CREDIT ENHANCEMENT
AGREEMENT WITH FRONT STREET CONDOMINIUM, LLC**

ORDERED, that the credit enhancement agreement with a 30-year term and 75% captured revenue rate between the City of Portland and Front Street Condominium, LLC related to the Front Street Phase 3 / 35 and 41 W. Presumpscot Street Affordable Housing and 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 same 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.

BE IT FURTHER ORDERED, that this Order is enacted as an Emergency, pursuant to Article II, Section 11 of the Portland City Charter, in order to make it effective immediately.

CREDIT ENHANCEMENT AGREEMENT

between

THE CITY OF PORTLAND, MAINE

and

**FRONT STREET
CONDOMINIUM LLC**

DATED: _____, 2025

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EXHIBITS

Exhibit 1 Copy of District Map

THIS CREDIT ENHANCEMENT AGREEMENT dated as of _____, 2025, between the City of Portland, Maine, a municipal body corporate and politic and a political subdivision of the State of Maine (the “City”), and Front Street Condominium LLC, a Maine Limited Liability Company (the “Developer”).

WITNESSETH THAT

WHEREAS, the City designated the *Front Street Phase 3/35-41 W. Presumpscot 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 _____, 2025, Order XX 24/25 (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

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.

“AHTIF Loan” means one or more bridge loans made by Developer’s AHTIF Lender to pay Project Costs.

“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 as defined in and 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.

“Declaration” means the Declaration of Covenants, Conditions and Restrictions between the City and Developer of near or even date herewith, which shall be in substantially the form attached to the Development Program as Exhibit I, and which shall be recorded in the Cumberland County Registry of Deeds.

“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.

“Developer’s AHTIF Lender” means one or more lenders of a bridge loan to the Developer based on the projected Tax Increment Revenues for the Project, which will be repaid from said Tax Increment Revenues during the term of this Credit Enhancement Agreement.

“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 Sixty-Nine Thousand and Three Hundred Dollars (\$69,300), which is the taxable assessed real property value of the District as of March 31, 2025 (April 1, 2024).

“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 an eight (8) unit townhouse-style mixed income housing project to be named Front Street Condominiums located in the District.

“Project Costs” has the meaning set forth in the Development Program and Title 30-A, Chapter 206, Section 5249

“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.

“Qualified Project Period” shall have the meaning assigned in the Declaration.

“Qualified Reimbursable Costs” means principal and interest that is outstanding or has been paid for the AHTIF Loan, to the extent the proceeds of such loan were used to pay Project Costs that are actually incurred and paid by the Developer. Qualified Reimbursable Costs do not include late fees or other penalties incurred due to a default of the Developer under the AHTIF Loan and charged by Developer’s AHTIF Lender.

“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.

“Workforce Unit” shall have the meaning given in the Declaration.

“Workforce Unit Owner” shall have the meaning given in the Declaration.

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 “Front Street Phase 3/35-41 W. Presumpscot 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, 2025 and continuing thereafter through the Tax Year beginning April 1, 2054 (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 debt service financing costs associated with the costs of improvements 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, an amount equal to the lesser of (1) the total amount of Developer's Qualified Reimbursable Costs for prior Fiscal Years, or (2) all amounts then on deposit in the Project Cost Account. To the extent that the Qualified Reimbursable Costs in any given CEA Year exceed the amounts then on deposit in the Project Cost Account, then the Developer is eligible to receive payment for the unreimbursed portion of Qualified Reimbursable Costs of Prior Fiscal Years in a future year if and when the amounts on deposit in the Project Cost Account exceed the then current year's Qualified Reimbursable Costs. In no event shall the total aggregate amount paid to Developer during the term of this Agreement exceed the cumulative amount of Qualified Reimbursable Costs paid to Developer's

AHTIF Lender. Any funds remaining in the Project Cost Account after Developer has received all allowable payments under this Agreement shall be returned to the City's general fund.

(b) (1) 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.

(2) 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 from successor owners of real or personal property within the District, 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 the Project Cost Account.

(3) 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 remains 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 loan payment statements and such other reasonable 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) No less than monthly, 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.

(h) Notwithstanding anything to the contrary contained herein, during the Qualified Project Period (as such term is defined in the Declaration), if the City determines that a Workforce Unit has been transferred to, or is being occupied by, someone other than a Qualified Buyer (as the terms Workforce Unit and Qualified Buyer are defined in the Declaration), the City may withhold payment to Developer from the Project Cost Account of any tax revenue received by the City for such Workforce Unit, but only for said Workforce Unit and not the District as a whole. Upon demonstration reasonably satisfactory to the City that the identified non-compliance has been cured, the City shall release to Developer all payments withheld under this provision 3.1.(h). In the event of a transfer of a Workforce Unit to a nonqualifying occupant by a party other than the Developer or occupancy of a Workforce Unit by only nonqualifying occupants, Developer shall have a period of sixty (60) days after actual notice of such transfer or occupancy to cure such violation prior to the loss of any benefits or right to payment hereunder.

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) If the District property fails to meet the requirements of section 5247(3)(G) or other material provisions of the Act during the Qualified Project Period.

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, 2025, and shall expire on the earlier of (1) the date that the City has performed all of its obligations and paid all amounts due to Developer under this Agreement, or (2) March 31, 2055, 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 June 30, 2028.

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. If the City elects to exercise its right to terminate this Agreement due to foreclosure of the Declaration, the Developer shall have the right to attempt to reinstate and enforce the Declaration. If the Developer elects to exercise its right to reinstate and enforce the Declaration, it shall provide written notice to the City within 30 days of receipt of the City's notice of its intent to terminate the Agreement. The Developer will then have one (1) year to reinstate the Declaration or cause the Declaration to be reinstated by the foreclosing party; provided, however, that the City shall have no obligation to make payments to Developer hereunder after it provides the termination notice unless and until the Declaration is reinstated and in full force and effect.

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 Room 312
Portland, ME 04101

With a copy to:

Corporation Counsel's Office
389 Congress Street
Portland, Maine 04101

If to Developer:

Front Street Condominium LLC
c/o Portland Housing Development Corporation
970 Baxter Blvd 3rd Floor

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 _____, 2025

WITNESS:

FRONT STREET CONDOMINIUM LLC

By: _____
Name: Brian Frost
Its: President

EXHIBIT 1

Copy of District Map

MEMORANDUM
City Council Agenda Item

FROM:

DATE: June 27, 2025

SUBJECT: Order 239-24/25 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 the Housing & Economic Development Committee, Councilor Pious Ali, Chair

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 was brought to the City Council as Order 25-24/25 which had its first read on July 15, 2024 and its second read on August 19, 2024 and was referred to the Housing & Economic Development Committee (Passed 5-2, Councilors Trevorow & Sykes opposed). The Housing and Economic Development Committee reviewed Order 25-24/25 on May 20, 2025 and voted 3-1 (Michniewicz opposed) to bring the attached revised version of the ordinance to the City Council for approval and placement on the ballot for the November 5, 2025 election.

This item must be read on two separate days. It received its first reading on June 23. Staff requests postponing this item to August 11. 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 - Setting Election for Ch 33 Increasing Minimum Wage
2. Ali Amendment 1 to Minimum Wage Election Date
3. Order 25 - Ch 33 Increasing Minimum Wage
4. Portland-2022-Minimum-Wage-Initiative-analysis
5. Housing Needs Assessment - Portland City
6. Memo Min Wage_Sub Min Wage
7. Portland Minimum Wage 2024 revised
8. \$20 Minimum Wage Proposal - Fiscal Impact Statement
9. 2024.08.19 Public Comment - Order 25
10. 2025.07.14 Public Comment - Order 239

Prepared by:

Date: 06/27/2025

MARK DION (MAYOR)
PIOUS ALI (A/L)
APRIL D. FOURNIER (A/L)
BENJAMIN GRANT (A/L)

CITY OF PORTLAND
IN THE CITY COUNCIL

SARAH MICHNIEWICZ (1)
WESLEY 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 4, 2025; 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 2029. This amendment will be effective beginning January 1, 2026.

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 2029. This amendment will be effective beginning January 1, 2026.

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, 2026 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, ~~2026~~2022, the regular Minimum Wage for all Employees, including, but not limited to, Service Employees, ~~but not including employees of the City of Portland,~~ shall be raised to \$17.00 ~~\$13.00~~ per hour;

(ii) Beginning on July 1, 2026, the regular Minimum Wage for employees of the City of Portland shall be raised to \$17.00 per hour;

~~(ii)~~ (iii) Beginning on January 1, ~~2027~~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, 2028~~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, 2029, the regular Minimum Wage for all Employees, including, but not limited to, service employees, shall be raised to \$20.00 per hour; and

(v) — On January 1, ~~2030~~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)~~ (iv) 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, 2026. 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.*

**AMENDMENT TO ORDER 240-24/25
PREPARED BY CORPORATION COUNSEL
FOR COUNCILOR PIOUS ALI
RE: BUSINESSES WITH FEWER THAN 50 EMPLOYEES**

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 for employers with fifty or more employees to \$20/hour by 2029. This amendment will be effective beginning January 1, 2026.

EXHIBIT A

An act to Increase Portland's Minimum Wage

An Act to Increase Portland's Minimum Wage will increase Portland's minimum wage for employers with fifty or more employees to \$20/hour by 2029. This amendment will be effective beginning January 1, 2026.

Section 33.7. Minimum Wage^{*}.

(b) Minimum Wage rate for employers with fewer than fifty employees:

(i) Beginning on January 1, 2022, the regular Minimum Wage for all Employees, including,

but not limited to, Service Employees, shall be raised to \$13.00 per hour;

- (ii) Beginning on January 1, 2023, the regular Minimum Wage for all Employees, including, but not limited to, Service Employees, shall be raised to \$14.00 per hour; and
- (iii) Beginning on January 1, 2024, the regular Minimum Wage for all Employees, including, but not limited to, Service Employees, shall be raised to \$15.00 per hour; and
- (iv) On January 1, 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.

(c) Minimum Wage rate for employers with fifty or more employees:

- (i) Beginning on January 1, 2026, the regular Minimum Wage for all Employees, including, but not limited to, Service Employees, but not including employees of the City of Portland, shall be raised to \$17.00 per hour;

- (ii) Beginning on July 1, 2026, the regular Minimum Wage for employees of the City of Portland shall be raised to \$17.00 per hour;
- (iii) Beginning on January 1, 2027, the regular Minimum Wage for all Employees, including, but not limited to, Service Employees, shall be raised to \$18.00 per hour; and
- (iii) Beginning on January 1, 2028, the regular Minimum Wage for all Employees, including, but not limited to, Service Employees, shall be raised to \$19.00 per hour; and
- (iv) Beginning on January 1, 2029, the regular Minimum Wage for all Employees, including, but not limited to, service employees, shall be raised to \$20.00 per hour; and
- (v) On January 1, 2030 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.

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)
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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

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Do you favor the change in the city ordinance proposed by City Councilors as summarized below?

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EXHIBIT A

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Section 33.7. Minimum Wage.*

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(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.

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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

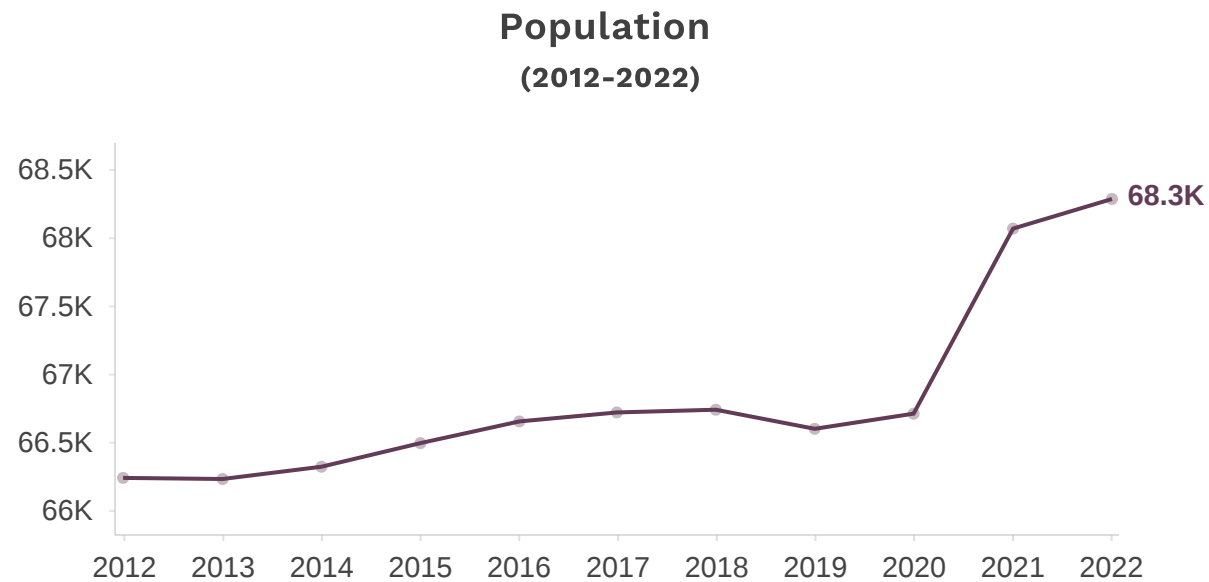
Portland city

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.

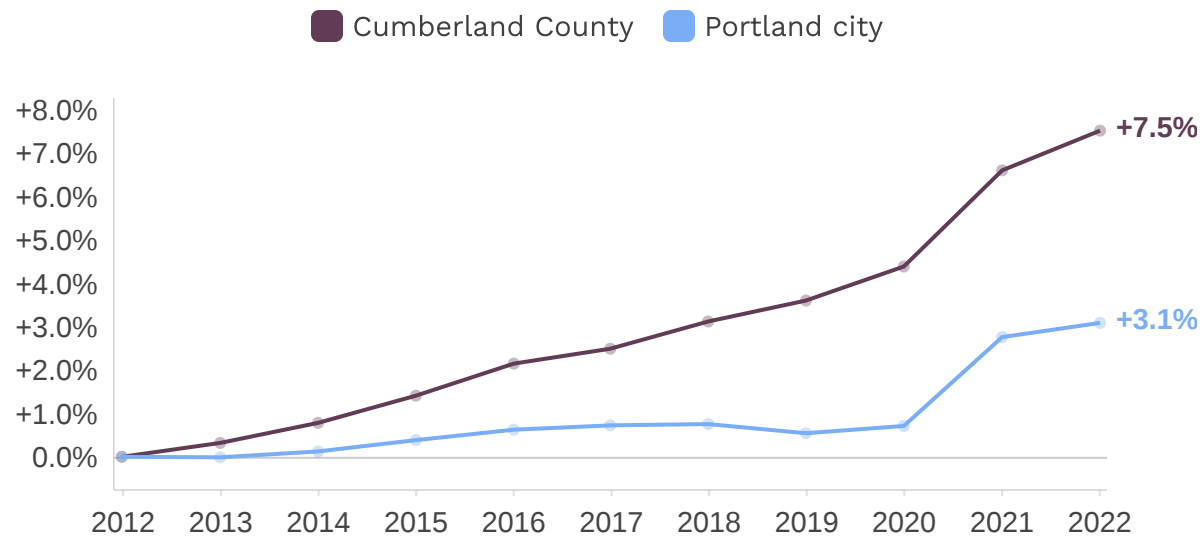
Population

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

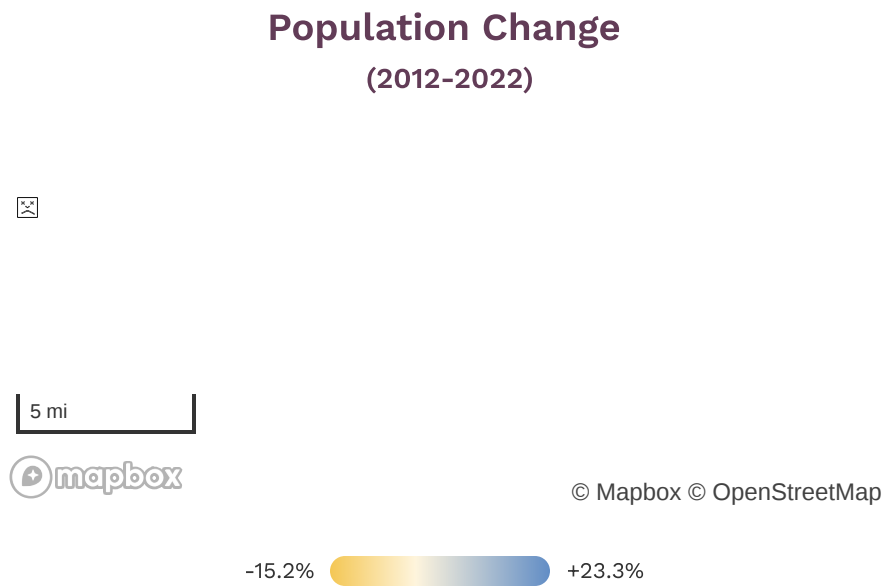
Comparative Population Change (2012-2022)



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



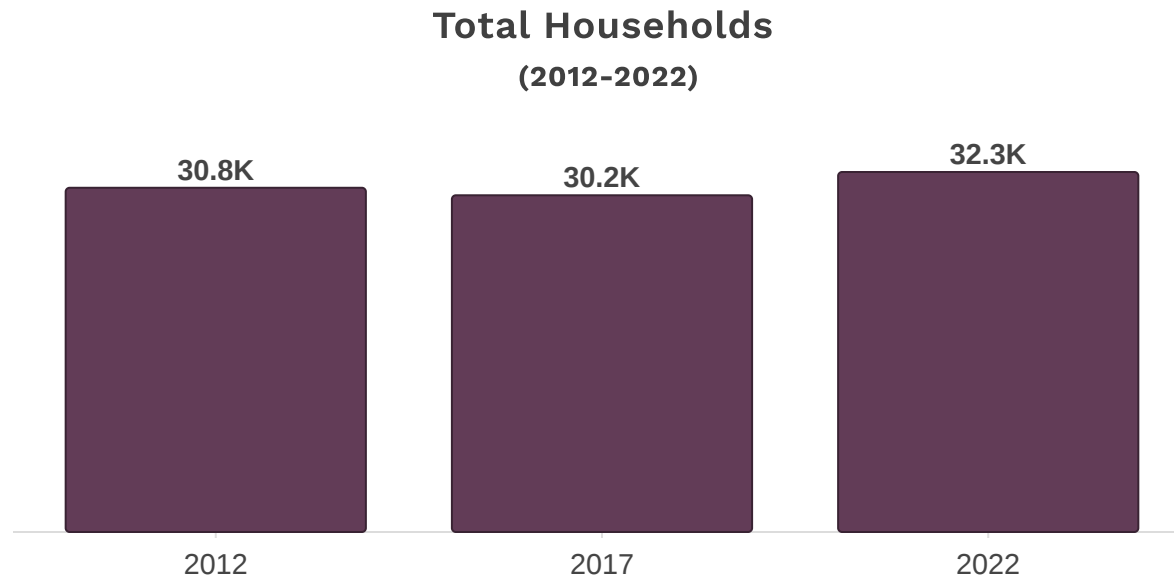
© Mapbox © OpenStreetMap

283 22,645

Source: American Community Survey (ACS), US Census Bureau

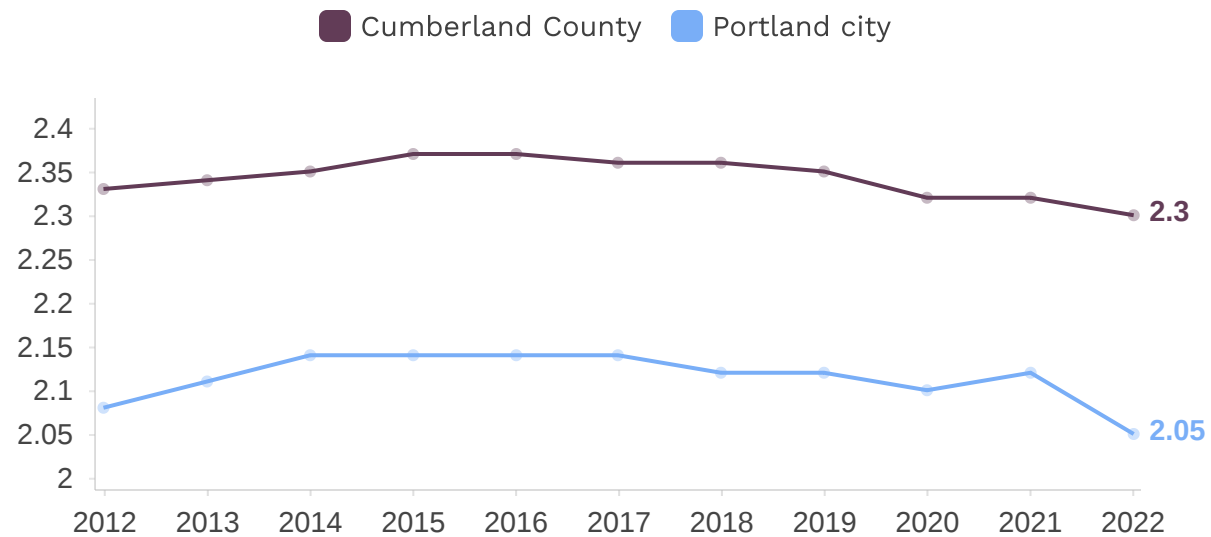
Households and Household Size

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.



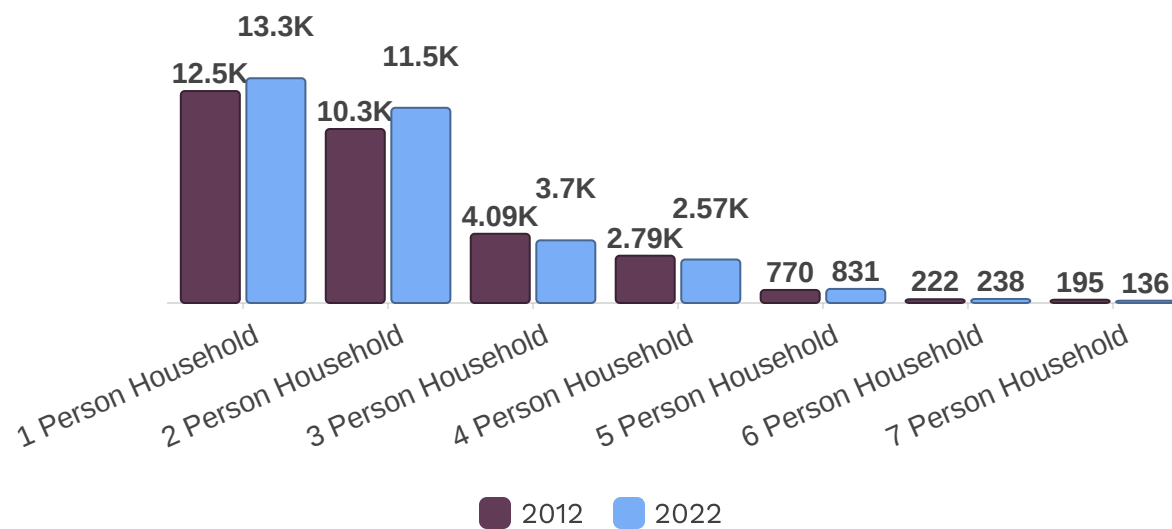
Source: American Community Survey (ACS), US Census Bureau

Average Household Size (2012-2022)



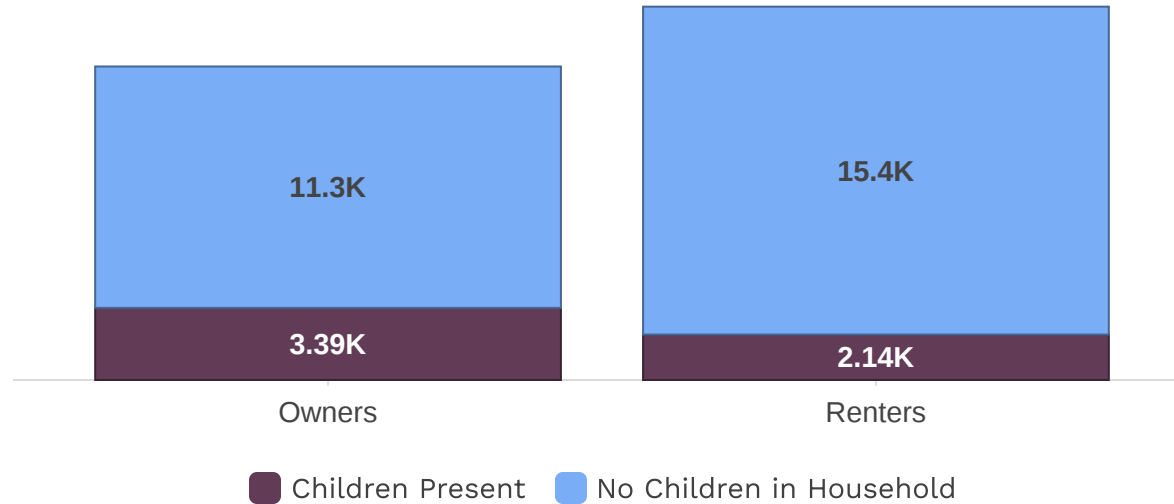
Source: American Community Survey (ACS), US Census Bureau

Distribution of Household Size



Source: American Community Survey (ACS), US Census Bureau

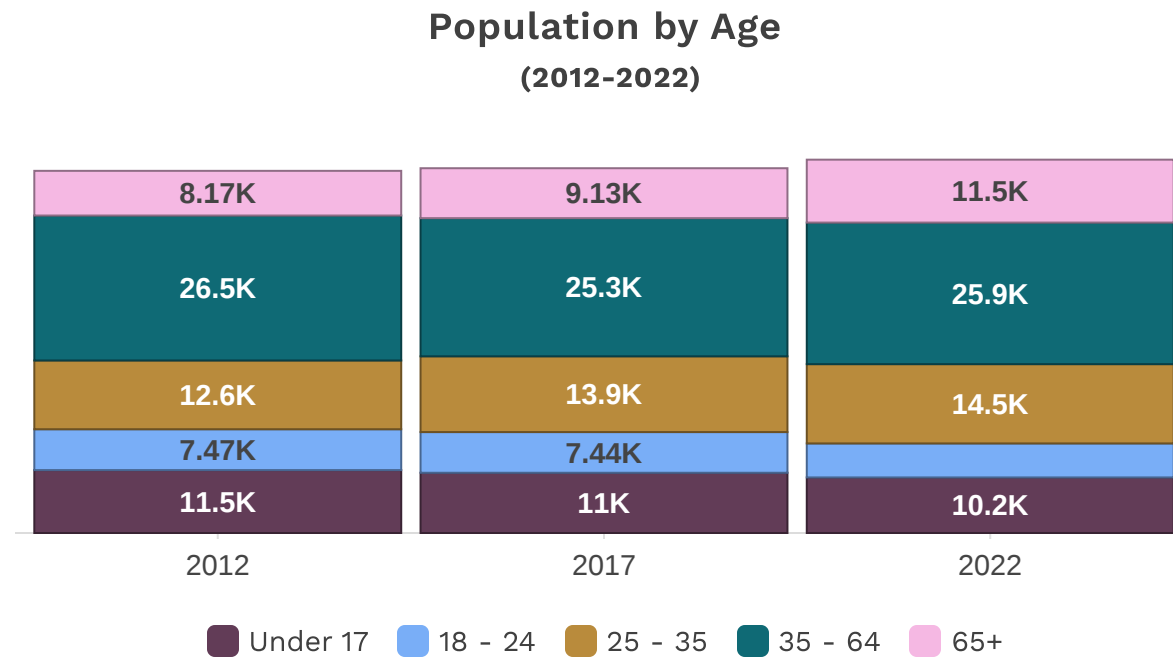
Households by Tenure and Presence of Children (2022)



Source: American Community Survey (ACS), US Census Bureau

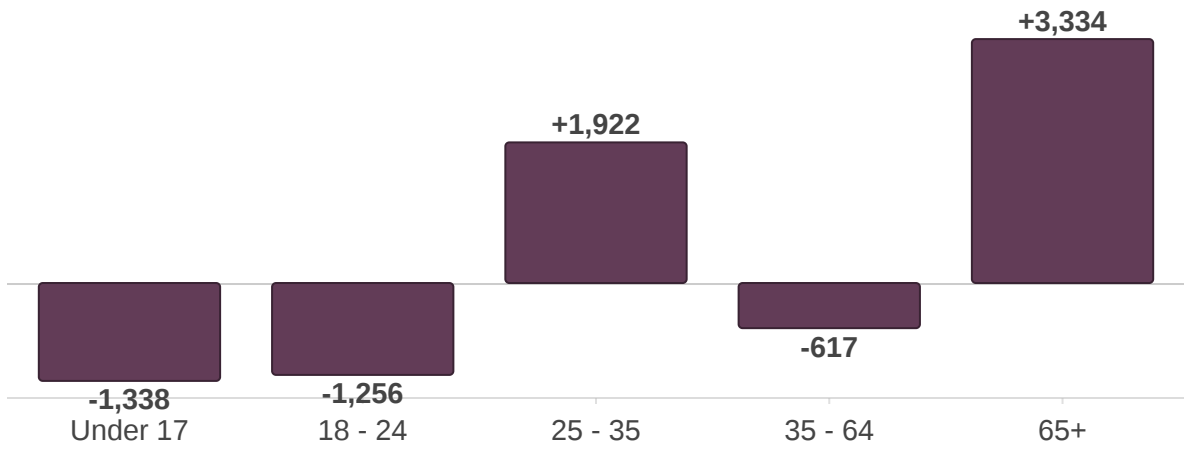
Age

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)**

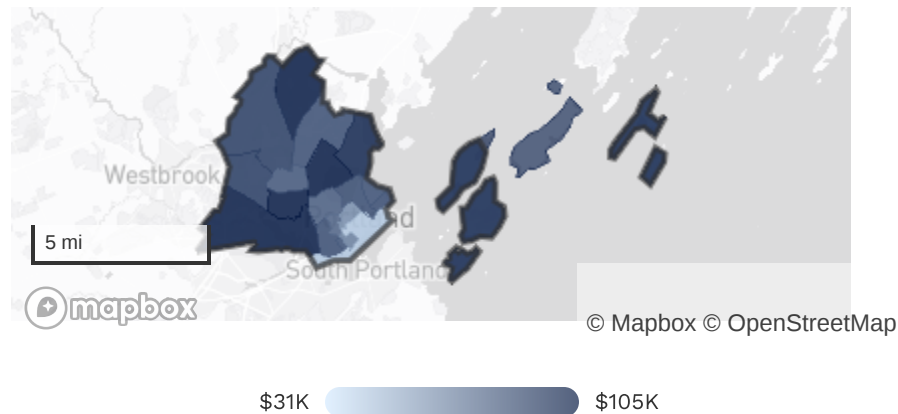


Source: American Community Survey (ACS), US Census Bureau

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%).

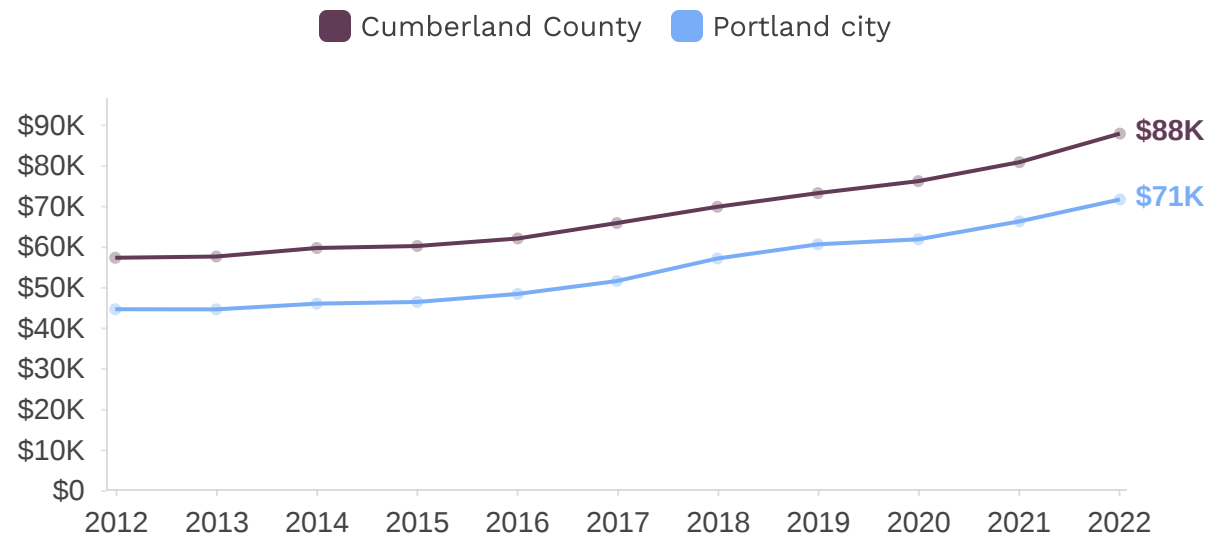
Regional Median Household Income Comparison (2022)



Dollar values are nominal.

Source: American Community Survey (ACS), US Census Bureau

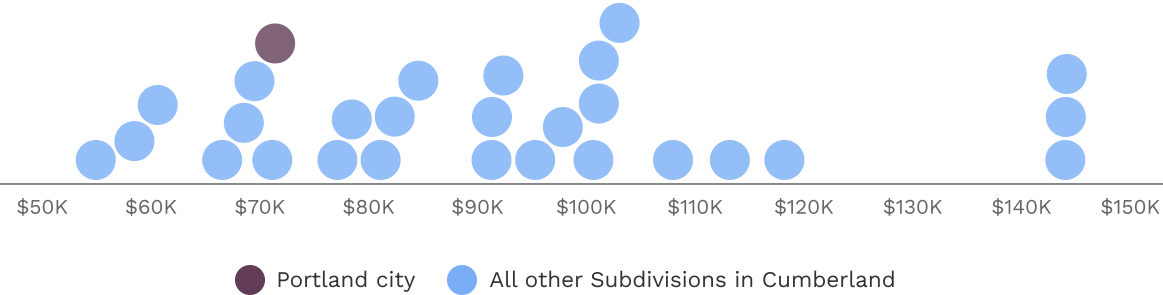
Median Household Income Over Time



Source: American Community Survey (ACS), US Census Bureau

Dollar values are nominal.

Median Household Income Comparison (2022)

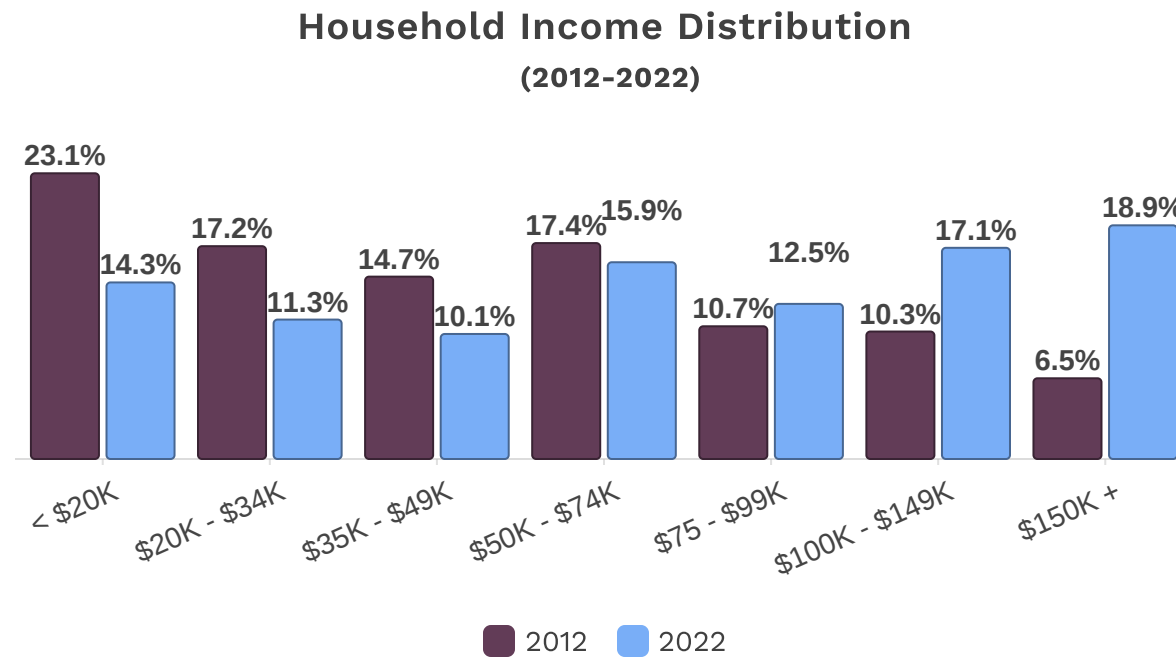


Dollar values are nominal.

Source: American Community Survey (ACS), US Census Bureau

Income Distribution

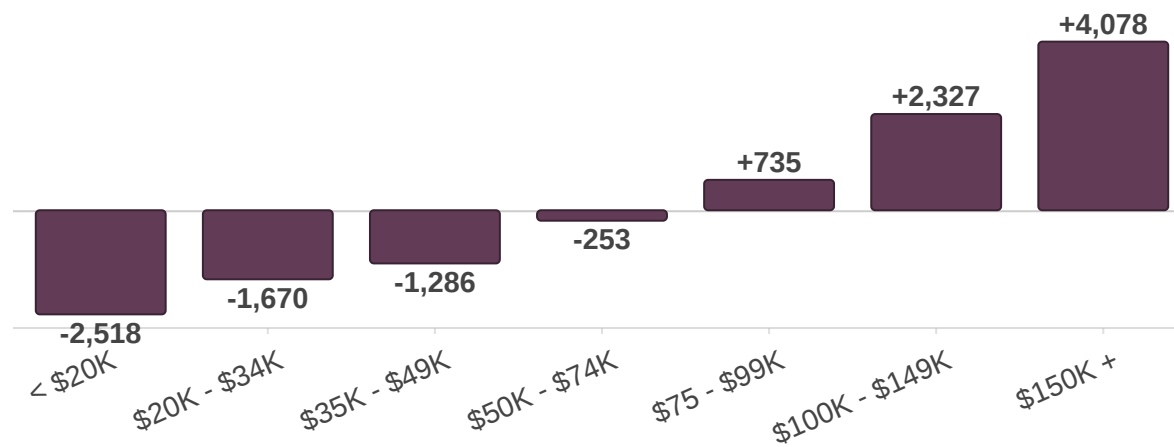
The number of Portland city households earning \$150K + increased by 4,078 households (202.8%) from 2012 to 2022. The number of Portland city households earning below < \$20K decreased by 2,518 households (35.4%).



Source: American Community Survey (ACS), US Census Bureau

Dollar values are nominal.

Change in Households by Income Group (2012-2022)

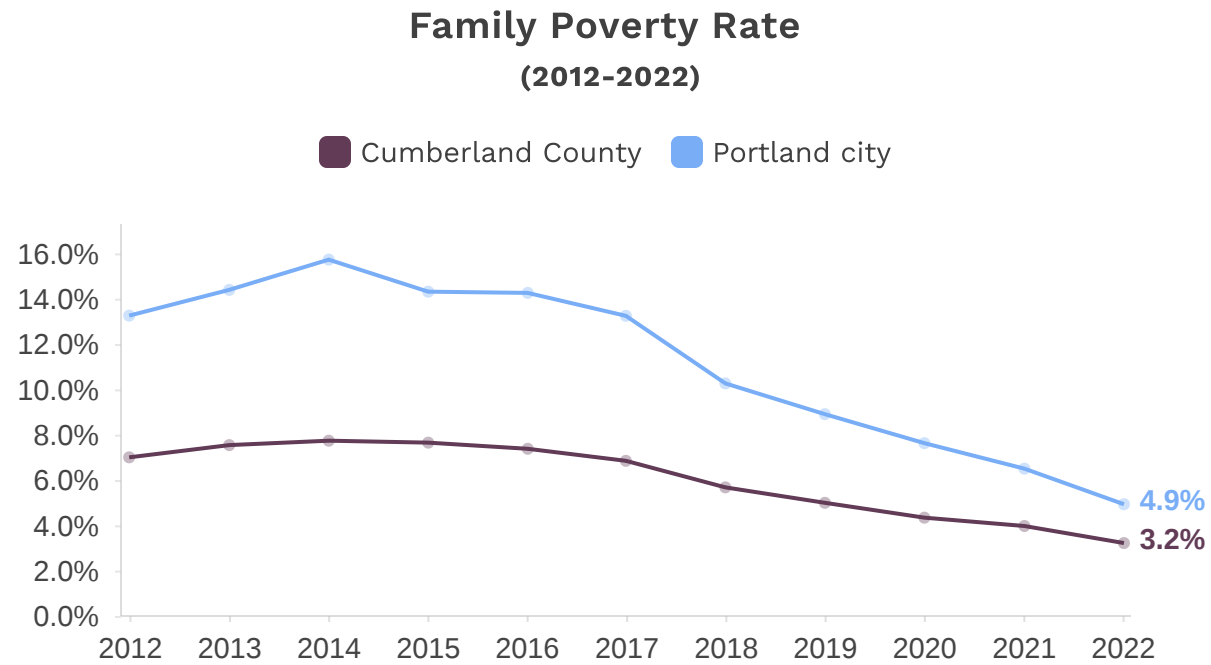


Source: American Community Survey (ACS), US Census Bureau

Dollar values are nominal.

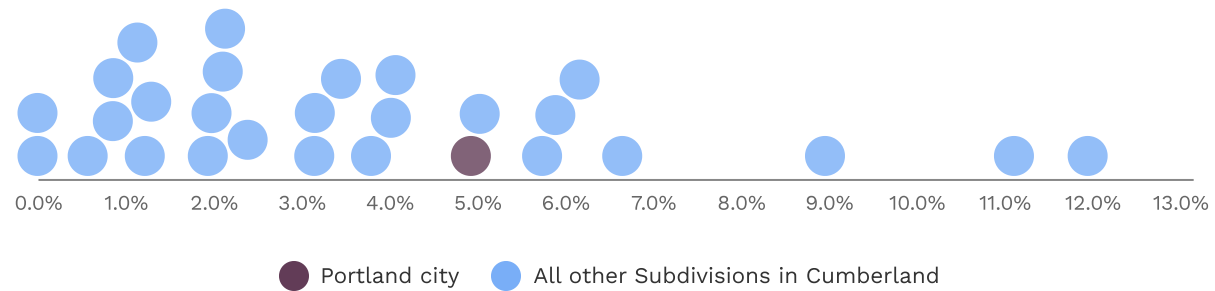
Family Poverty Rate

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)

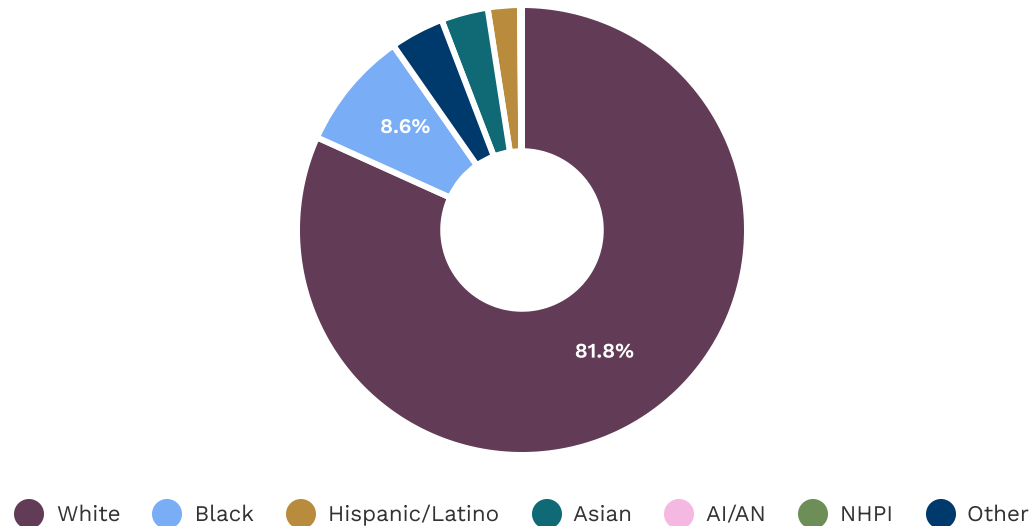


Source: American Community Survey (ACS), US Census Bureau

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.

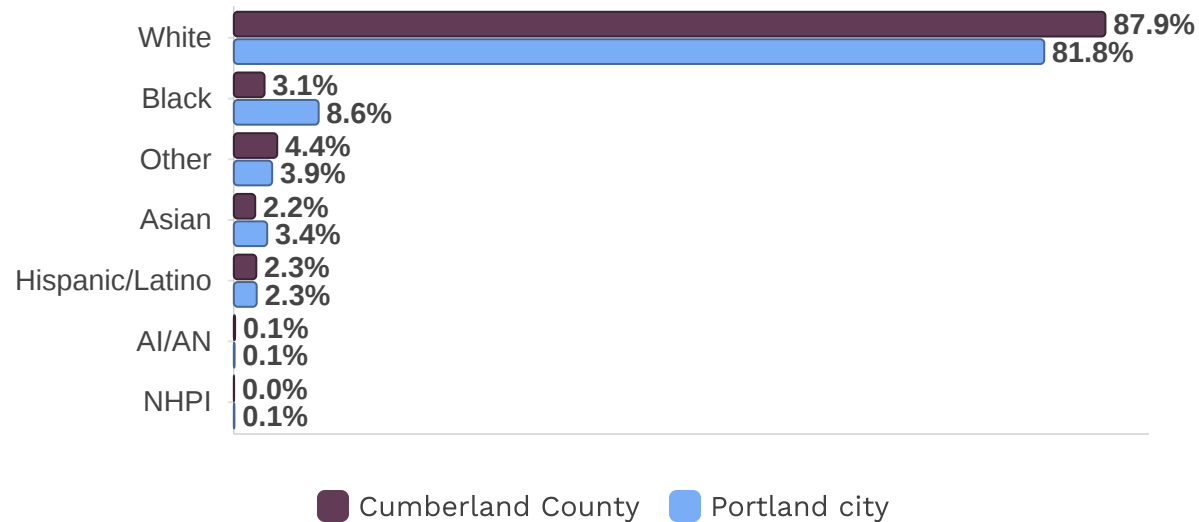
Racial and Ethnic Distribution (Population)
(2022)



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)



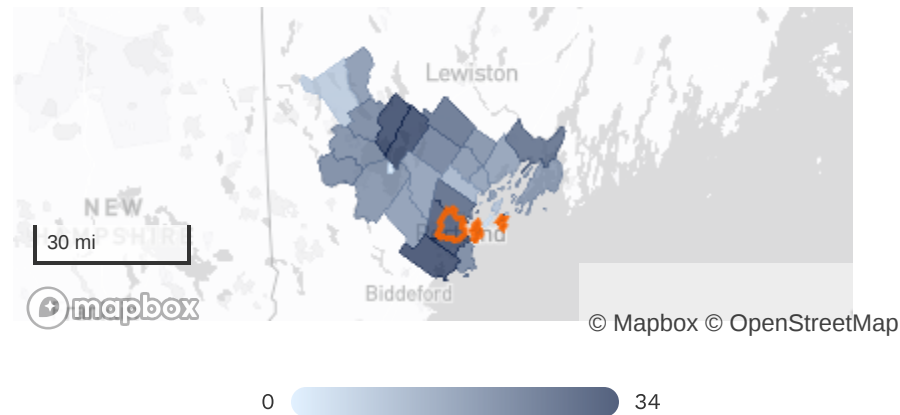
Source: American Community Survey (ACS), US Census Bureau

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.

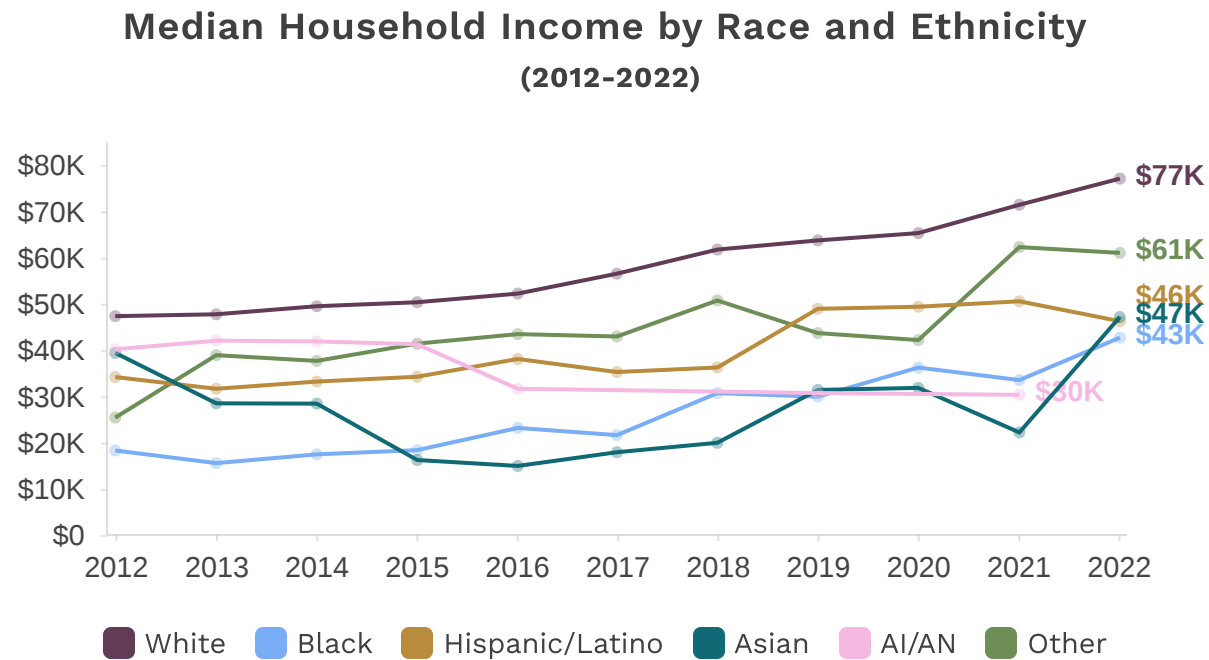
Racial Dissimilarity Index (2022)



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.

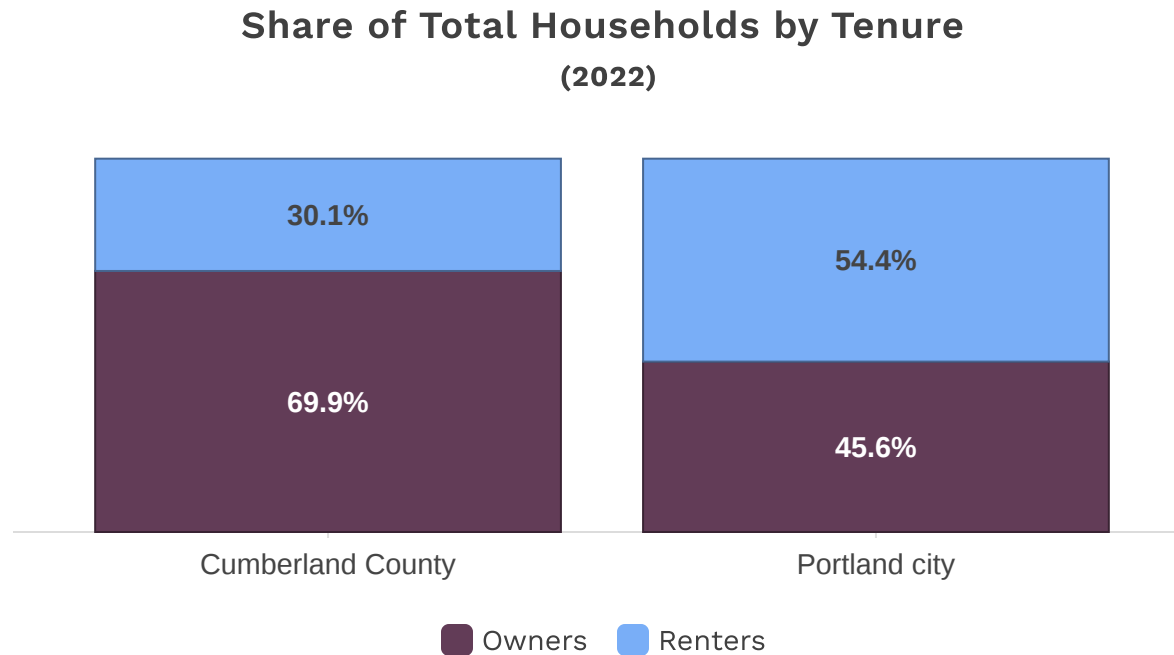


Source: American Community Survey (ACS), US Census Bureau

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.

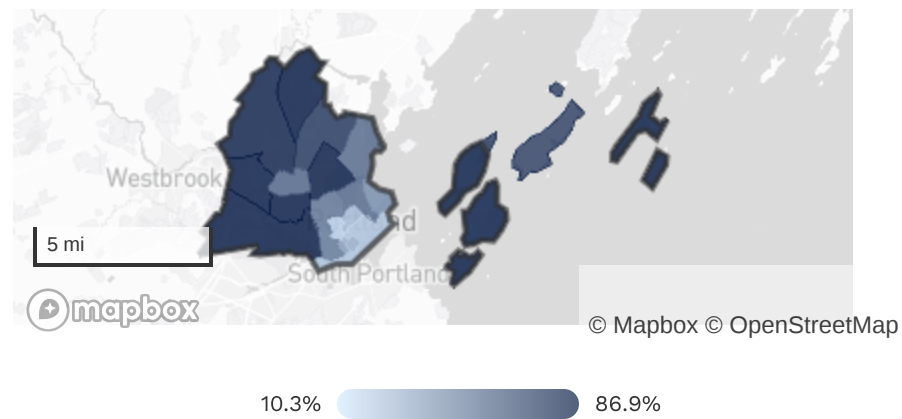
Tenure

In 2022, 54.4% of households in Portland city were renters, compared with 30.1% in Cumberland County.



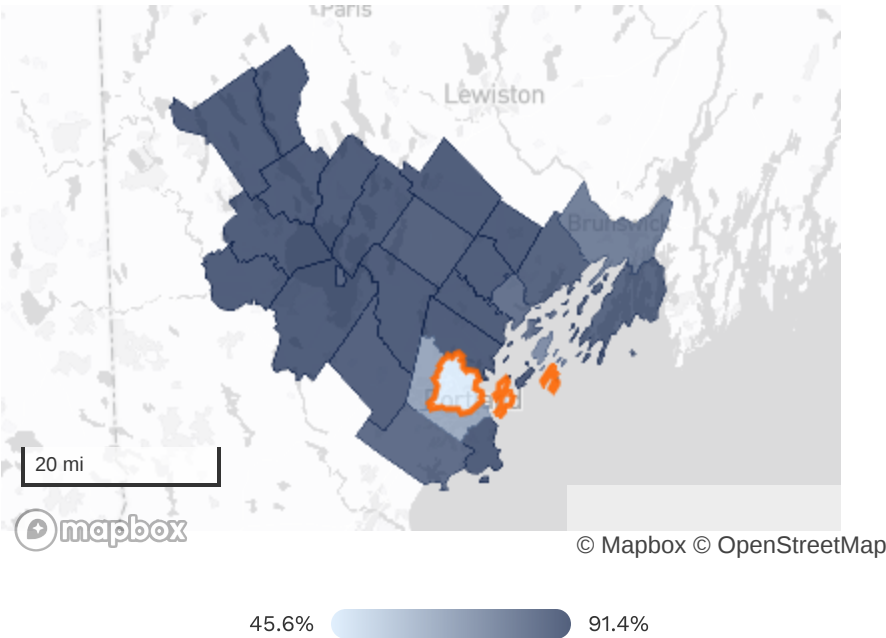
Source: American Community Survey (ACS), US Census Bureau

Homeownership Rate (2022)



Source: American Community Survey (ACS), US Census Bureau

Homeownership Rates by Peer Regions (2022)

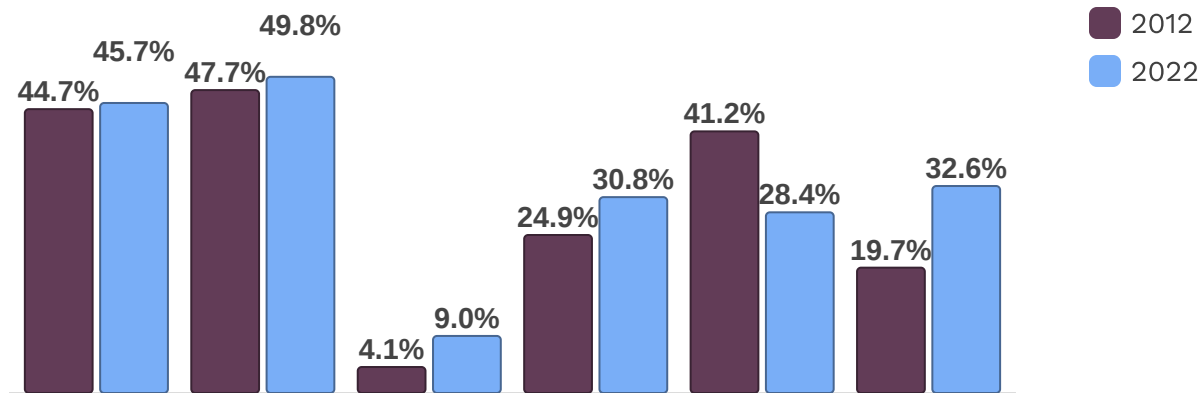


Source: American Community Survey (ACS), US Census Bureau

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)**

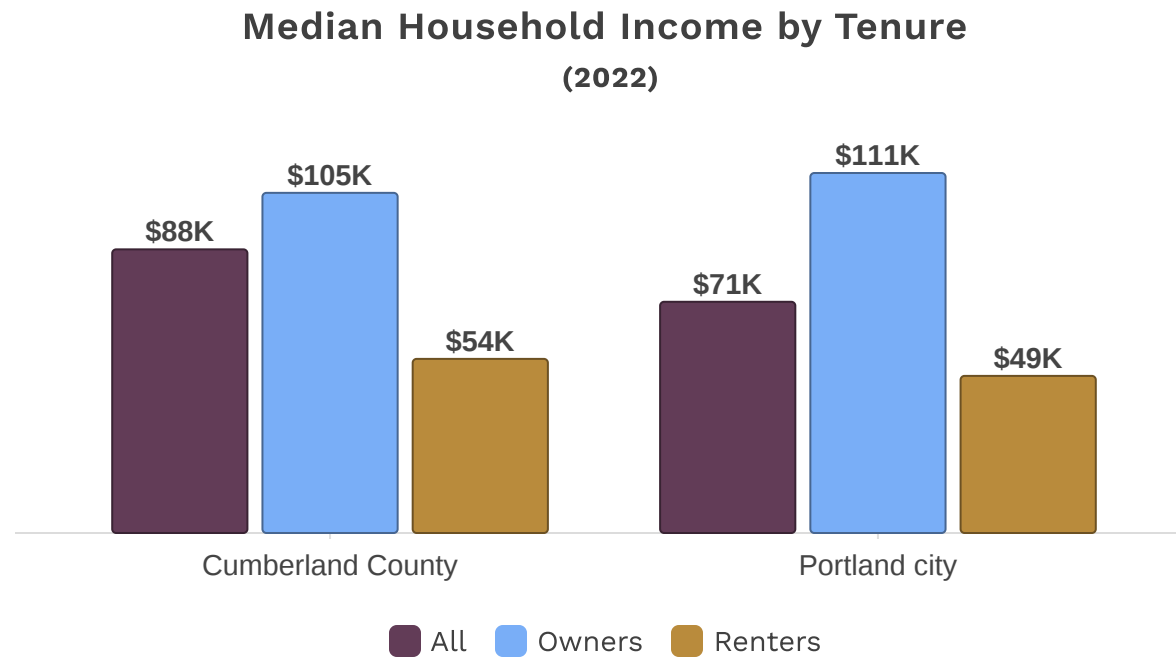


Source: American Community Survey (ACS), US Census Bureau

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

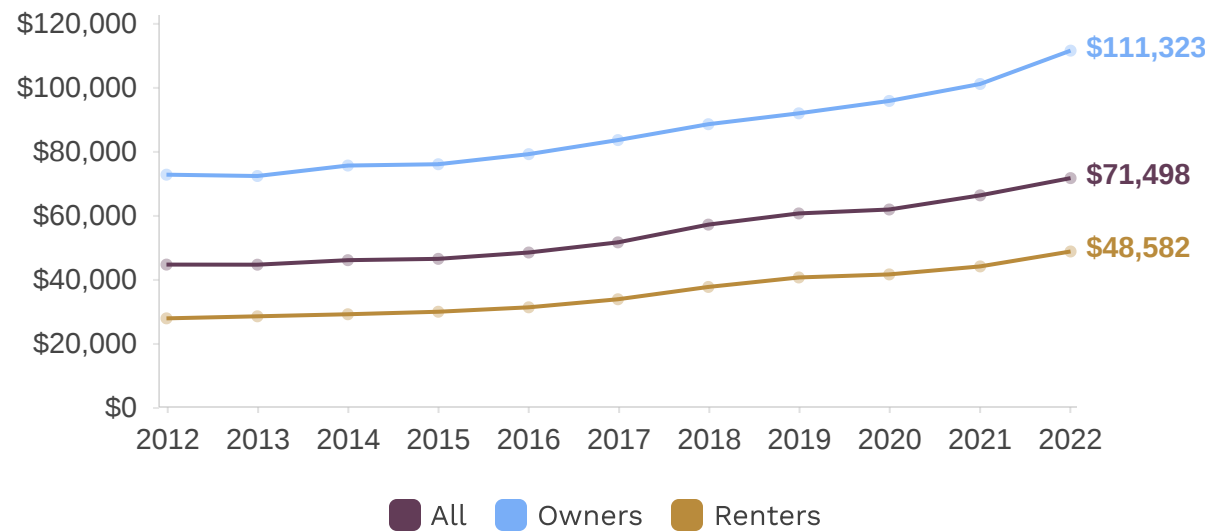
In 2022, median income for owner households was \$62,741 more than renter households in Portland city. For Cumberland County, the difference between owner and renter households was \$51,343.



Source: American Community Survey (ACS), US Census Bureau

Dollar values are nominal.

Median Household Income Over Time by Tenure (2012-2022)

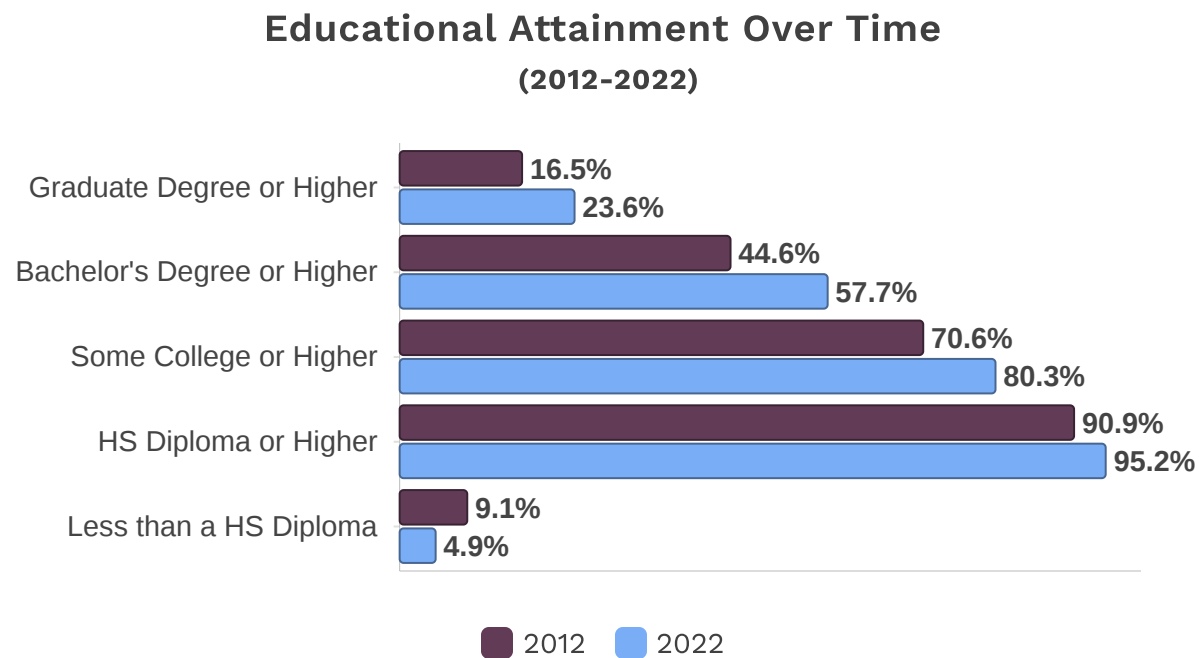


Source: American Community Survey (ACS), US Census Bureau

Dollar values are nominal.

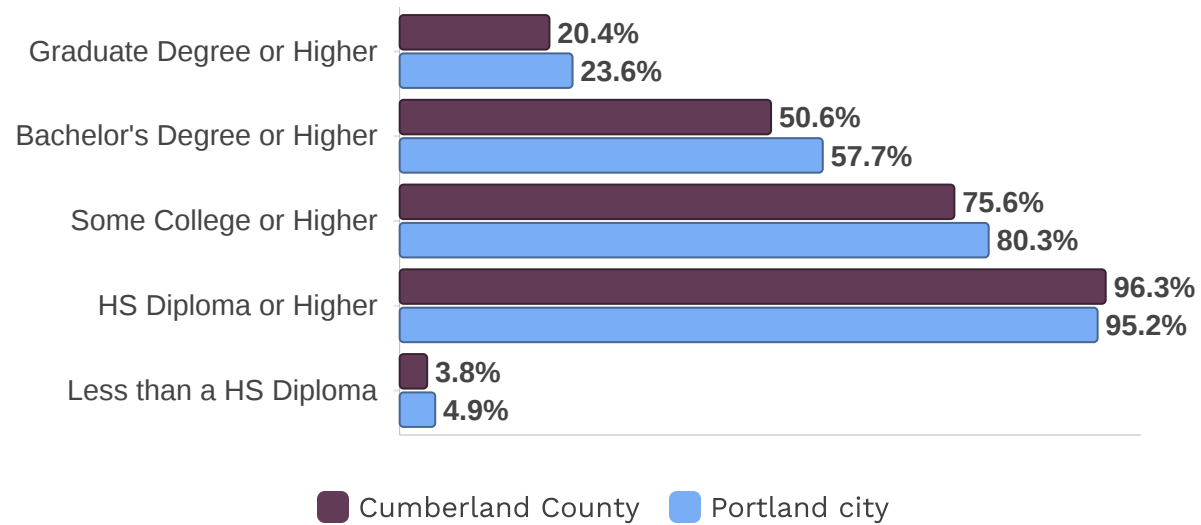
Education

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

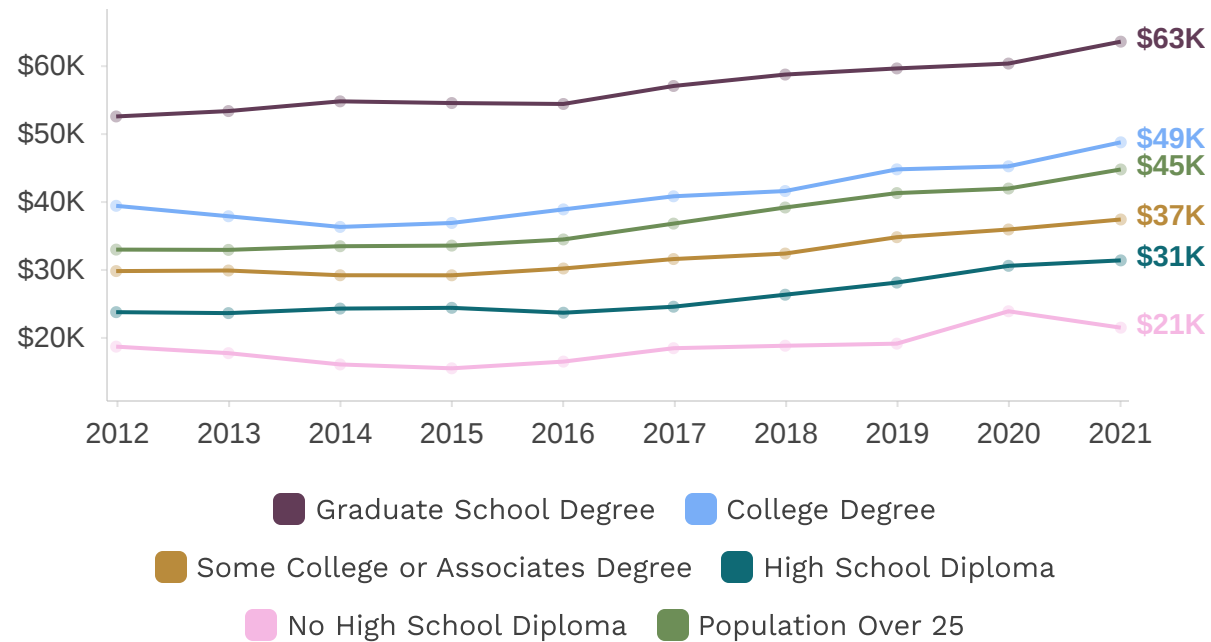
In 2022, residents with a college degree earned on average \$17,115 more than residents with only a high school diploma.

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)

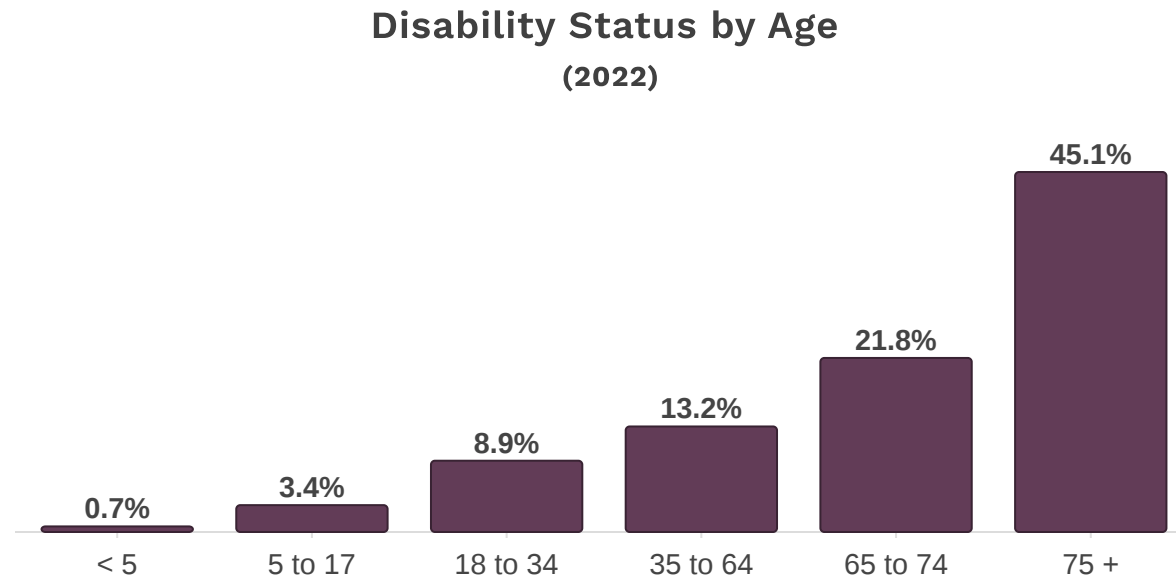


Source: American Community Survey (ACS), US Census Bureau

Dollar values are nominal.

Disability

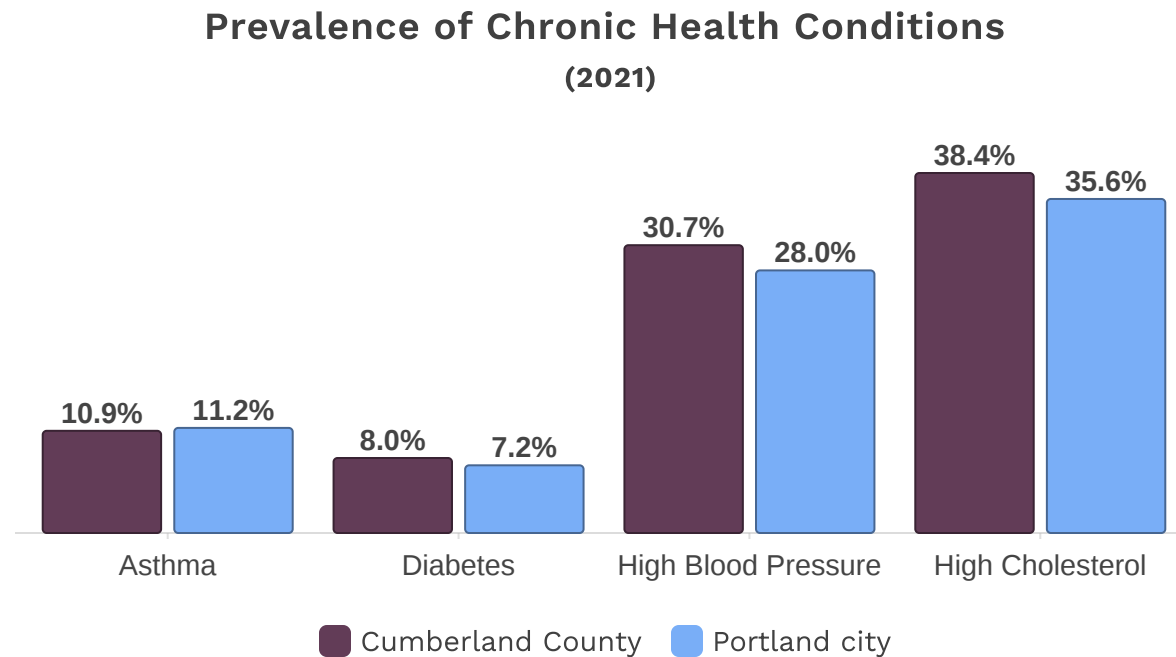
In 2022, 45.1% of people aged 75 and older had a disability in Portland city. The share of all residents with a disability increased by 0.9% between 2012 and 2022, more than in Cumberland County overall.



Source: American Community Survey (ACS), US Census Bureau

Health Outcomes

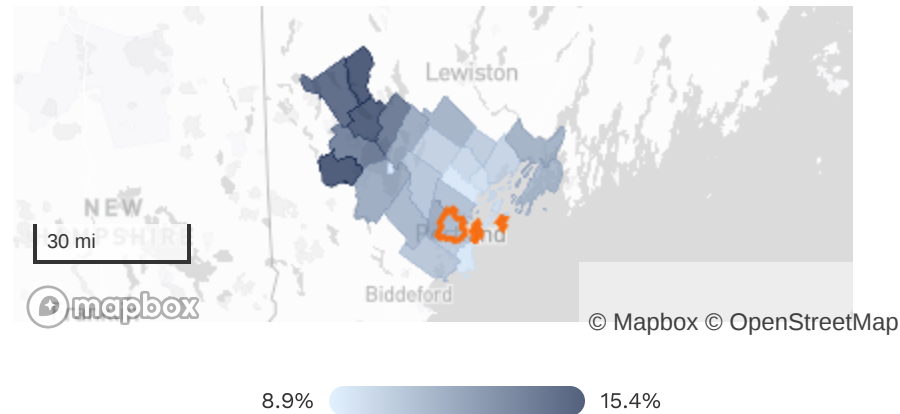
In 2021, 10.8% of the population over 18 years old in Portland city had poor or fair health, as defined by the American Community Survey.



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)



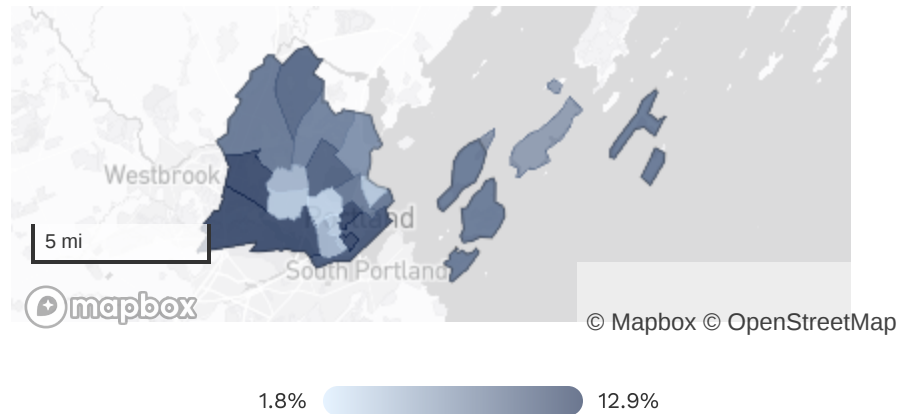
Note: The latest year of this dataset is 2021.

Source: PLACES, US Centers for Disease Control and Prevention (CDC)

Internet Access

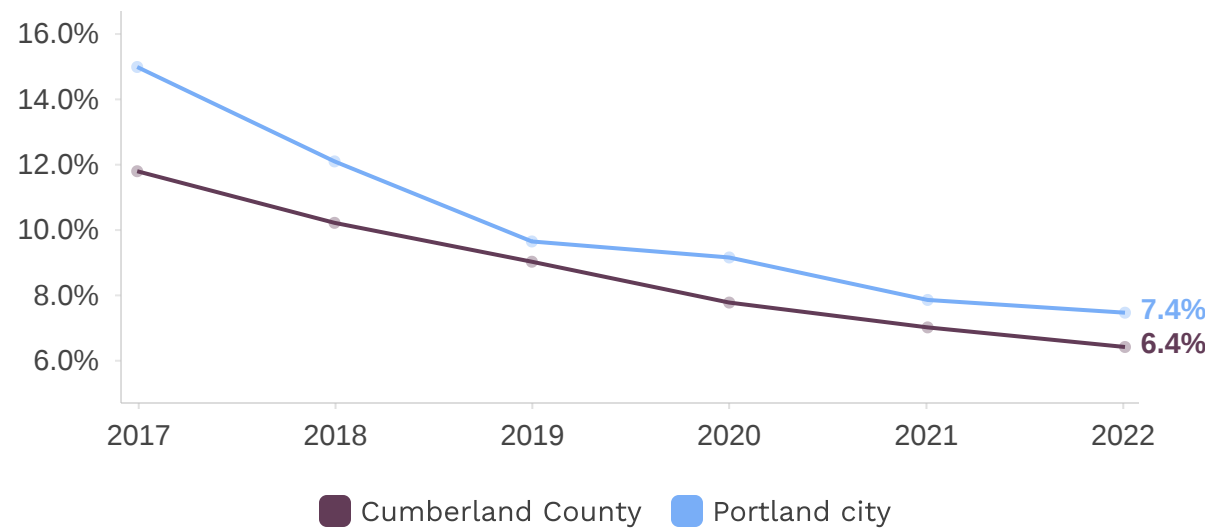
In 2022, 2,399 households in Portland city did not have internet access in their home (7.4% of all households). Internet access refers to whether or not a household uses or connects to the internet, regardless of whether or not they pay for the service to do so.

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

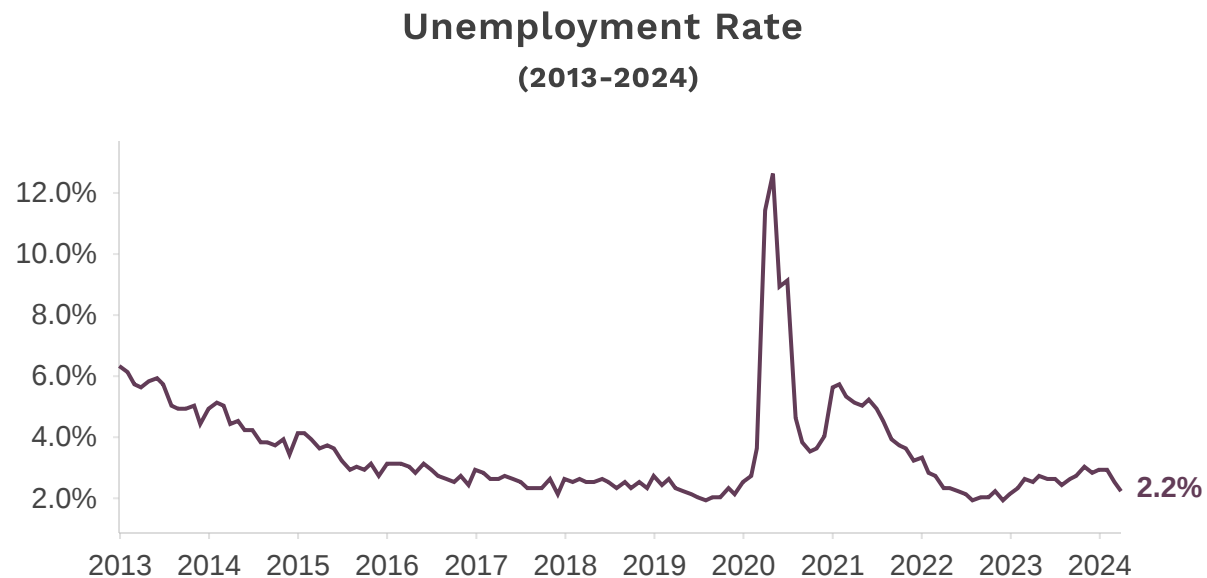
Portland city

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).

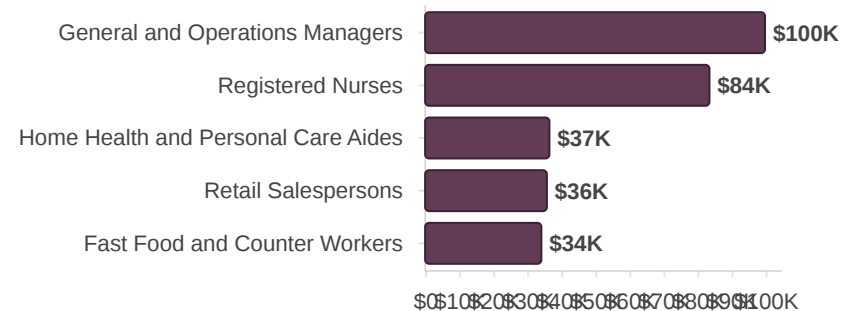
**Top 5 Occupations by Total Employment
(2023)**



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.

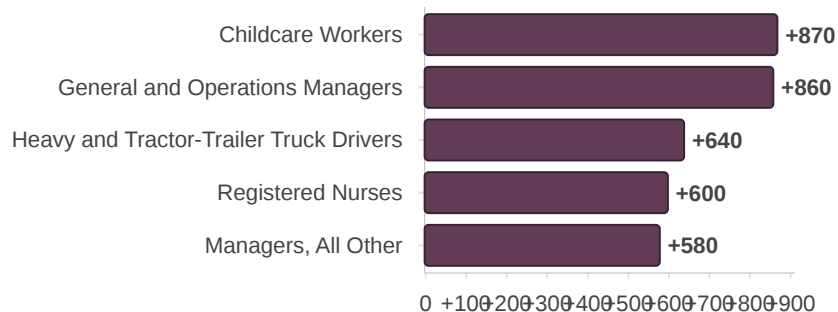
Occupations with the Largest Job Growth

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).

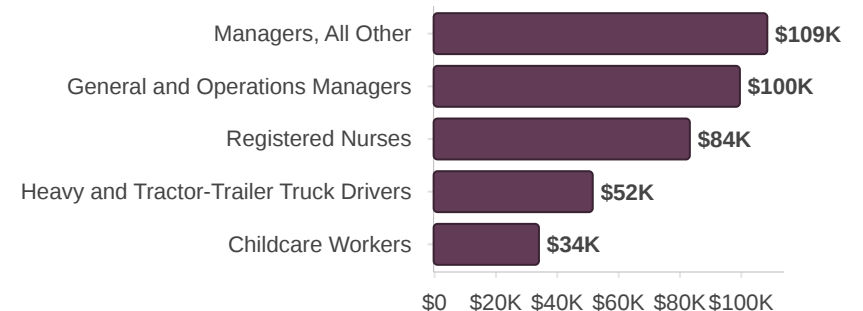
Occupations with the Largest 5-Year Job Growth (2018-2023)



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)

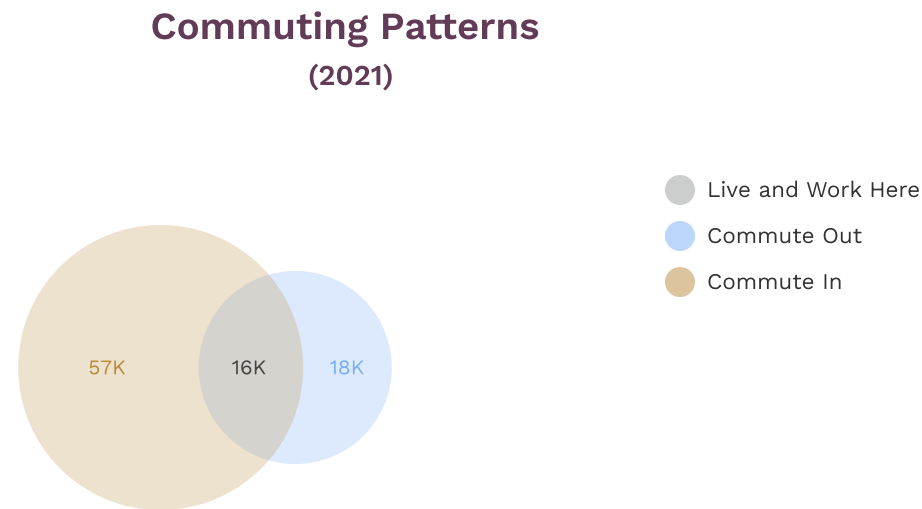


Source: Occupational Employment and Wage Statistics (OEWS, US Bureau of Labor Statistics (BLS))

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.



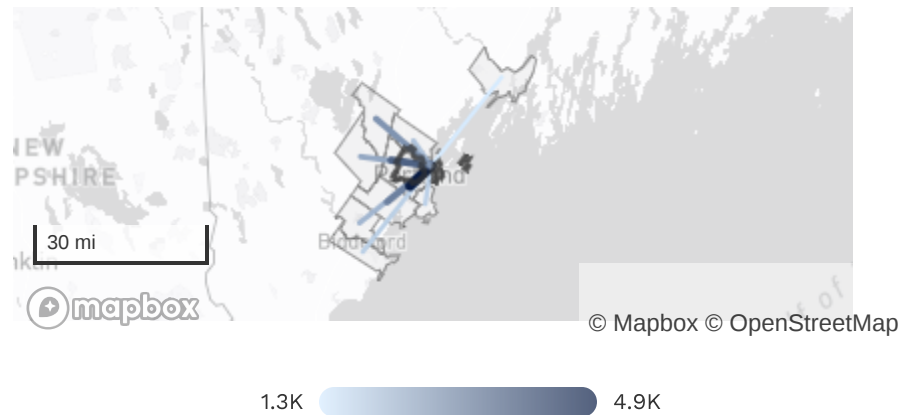
Note: The latest year of this dataset is 2021.

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)

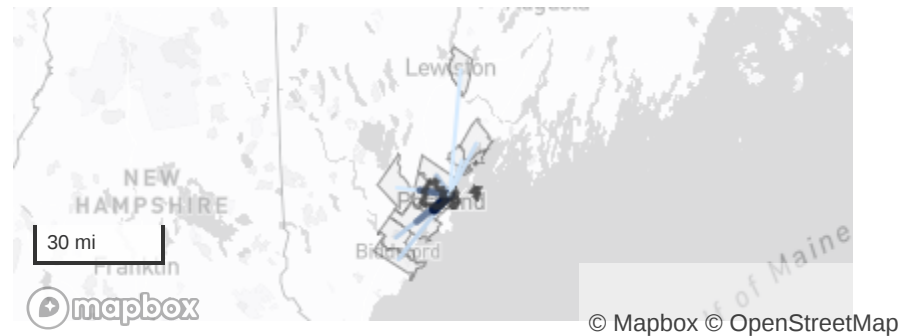
Origin	2021 ▲
Brunswick town	1,319
Cape Elizabeth town	1,712
Biddeford city	1,737
Falmouth town	1,950
Saco city	2,132
Gorham town	2,352
Windham town	2,659
Scarborough town	2,986
Westbrook city	3,457
South Portland city	4,867

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

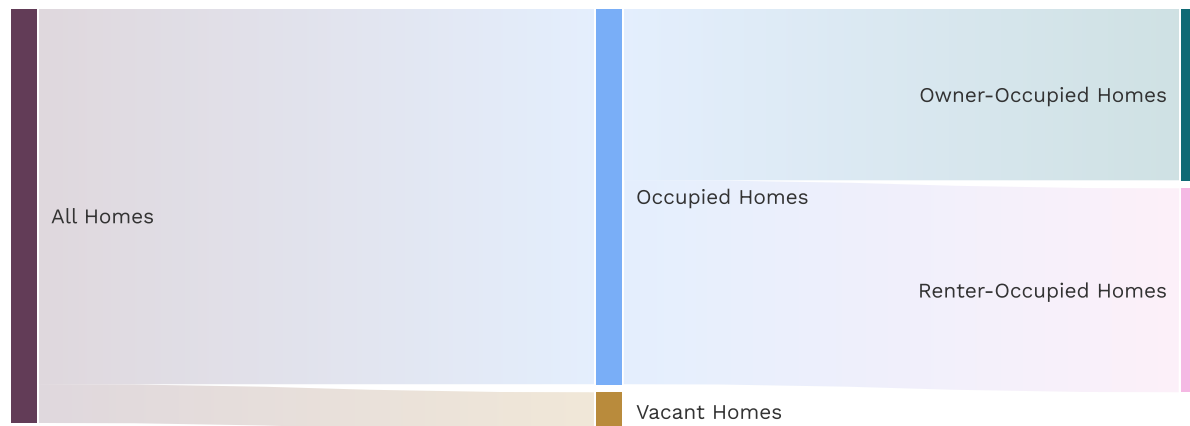
Housing Supply Introduction

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.

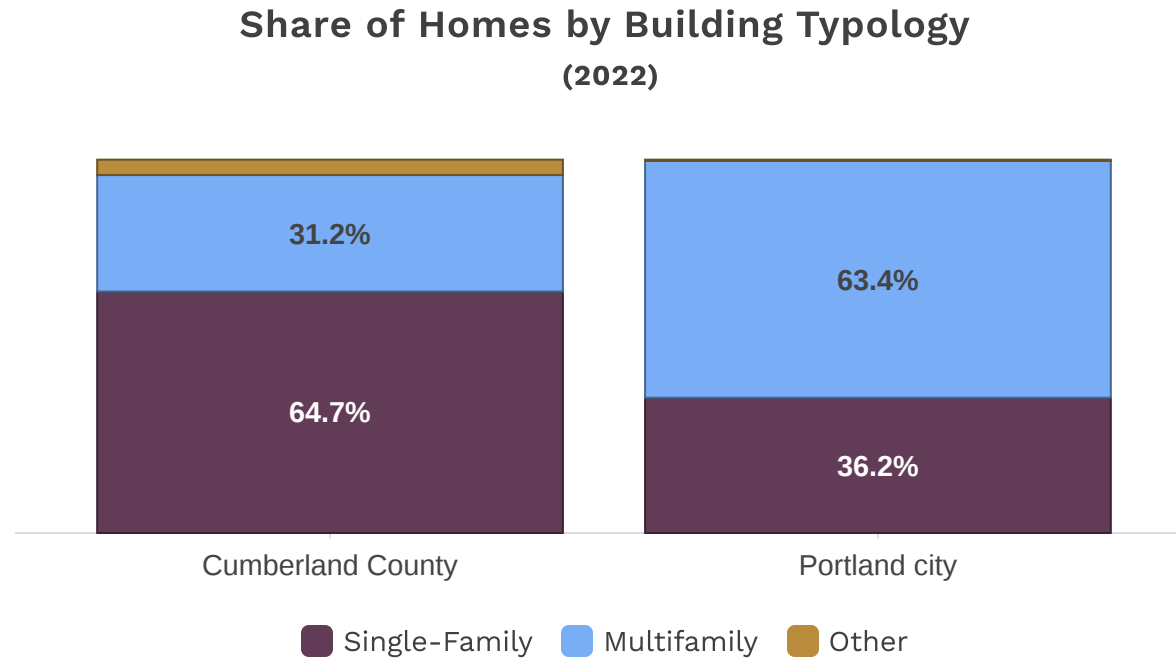
Renter and Owner Occupied Housing Stock (2022)



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.

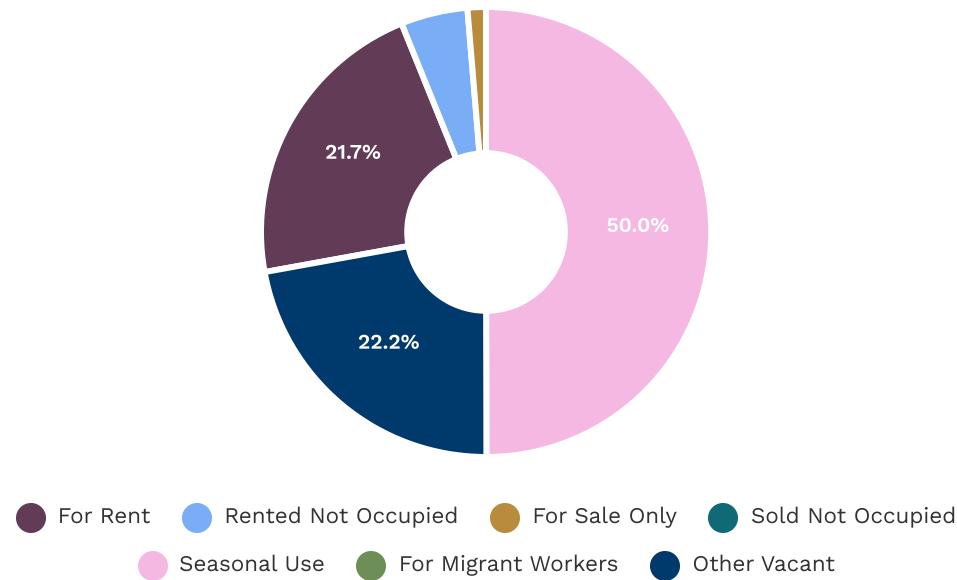


Source: American Community Survey (ACS), US Census Bureau

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)



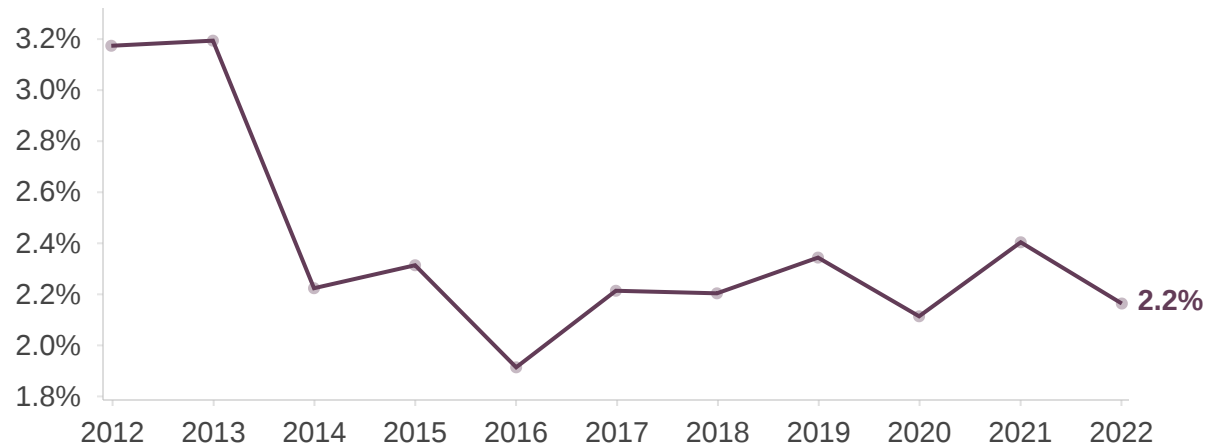
"Other Vacant" may include homes foreclosed on, in need of repair, or if the status is vacant and reason unknown.

Source: American Community Survey (ACS), US Census Bureau

Vacancy Indicators

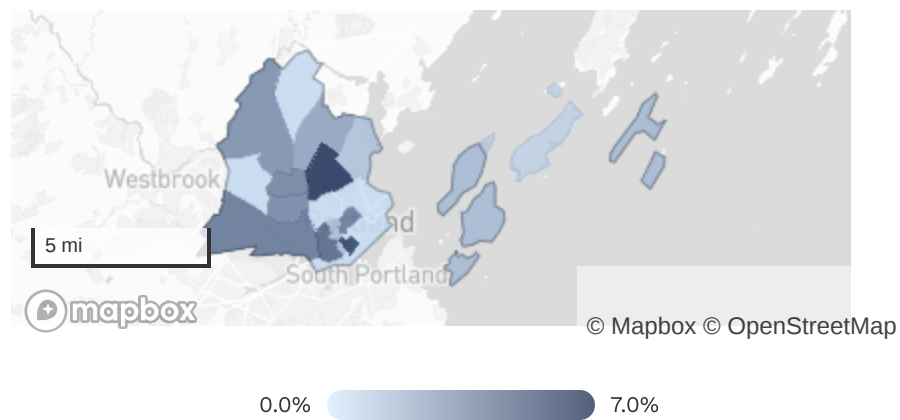
The share of vacant and available homes in Portland city decreased by 1.0%, or by 309 homes, between 2012 to 2022. This indicates that the housing market was more constrained in 2022 compared to 2012.

**Share of Homes That Are Vacant and Available Over Time
(2012-2022)**



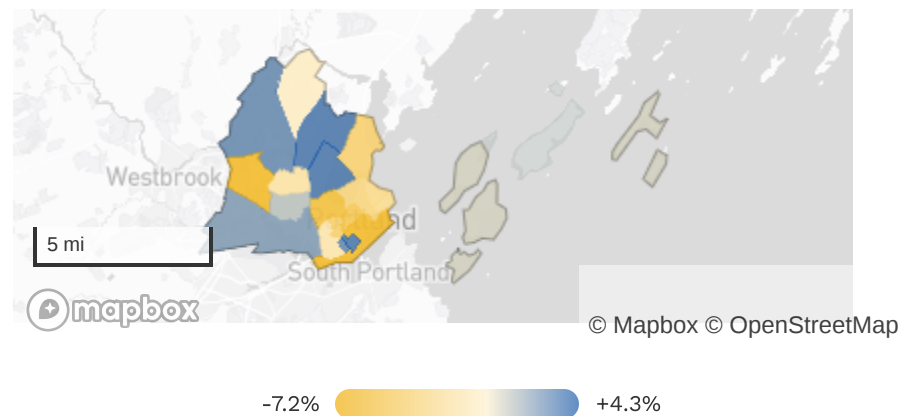
Source: American Community Survey (ACS), US Census Bureau

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)

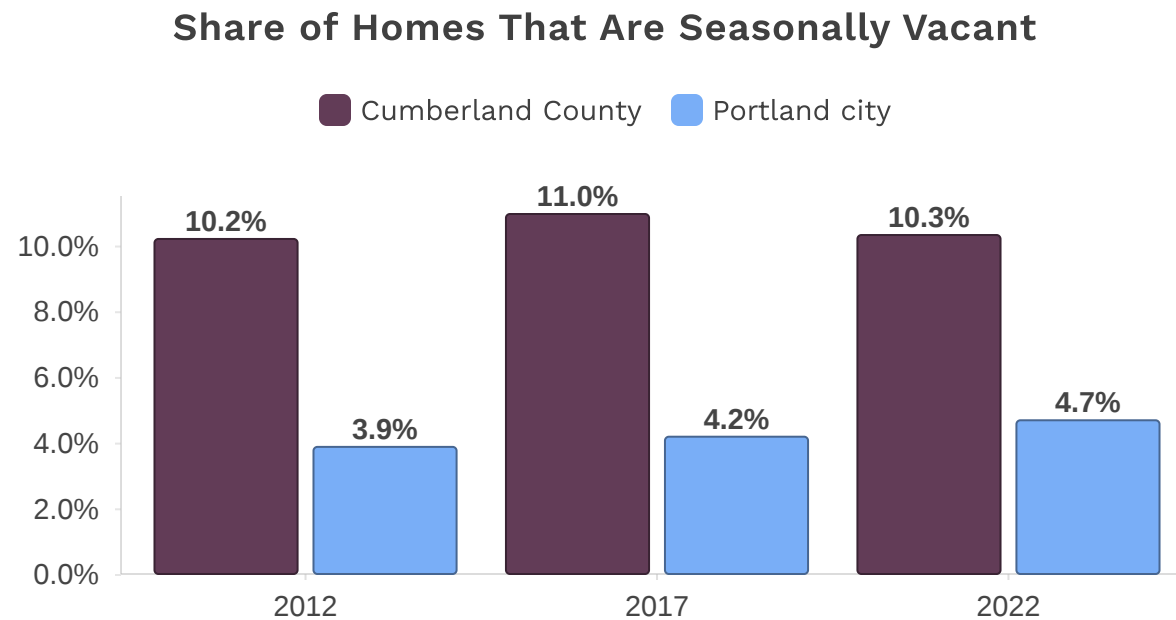


Where shown, pre-2020 tract-level data has been mapped onto 2020 vintage census tracts using a tract-to-tract crosswalk.

Source: American Community Survey (ACS), US Census Bureau

Seasonal Vacancies

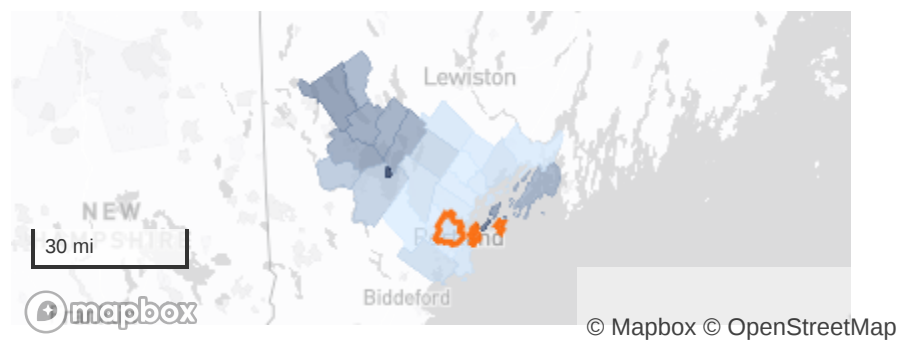
Housing that is seasonally vacant can make up a substantial part of some markets, particularly in vacation destinations. In Portland city, 4.7% of all homes in 2022 were seasonally vacant—that is, they were reported as being vacant for seasonal, recreational, or occasional use, or for migrant workers. 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."

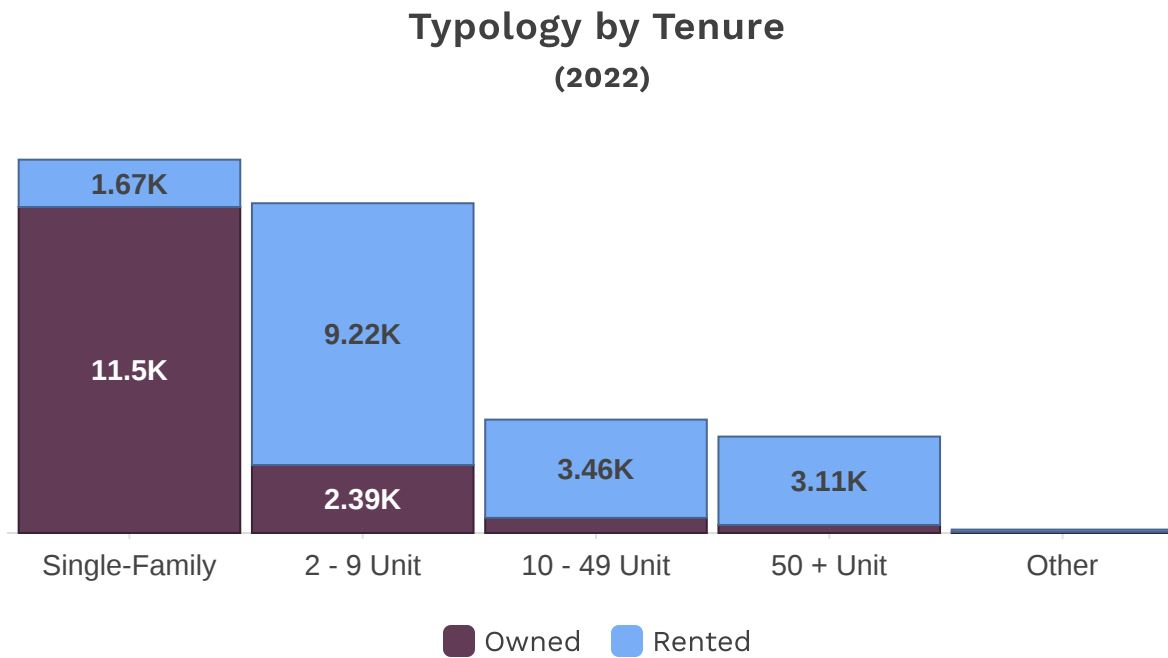
Regional Comparison of the Seasonal Vacancy Rate (2022)



Source: American Community Survey (ACS), US Census Bureau

Typology by Tenure

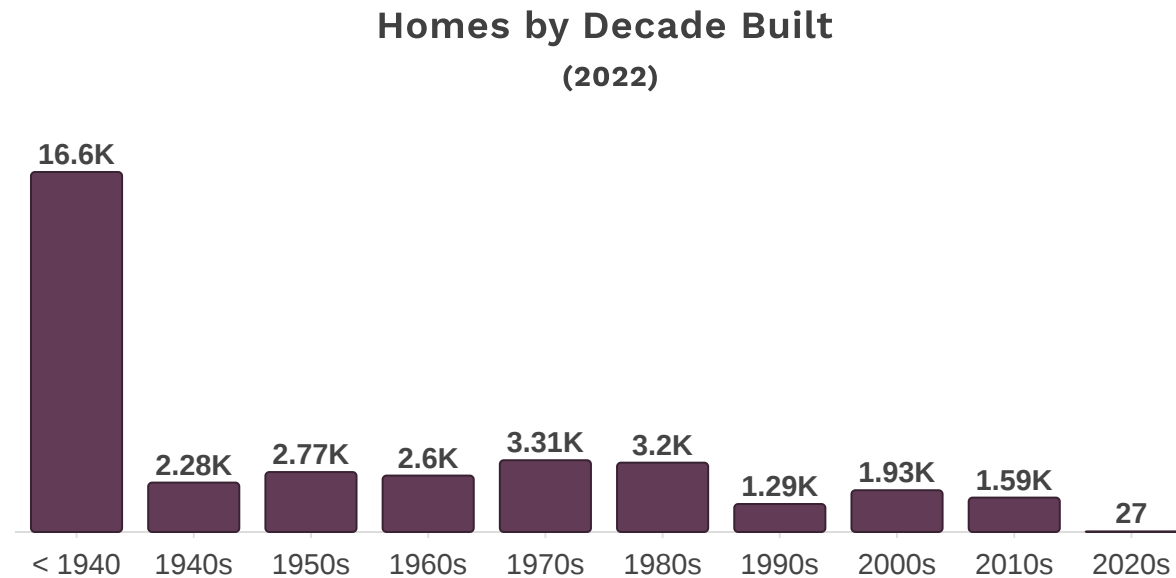
In 2022, 1,667 single family homes in Portland city were occupied by renters. For homes occupied by owners, the majority were single family, with 11,474 homes.



Source: American Community Survey (ACS), US Census Bureau

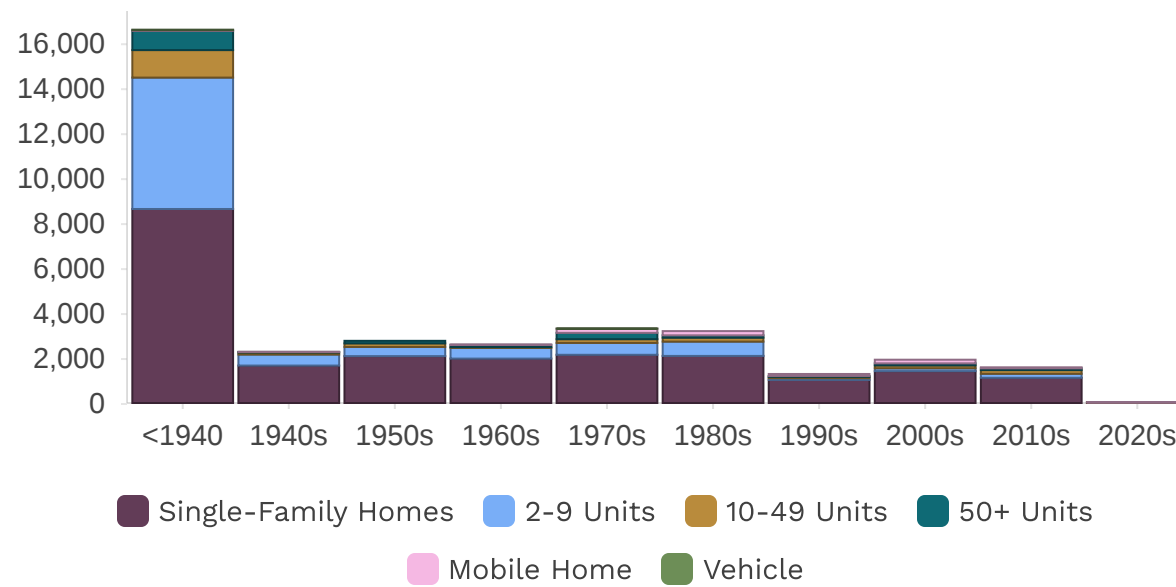
Homes by Decade Built

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)

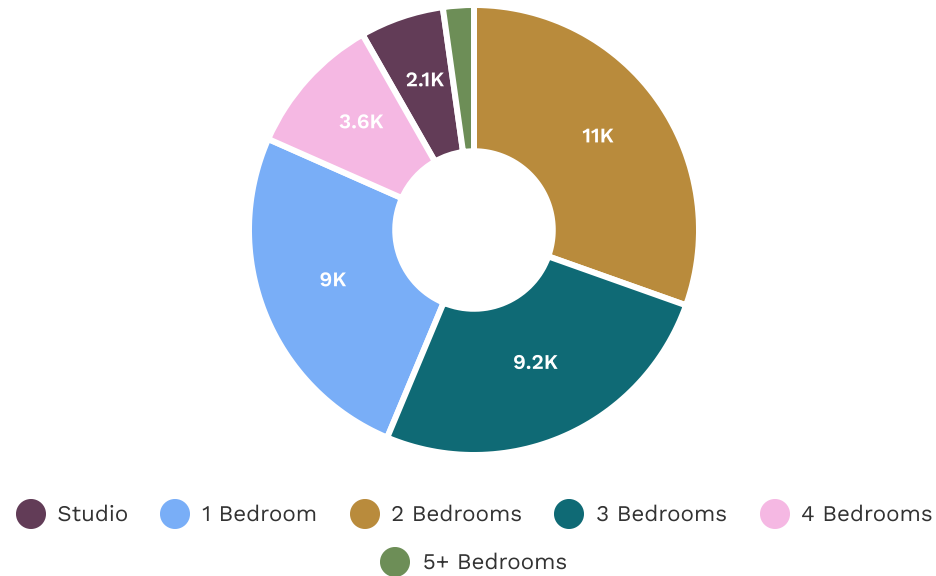


Source: Public Use Microdata Sample (PUMS), US Census Bureau

Vehicle refers to house boats, RVs, camper vans, and other homes.

Homes by Number of Bedrooms

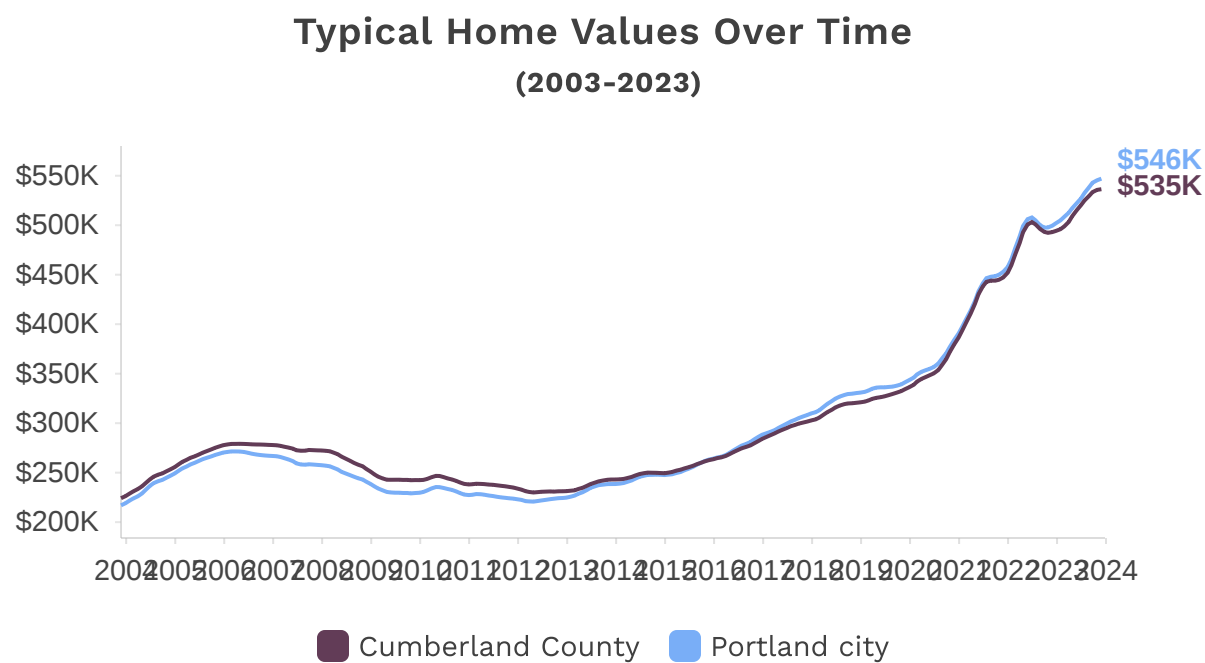
Homes by Number of Bedrooms
(2022)



Source: American Community Survey (ACS), US Census Bureau

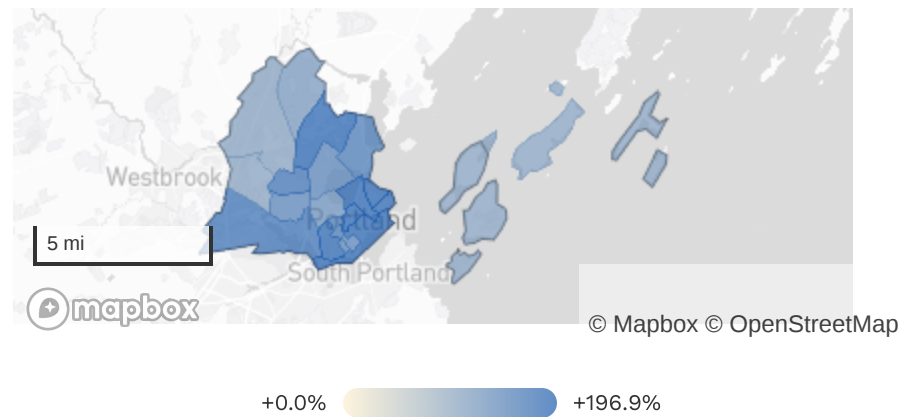
Home Values

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)

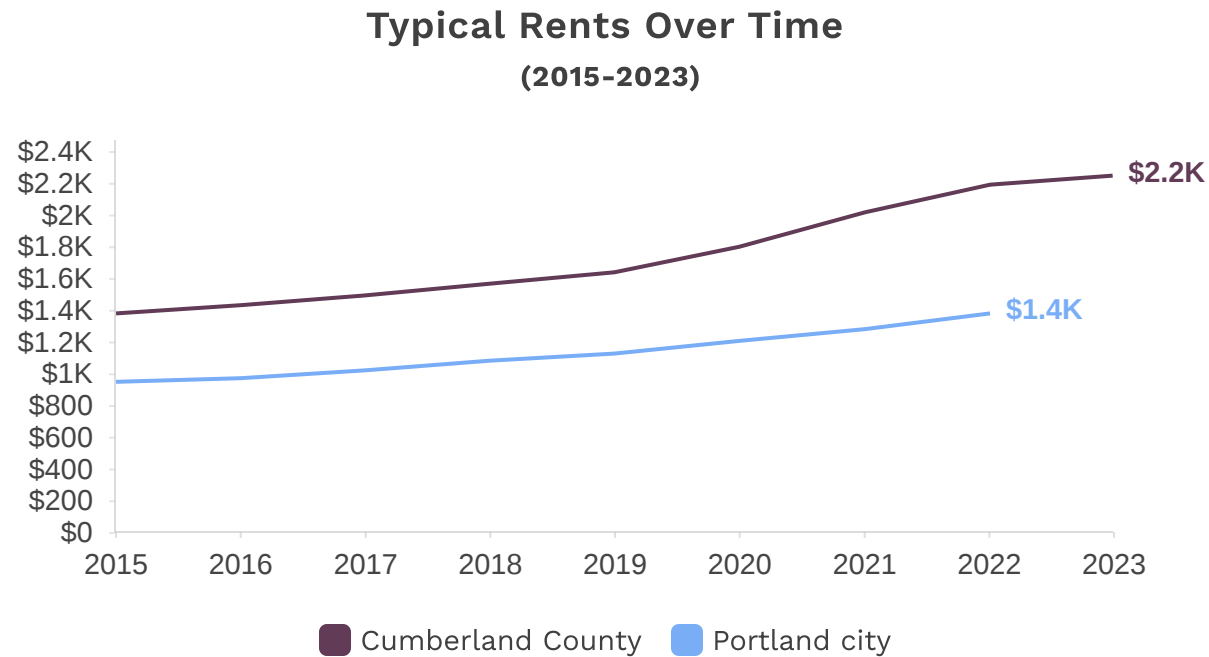


Where shown, pre-2020 tract-level data has been mapped onto 2020 vintage census tracts using a tract-to-tract crosswalk, using the number of owner-occupied homes as weights. Dollar values are nominal.

Source: American Community Survey (ACS), US Census Bureau

Rents

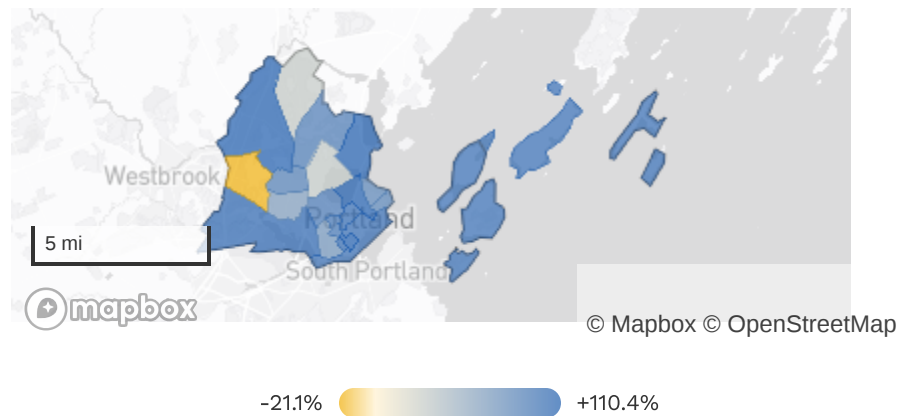
According to the ACS, the median gross rent in Portland city was \$1,377 in 2023. Rent increased by \$431 (45.6%) from 2015 to 2023.



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](#).

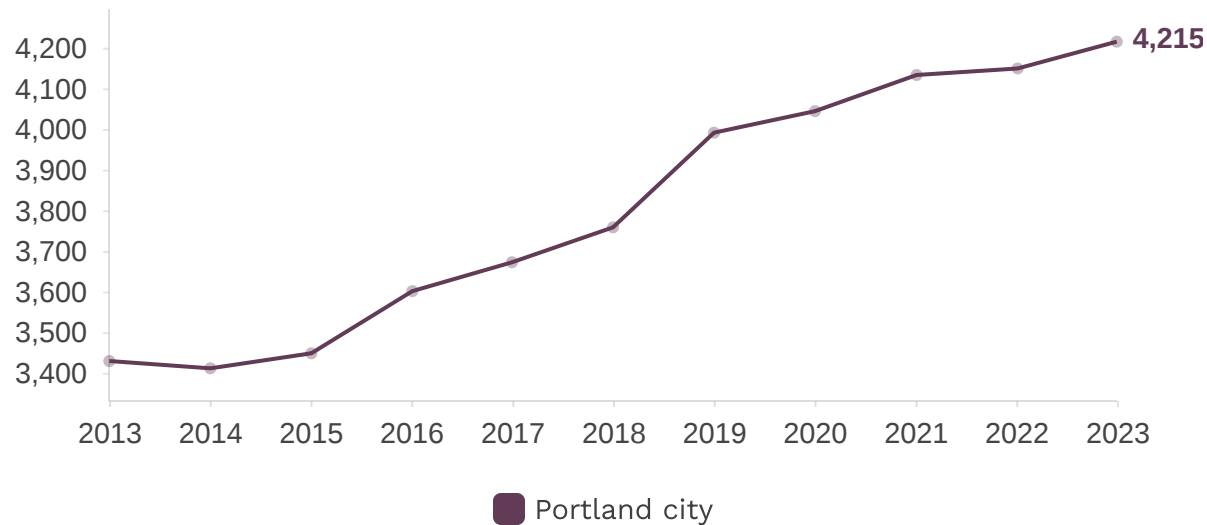
Source: US Department of Housing and Urban Development (HUD)

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%.

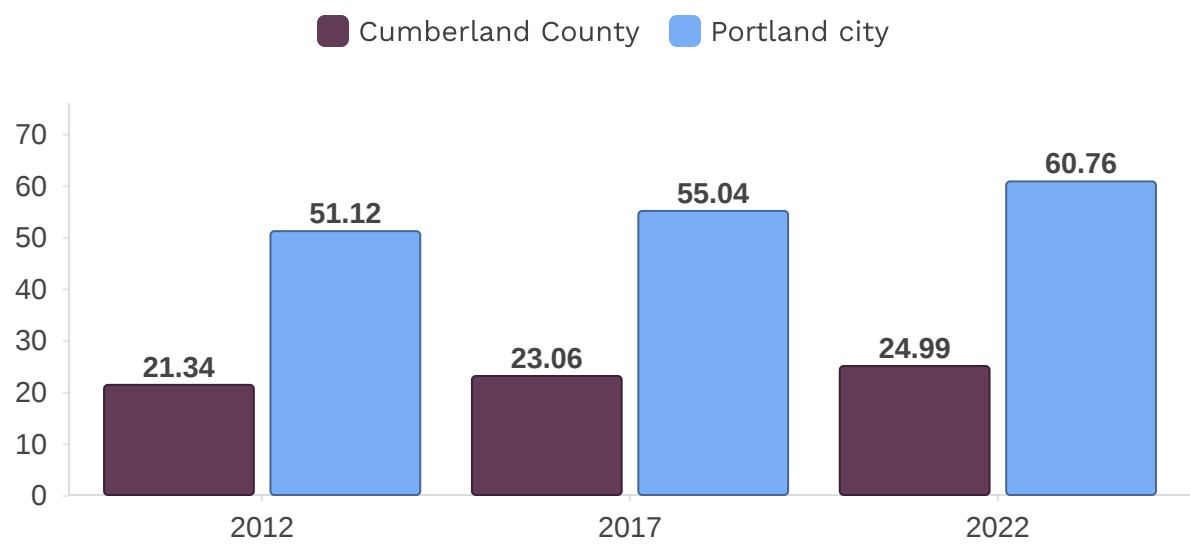
**Total Supply of Deed-Restricted Affordable Homes by Year
(2013-2023)**



Source: National Housing Preservation Database (NHPD)

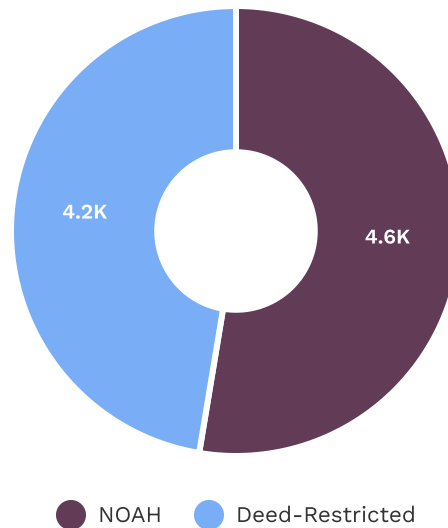
Note: Data reflect the total number of deed-restricted homes in each year with active or inconclusive subsidies based on the earliest start date and latest end date of each property's subsidies.

Deed-Restricted Affordable Homes per 1,000 Population



Source: National Housing Preservation Database (NHPD) and American Community Survey (ACS), US Census Bureau

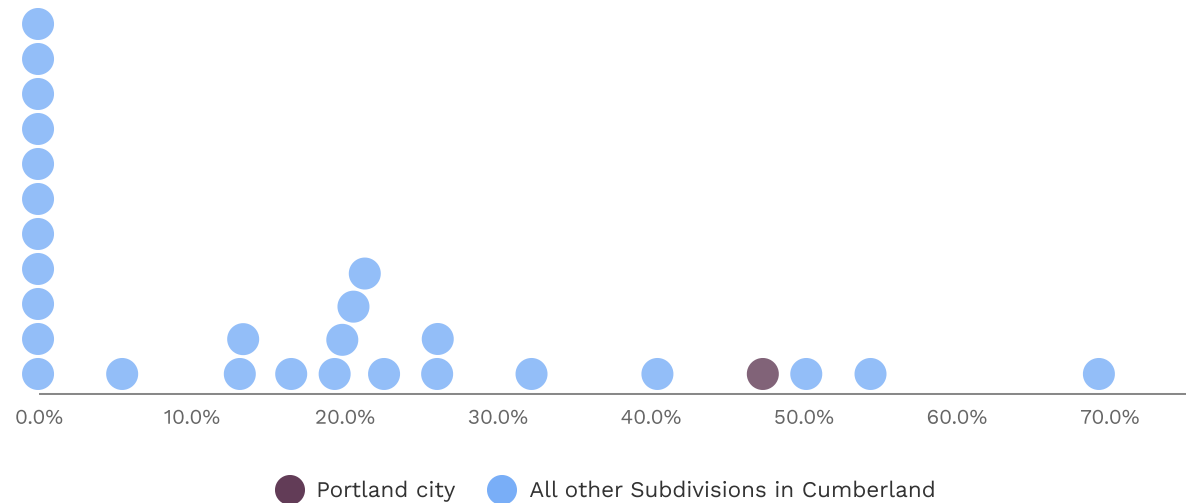
Rental Homes Affordable Under 60% AMI by Deed Restriction Status (2022)



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).

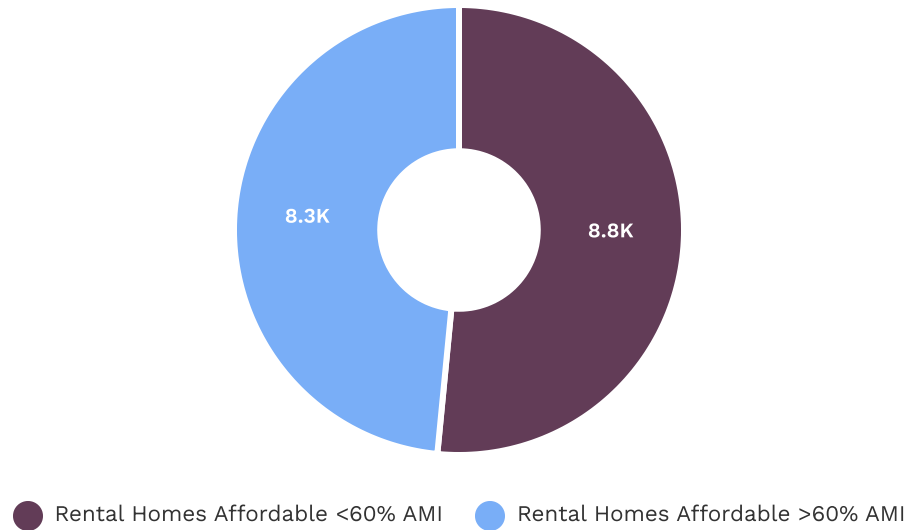
Share of Rental Homes Affordable <60% AMI That Are Deed-Restricted (2022)



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)

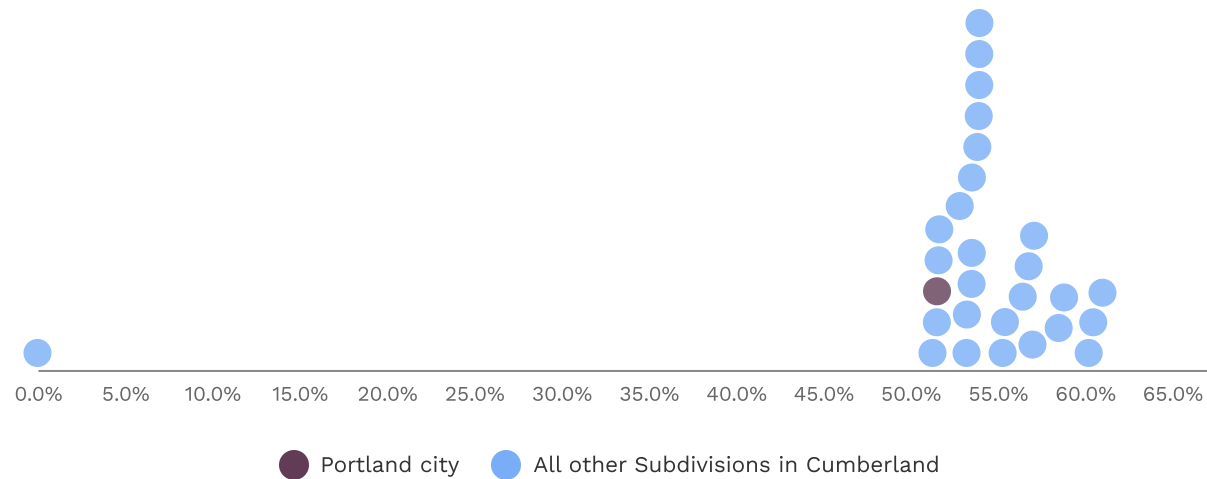


All rental homes includes all deed-restricted and unrestricted rental homes in the market.

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)**

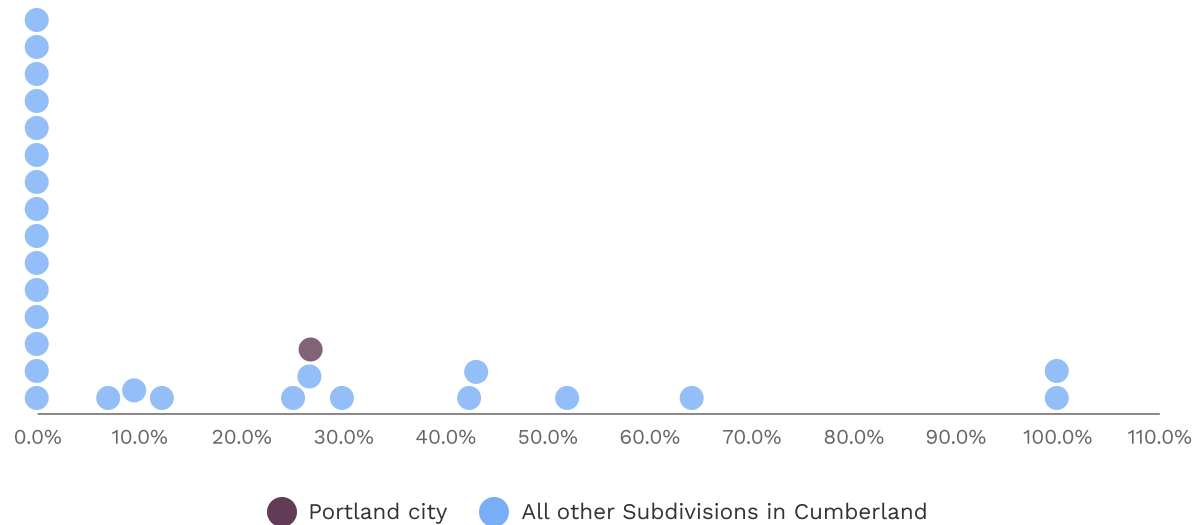


Source: HR&A analysis calculated using data from the American Community Survey (ACS); Public Use Microdata Sample (PUMS); and National Housing Preservation Database (NHPD).

Affordable Housing in Areas of Opportunity

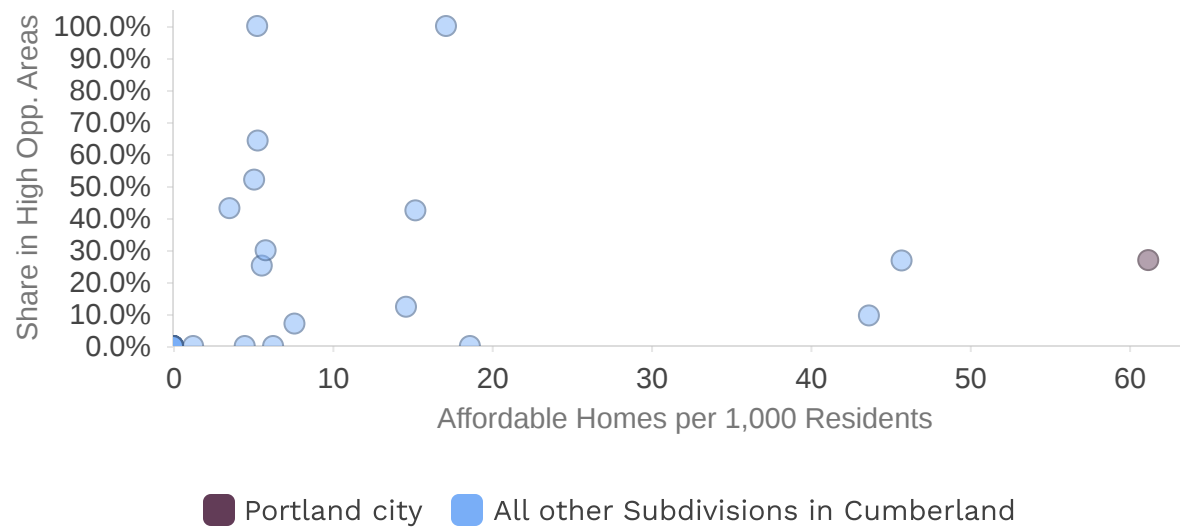
In 2022, 26.9% of the deed-restricted affordable housing stock in Portland city was located in high opportunity areas, which are defined here as properties in census tracts that had a higher median income than Portland city overall.

**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.

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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...

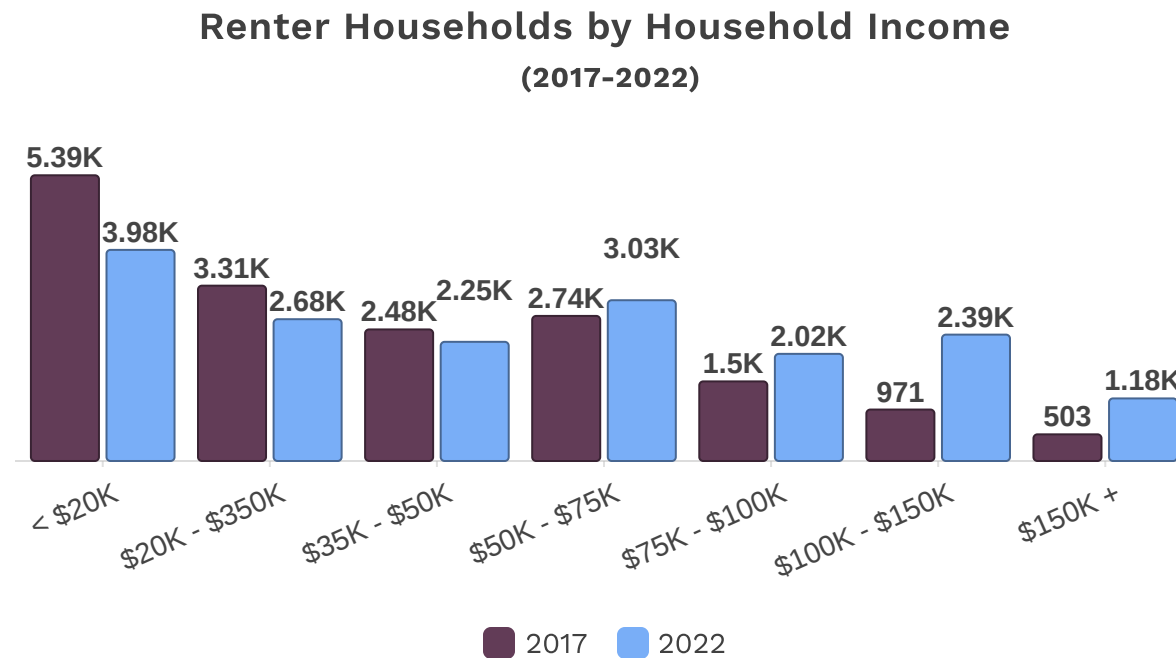
Source: US Department of Housing and Urban Development (HUD)

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)

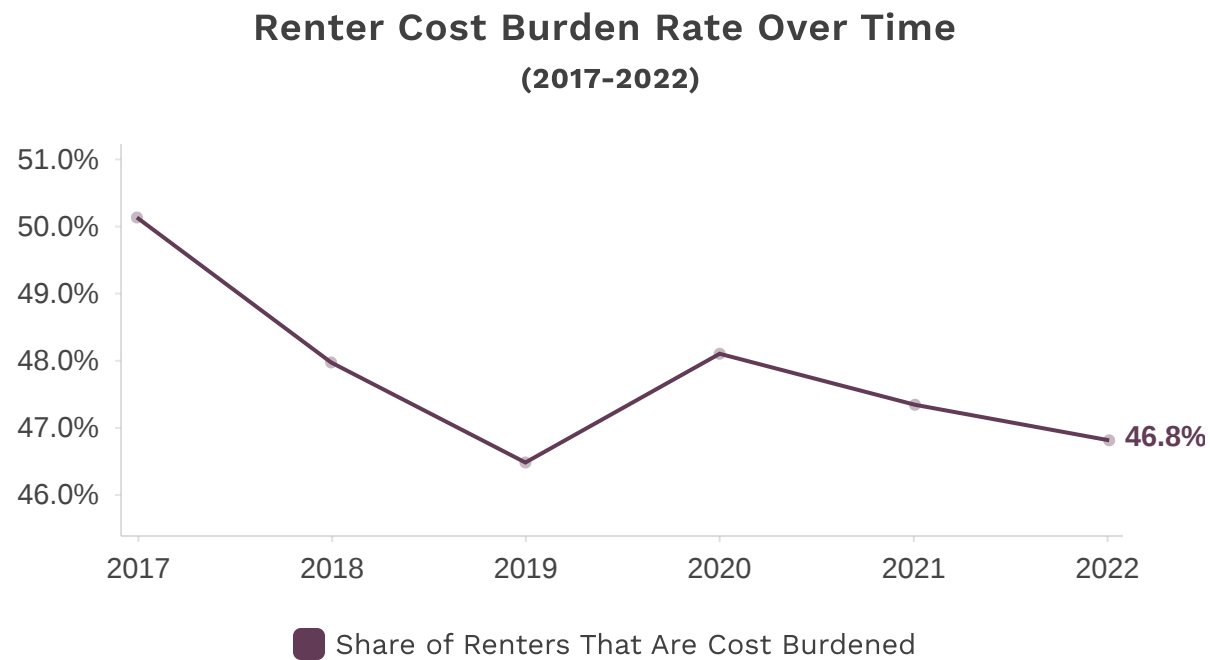
Renter Households by AMI and Income



Source: American Community Survey (ACS), US Census Bureau

Dollar values are nominal.

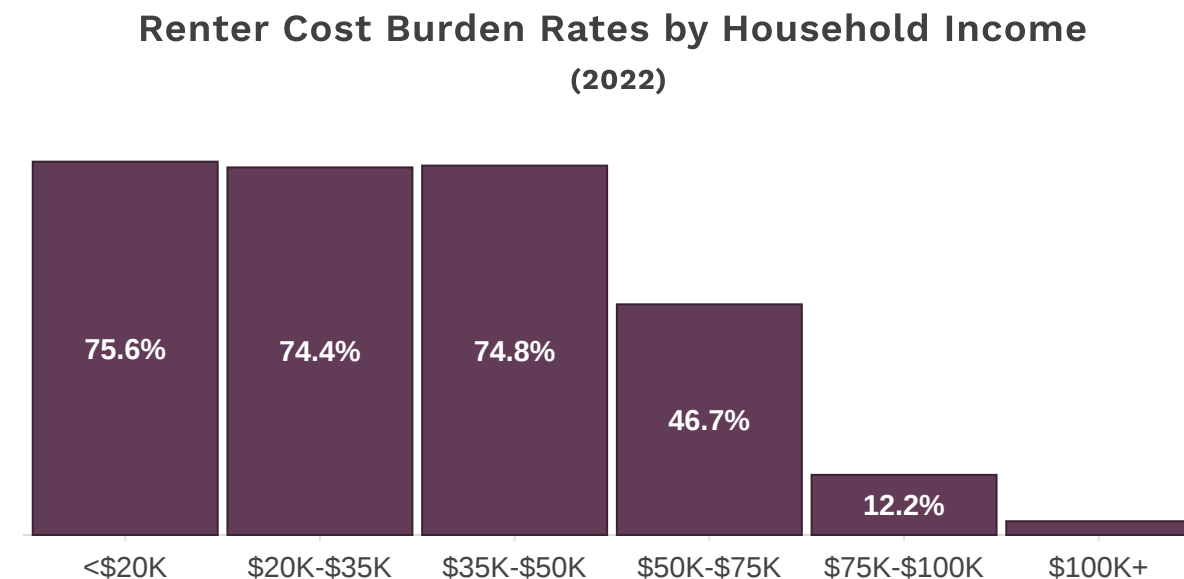
Renter Cost Burden



Source: American Community Survey (ACS), US Census Bureau

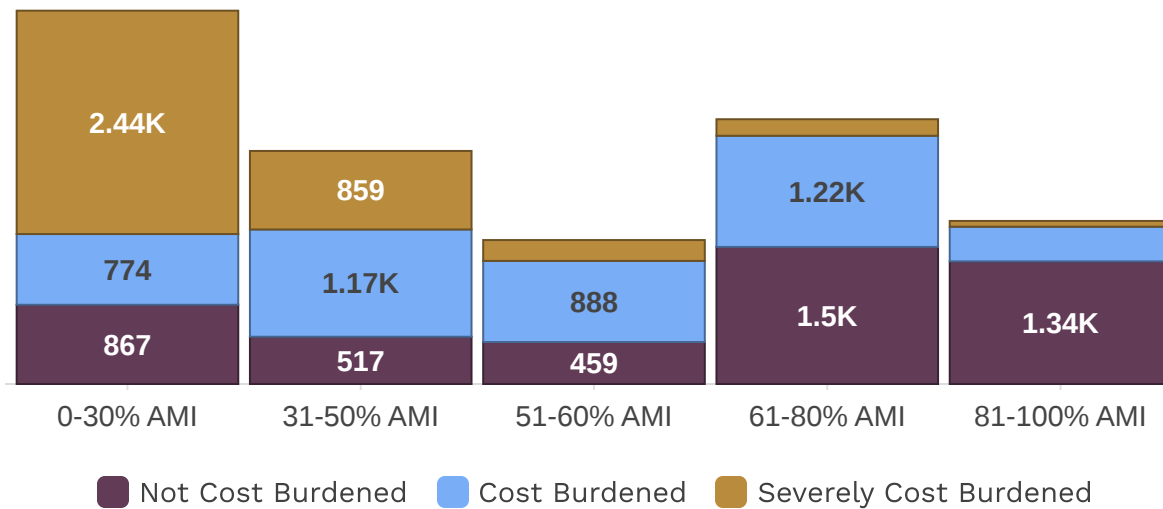
Renter Cost Burden by Income

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.

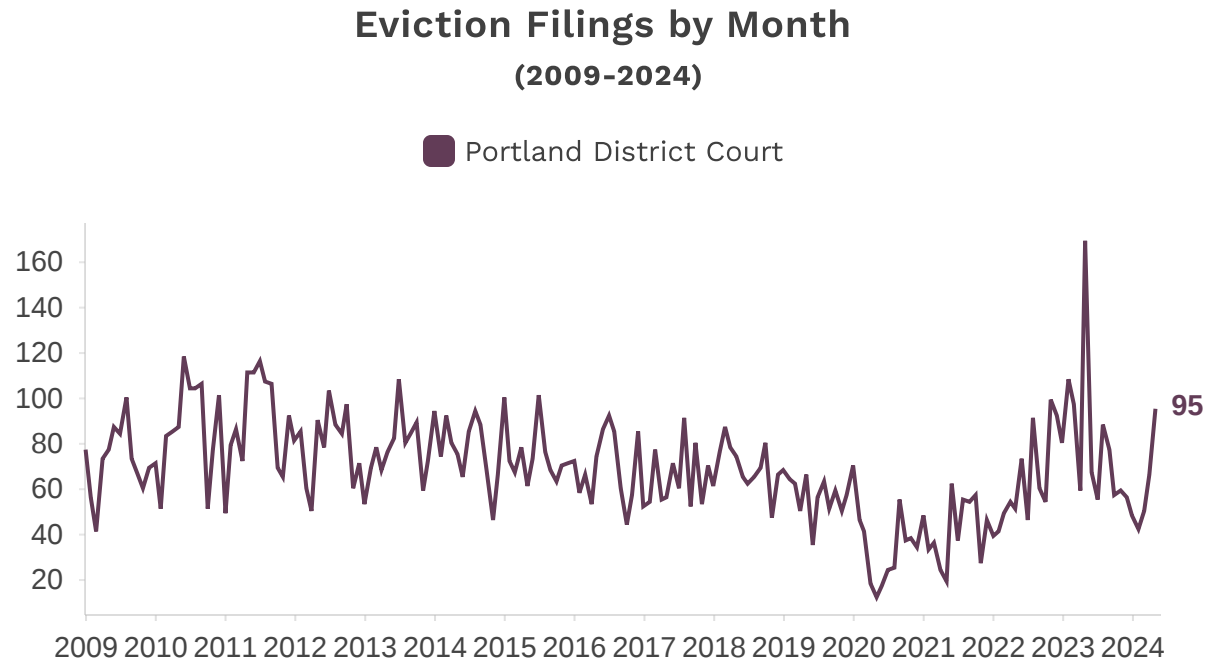
Renter Cost Burden Rates by Cohort (2022)

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.



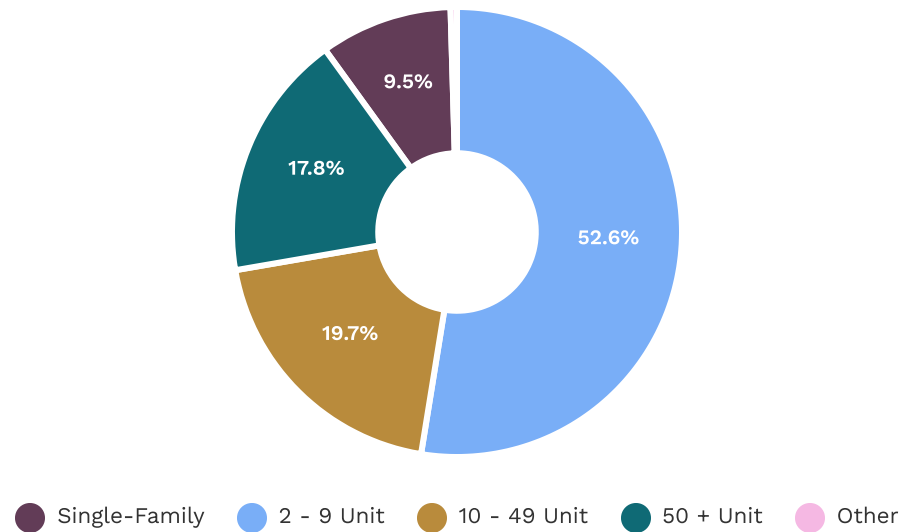
Source: State of Maine Judicial Branch

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.

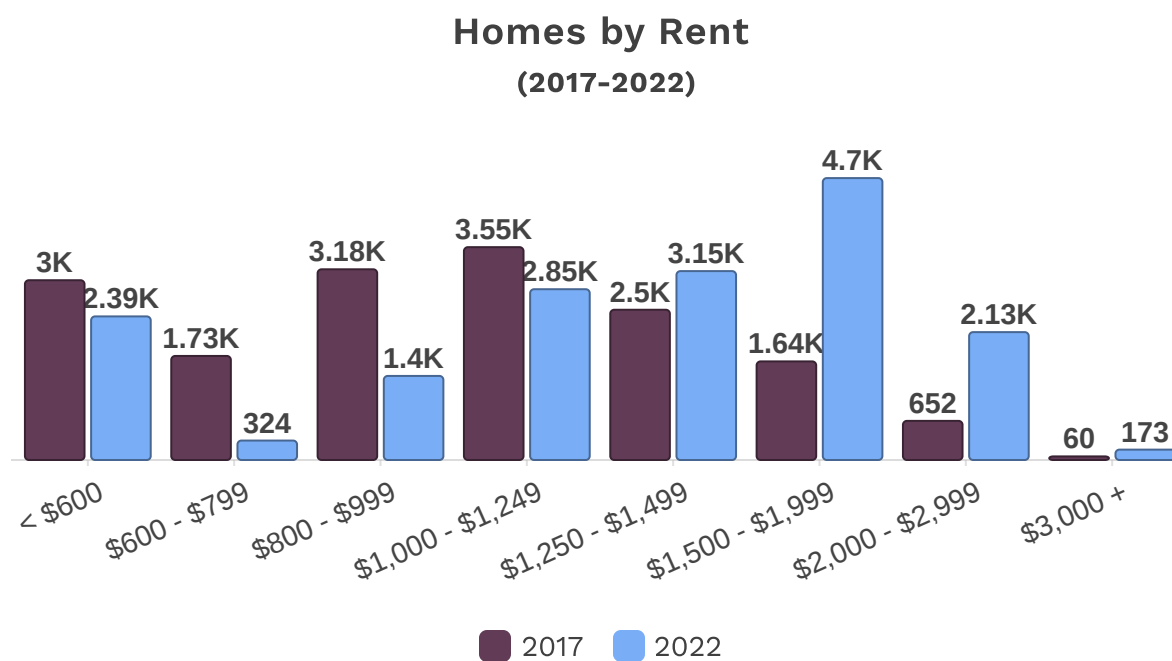
Rented Homes by Building Typology
(2022)



Source: American Community Survey (ACS), US Census Bureau

Homes by Rent

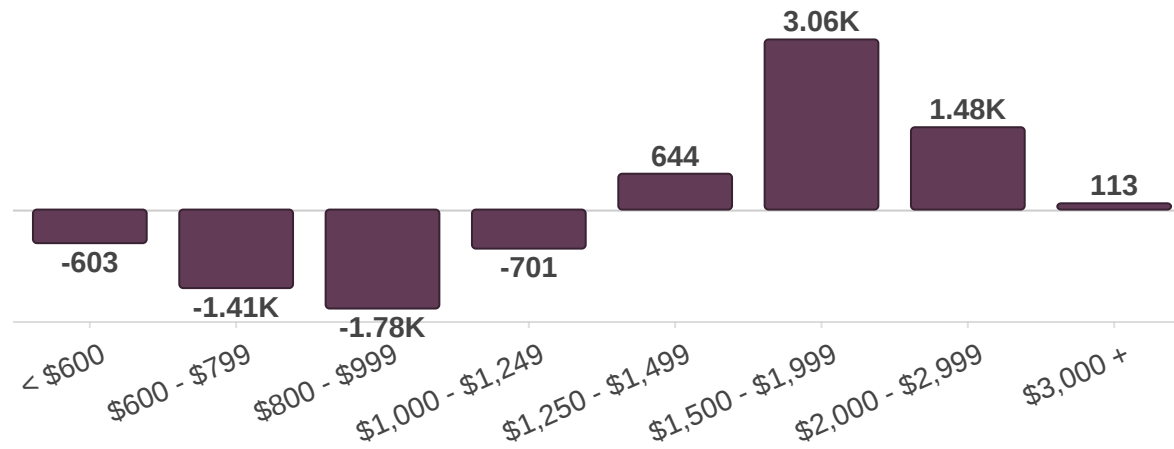
Between 2017 to 2022, the number of homes with rents below \$600 and between \$600-\$799 changed by -20.1% and -81.3% respectively.



Source: American Community Survey (ACS), US Census Bureau

Dollar values are nominal.

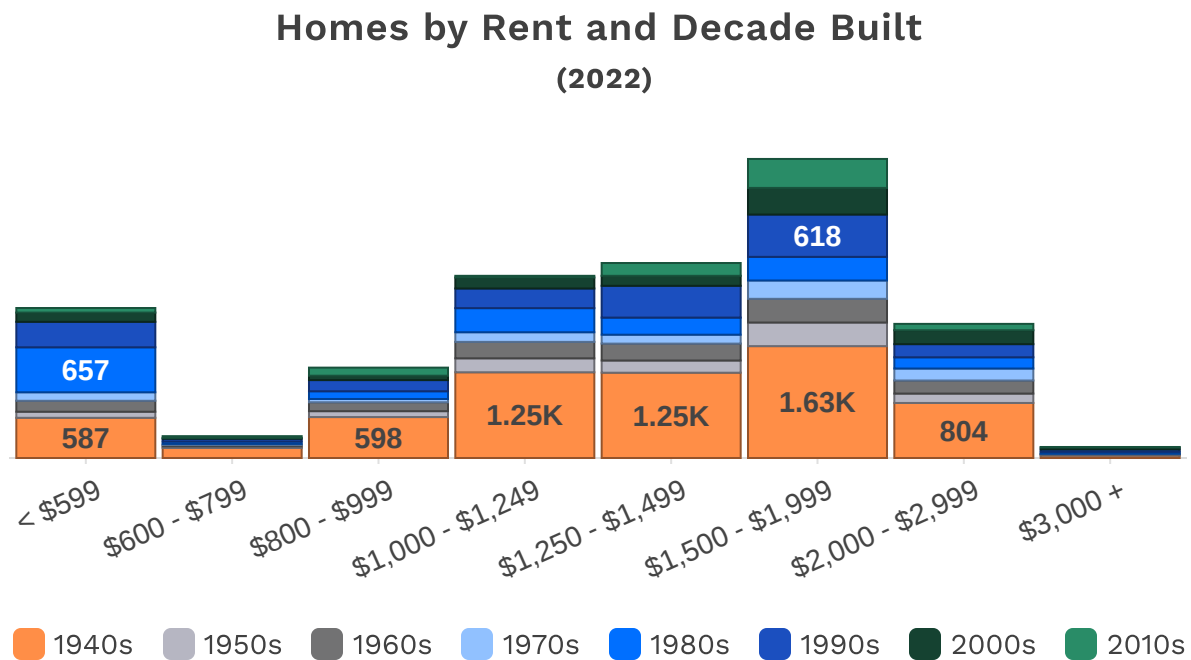
Change in Homes by Rent (2017-2022)



Source: American Community Survey (ACS), US Census Bureau

Dollar values are nominal.

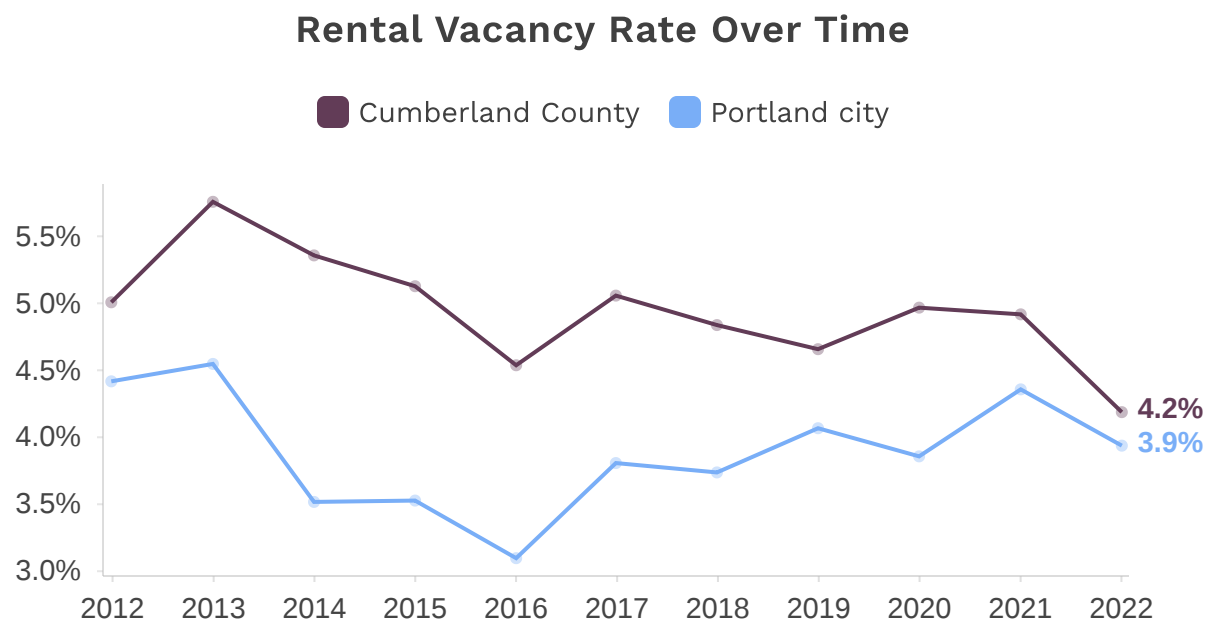
Homes by Rent and Decade Built



Source: Public Use Microdata Sample (PUMS), US Census Bureau

Rental Vacancy Rate

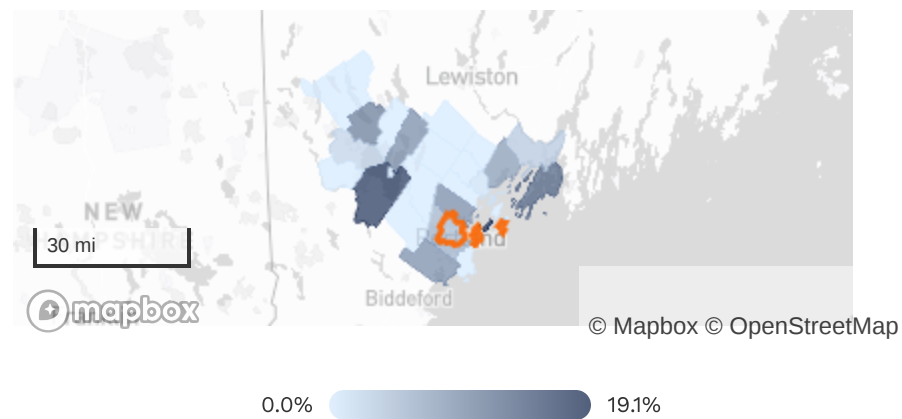
The rental vacancy rate measures the share of all rental housing that is vacant for rent and indicates the availability of rental housing for someone moving homes or moving into the community. In 2022, 3.9% of all rental homes in Portland city were vacant for rent. This reflects a tightening in the rental 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

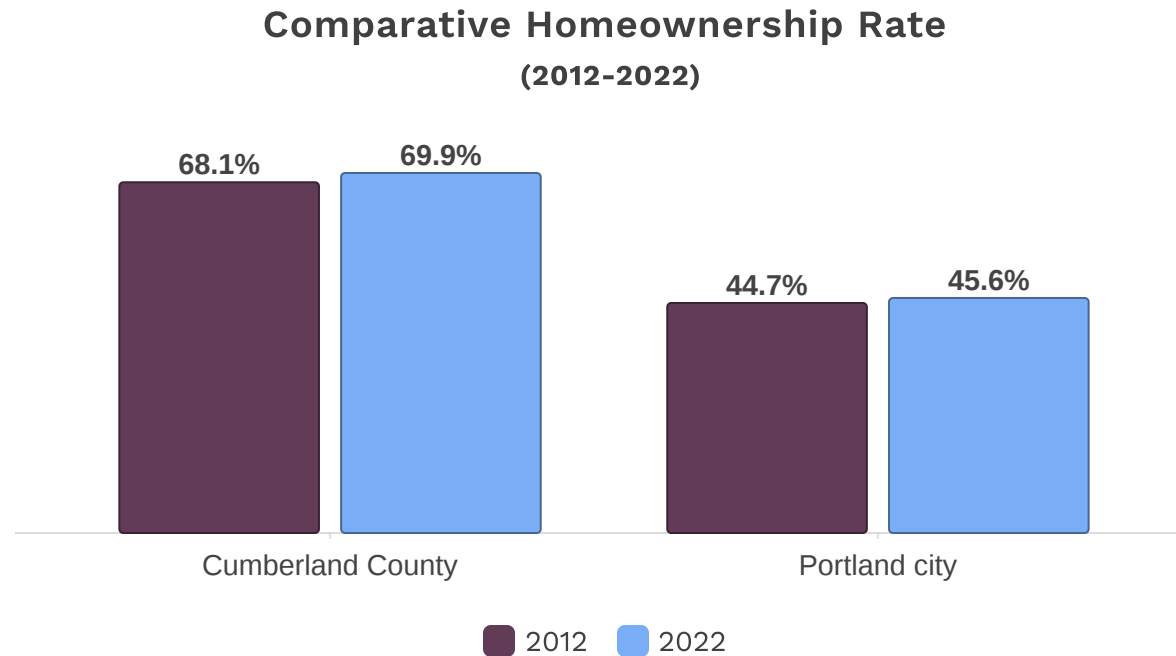
Portland city

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.

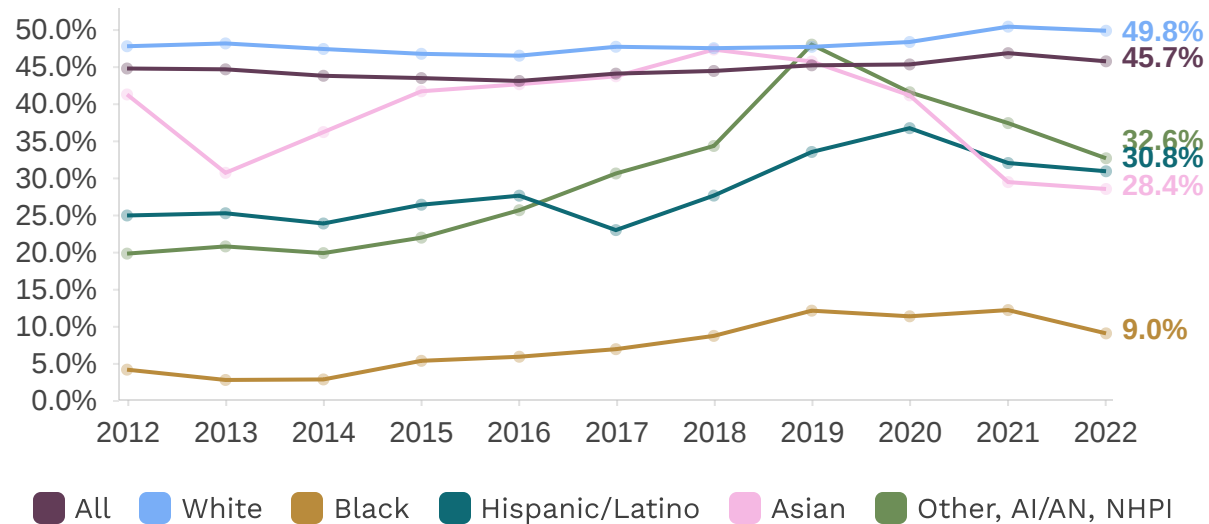
Homeownership Rate

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)

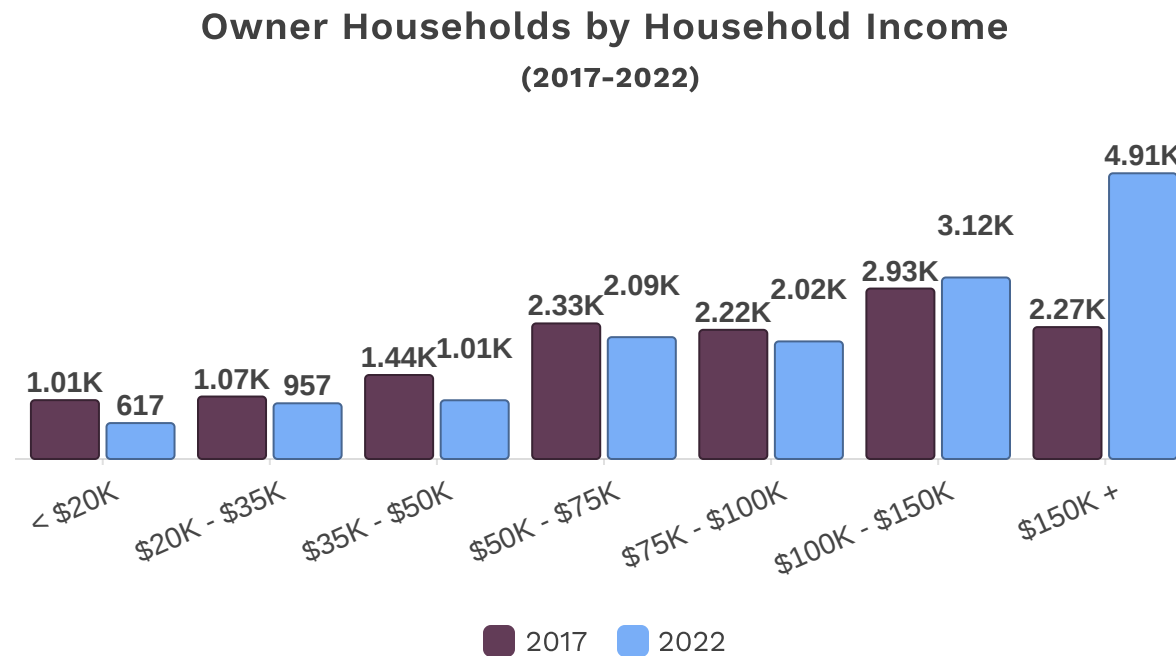


Source: American Community Survey (ACS), US Census Bureau

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

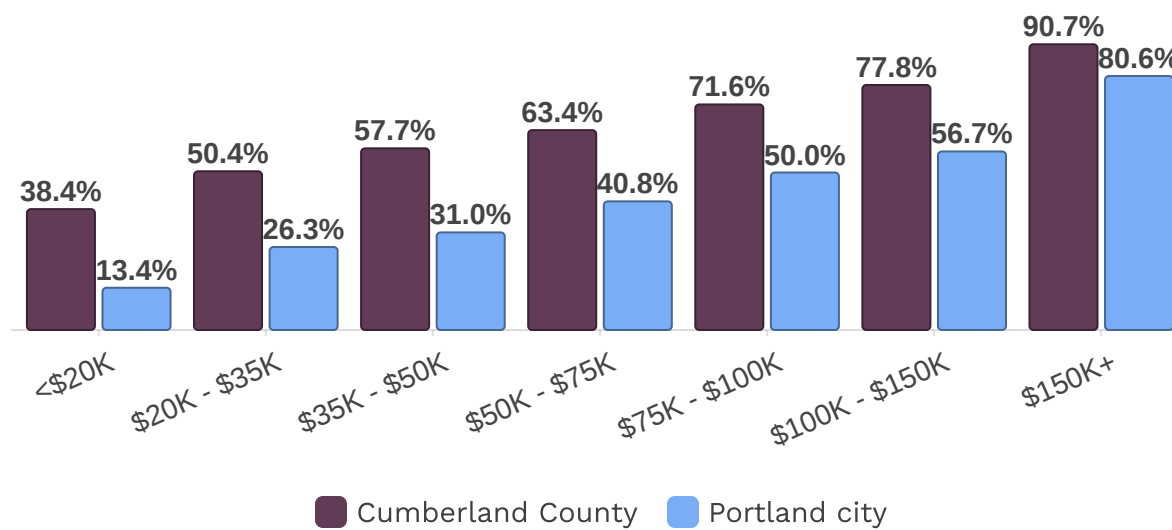
Households making more than \$150K had the highest rates of homeownership in Portland city in 2022 at 33.3%. For households making \$35K - 50K, the homeownership rate was 6.8% and has decreased from 12.6% in 2012.



Source: American Community Survey (ACS), US Census Bureau

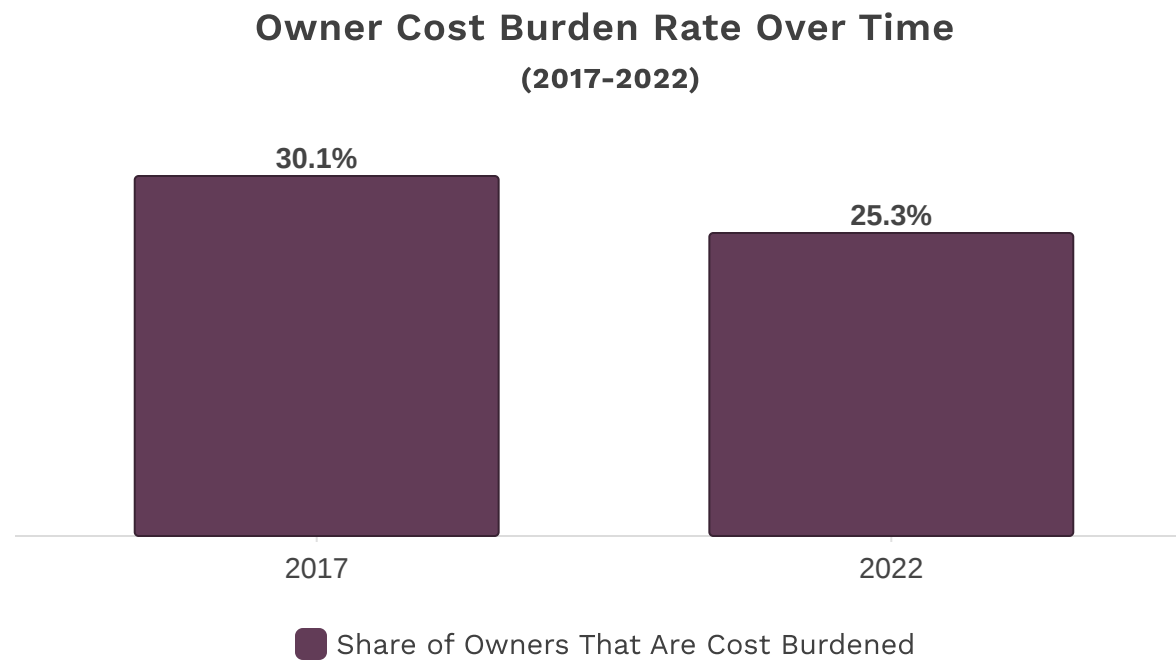
Dollar values are nominal.

Comparative Homeownership Rate by Household Income (2022)



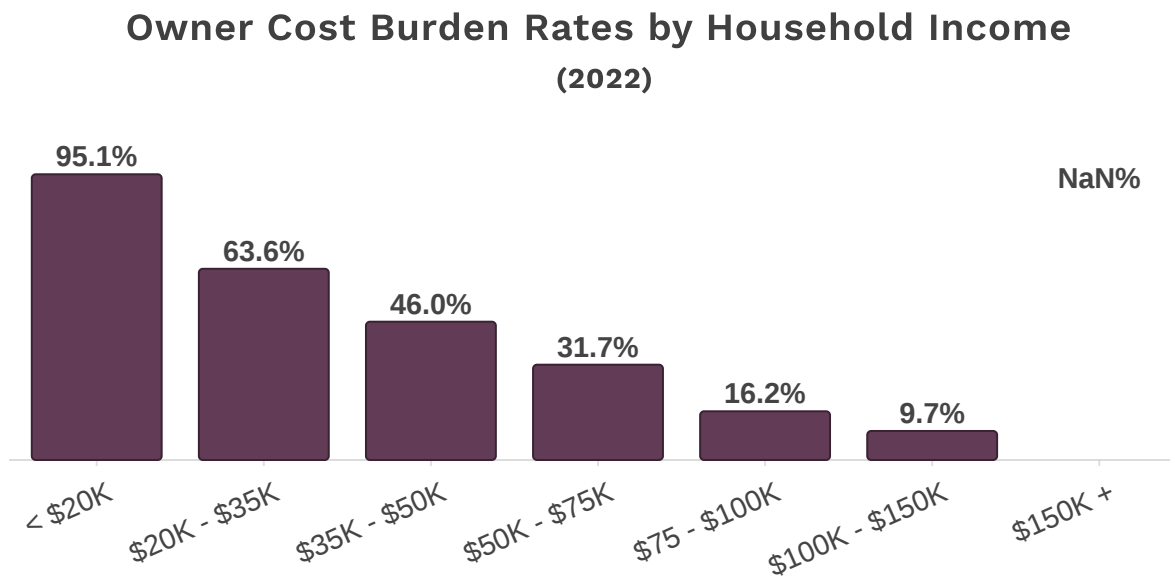
Source: American Community Survey (ACS), US Census Bureau

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)

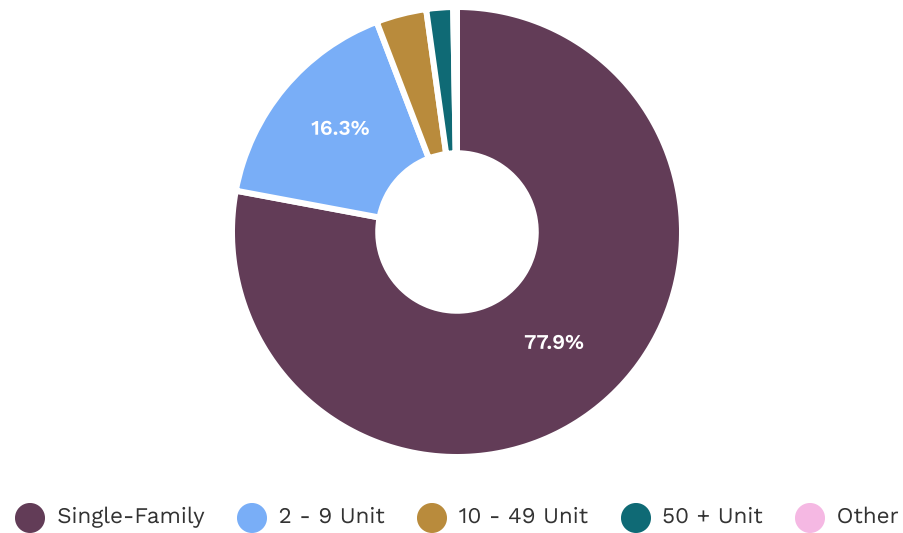
Cohort	Portland city ▲
Households with Children	17.3%
White Households	21.6%
All Owner Households	25.3%
Households of Other Races	26.3%
Hispanic/Latino Households	26.8%
Senior Households	27.8%
Black Households	35.8%
Asian Households	37.3%
Single-Parent Households	56.5%

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.

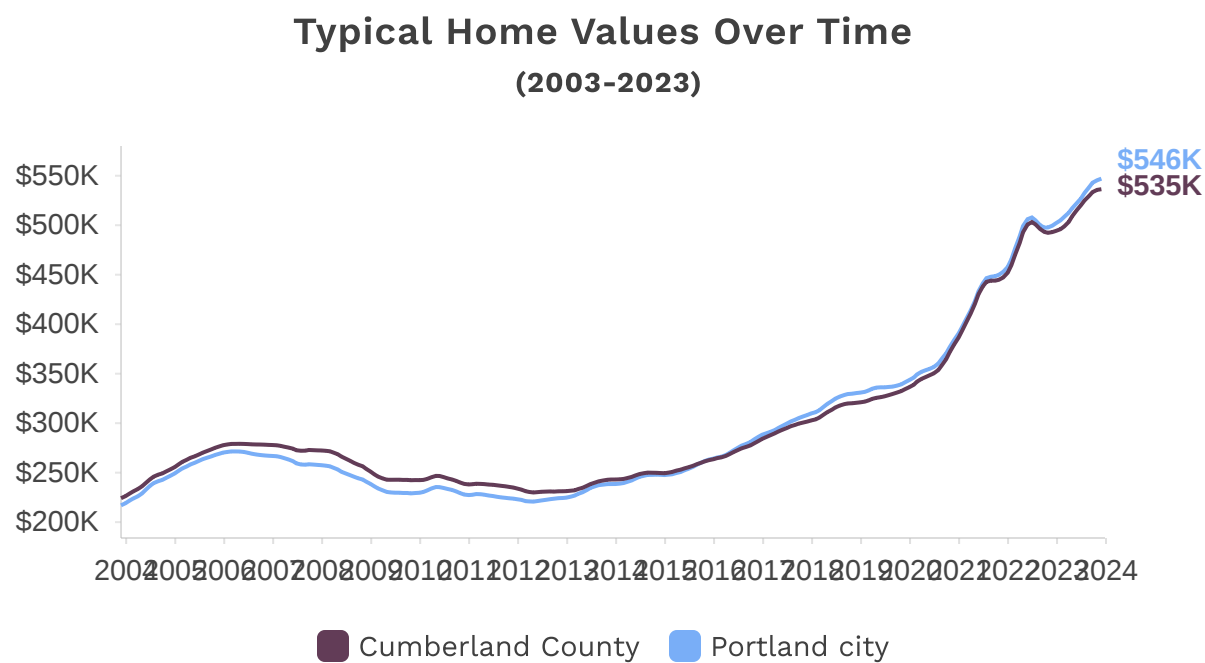
Owned Homes by Building Typology
(2022)



Source: American Community Survey (ACS), US Census Bureau

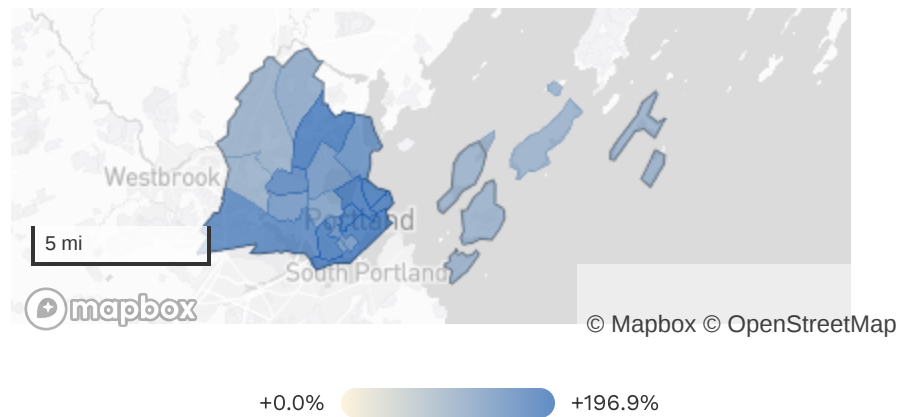
Home Values

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)



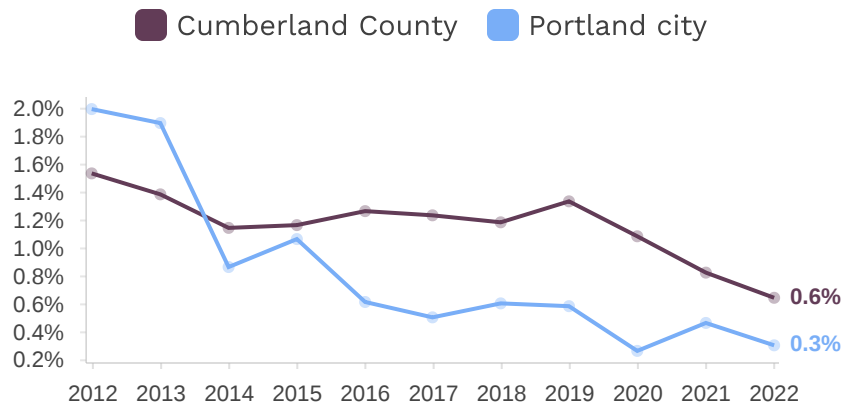
Where shown, pre-2020 tract-level data has been mapped onto 2020 vintage census tracts using a tract-to-tract crosswalk, using the number of owner-occupied homes as weights. Dollar values are nominal.

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%.

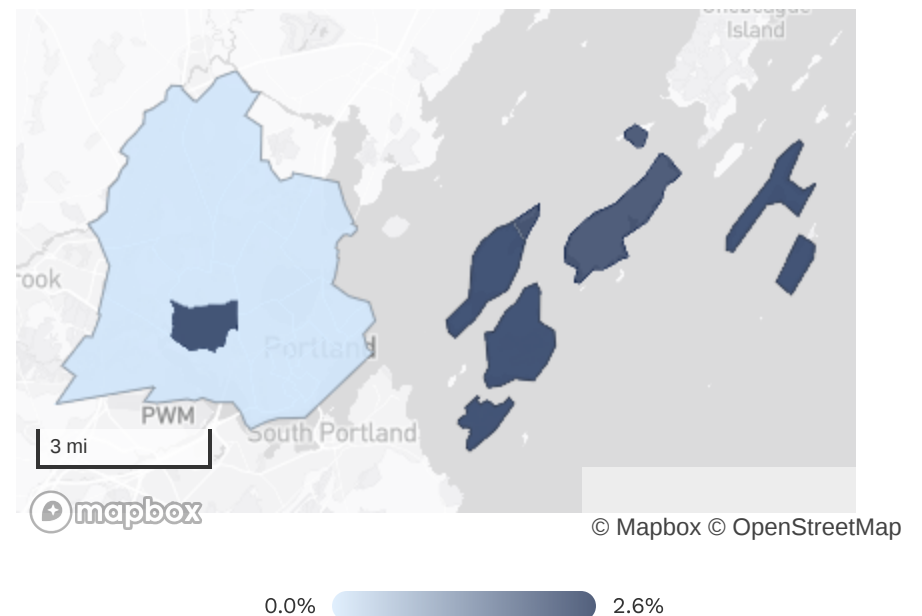
Homeowner Vacancy Rate Over Time



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

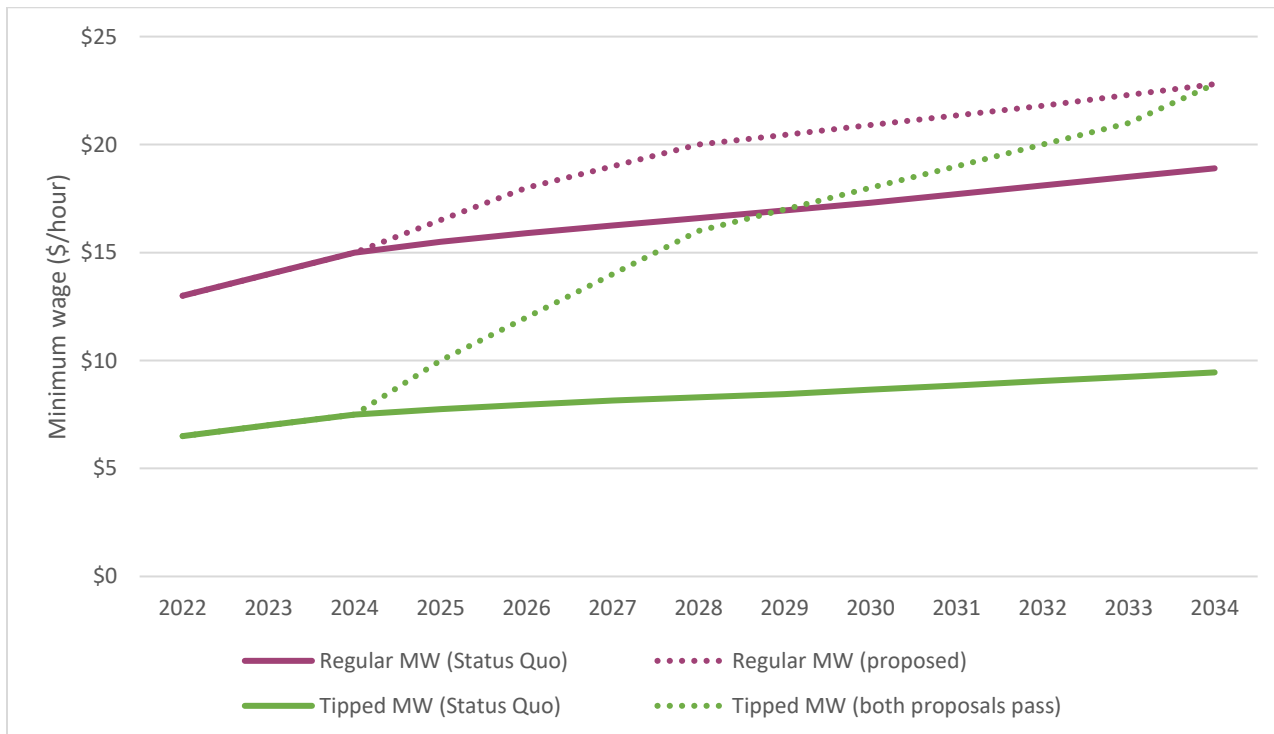
August 12, 2024

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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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.

Page 2

Re: Order 25 – 24/25. Order 26 – 24/25 and Order 35 – 24/25

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 flourish at the end.

Fred McCann

Order 239-24/25 - Minimum Wage

'Batson, Brian E' via Public Comment

Attachments

Jul 10, 2025, 11:02 AM (4 days ago)

to publiccomment@portlandmaine.gov, Dena, Mark

Honorable City Council,

Please find attached MaineHealth's testimony on the Amendment to Chapter 33 of the Portland City Code RE: an Act to Increase Portland's Minimum Wage.

All the best,

Brian Batson, RN, BSN (he/him)

MaineHealth | Community Relations Manager

110 Free Street | Portland, ME 04101

Brian.Batson@mainehealth.org



**Testimony of Brian Batson, MaineHealth
Against “An Act to Increase Portland’s Minimum Wage”
Monday July 14, 2025**

Honorable Members of the Portland City Council,

Thank you for your work on behalf of the City of Portland. MaineHealth is reaching out to ask that the City Council **reject the proposal** to increase Portland’s minimum wage to one of the highest in the country.

As many of you already know, Maine’s safety net health care providers, including hospitals, are facing significant financial headwinds. Maine’s hospital operating margins are among the lowest in the country, and we are experiencing additional financial challenges as we expect vulnerable patients to lose coverage in the coming months.

I have attached a new [data set](#) that reveals a grim financial outlook for Maine’s hospitals, highlighting a mixture of increasing costs and reimbursement rates that aren’t keeping up. The data shows that hospitals in Maine are among the most financially strained in the country, burdened by aging infrastructure, heavy debt, and slim, to negative operating margins.

Hospitals nationwide are bracing for impacts from the reconciliation bill passing through Congress. It’s estimated that [Maine’s hospitals would lose \\$800 million](#) in revenue if the House version of the bill passes. The House bill would also cleave about \$800 billion over 10 years from Medicaid across the nation, according to the Congressional Budget Office, and result in 16 million more Americans being uninsured. **That includes about 40,000 Mainers.** About 400,000 Maine residents — or about [one in every four Mainers](#) — are enrolled in Medicaid. The Senate bill would result in \$1 trillion in cuts to health care.

Maine hospitals are already experiencing tremendous financial pressure before any additional reductions to our Medicaid program. Citing financial pressures, [Northern Light Health closed Inland Hospital](#) in Waterville this year, and announced additional changes in a press release on July 1. Other hospitals have had to close or curtail services. Citing a lack of volume and financial issues, nine Maine hospitals have [closed birthing centers](#) in the past decade, including Houlton Regional Hospital and MaineHealth Waldo Hospital in Belfast this year.

At the same time, as part of our mission and vision, MaineHealth Maine Medical Center offers world class care to everyone regardless of their ability to pay, and we provide care free-of-charge to all patients at or below 200% of the federal poverty level. Last year, we provided over \$65 million in uncompensated care to our patients served by MaineHealth Maine Medical Center.

As Councilors have mentioned in relation to this ordinance, housing values in Portland have risen. We see this directly through the challenges our own care team members have in finding safe and affordable homes. Housing costs in Portland and its surrounding areas represent a serious challenge for our workforce; increasing the minimum wage will not solve the housing shortage, and it will result in serious pain for Portland’s employers. MaineHealth is proud to have invested over \$324 million in increased compensation for our non-executive, non-physician, care team members over the last few years. And in doing so, we have stretched scarce resources to the limit.

This proposal would add \$23 million in additional cost to the MaineHealth system. We are a large employer with a workforce that spans Maine and New Hampshire. We are proud to provide equitable compensation packages across our system. For roles impacted by this proposed change in minimum wage, we do not differentiate pay or benefits based on location. That potential increase represents over 50% of our operating gain of less than 1% in 2024. *It is important to*

note that this figure does not account for compression which would inherently increase it even more. Should this proposal pass, it will have unintended consequences, as our only source of offsetting the additional cost will be increased reimbursement by our private insurers and employers.

Finally, as a health system, we cannot easily navigate the situation when a single municipality enacts a change that impacts only the employers within its boundaries. It is inefficient and cumbersome, and very expensive to administer. It also creates inequities between employees based on location. This ordinance will make Portland's minimum wage one of the **highest in the country**. Should it pass, it will have a detrimental impact on MaineHealth, on many employers in Portland, and, importantly, on Portland's overall economy. Please reject this proposal.

Sincerely,

Brian Batson

Order 239-24/25 - Minimum Wage

'Batson, Brian E' via Public Comment

Attachments

Jul 10, 2025, 11:02 AM (4 days ago)

to publiccomment@portlandmaine.gov, Dena, Mark

Honorable City Council,

Please find attached MaineHealth's testimony on the Amendment to Chapter 33 of the Portland City Code RE: an Act to Increase Portland's Minimum Wage.

All the best,

Brian Batson, RN, BSN (he/him)

MaineHealth | Community Relations Manager

110 Free Street | Portland, ME 04101

Brian.Batson@mainehealth.org

Order 239-24/25: Don't create a 2 tier system.

Winston Lumpkins winston.lumpkins@gmail.com via portlandmaine.gov

Sun, Jul 13, 11:20 AM (1 day ago)

to City, Danielle, publiccomment

Dear Mayor Dion, Members of the Portland City Council,

I support this order, 239 and think it should be on the ballot this fall. It may be wiser to have chosen a smaller increase to the min. wage and immediately tie it to inflation, but oh well.

(Assuming we can predict inflation at this time is a mistake, and like last time we raised the min. wage we might get left behind by inflation by switching to scheduled increases of a set amount- here it is, I told you so!

I do not support the amendment exempting employers with fewer than 50 employees. It's a bad policy, and does not make sense. There are large businesses which may struggle to raise wages, and small businesses for which it will be easy, meanwhile, all those making min. wages are struggling to afford housing- those working for small businesses don't magically have cheaper housing. Magic doesn't work like that. I think it may be better to just vote down the whole thing and try again after the election in November if this amendment passes; creating 2 tiers, 2 classes, of workers in Portland subject to different min. wages, based on an arbitrary measure with a sudden cut off does not make sense.

I fear it would:

Push the workforce away from working for small businesses, which already struggle to find employees (though, almost all of them currently pay more than min. wage, and presumably they would continue to do so).

Disincentivize growth, by essentially penalizing larger businesses, and making expanding to over 50 employees a bad choice for businesses which expand slowly, and punishing mergers, which can be necessary for some small restaurant groups and are not always bad.

Cause confusion and chaos: what if a small business has mostly part time employees, and hires a 51st employee- etc. There is too much going on here.

Would chain franchises be exempt too? Starbucks, McDonalds, Dunkin?, etc. etc. Just don't do it, it doesn't make any sense.

Finally, if you've read this far, the part where I tell you this isn't enough:

It's important to recognize that wages aren't low in Portland, expenses are high- this should pass (there is no free lunch, employers and customers must pay the true cost of living), but, the cost of living needs to be dealt with- the formation of the social housing task force is heartening, but, we've got to do something more than this, and fast. House prices have risen 60% in the last 5 years, a period where wage growth and inflation were about 20%- it's a gut punch to my generation; a punishment for having made Portland cool. Perhaps we deserve it, but it sucks.

Thanks for taking this issue up, and for your service to Portland.

Sincerely,

~Winston

Winston Lumpkins IV

district 1,

East end, Portland Maine

MEMORANDUM
City Council Agenda Item

FROM:

DATE: June 27, 2025

SUBJECT: Order 240-24/25 Approving the Collective Bargaining Agreement Between the City of Portland and the Police Benevolent Association - 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: Yes

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

I. SUMMARY

II. AGENDA DESCRIPTION

This item approves a negotiated successor collective bargaining agreement between the City of Portland and the Police Benevolent Association, for the period of January 1, 2025, through December 31, 2027. This proposal is presented after previously receiving guidance from the City Council executive sessions held on January 13 and March 31, 2025, and after having been approved by the Police Benevolent Association.

This item must be read on two separate days. It received its first reading on June 23. 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 - PBA Collective Bargaining
2. PBA 2025-2027 MOA w Redlined CBA-2027_MOA_w_R
3. PBA Fiscal Impact Note - Fiscal Impact Note

Prepared by:

Date: 06/27/2025

MARK DION (MAYOR)
PIOUS ALI (A/L)
APRIL D. FOURNIER (A/L)
BENJAMIN GRANT (A/L)

CITY OF PORTLAND
IN THE CITY COUNCIL

SARAH MICHNIEWICZ (1)
WESLEY PELLETIER (2)
REGINA L. PHILLIPS (3)
ANNA BULLETT (4)
KATE SYKES (5)

**ORDER APPROVING THE COLLECTIVE BARGAINING AGREEMENT BETWEEN
THE CITY OF PORTLAND AND THE POLICE BENEVOLENT ASSOCIATION**

ORDERED, that the Collective Bargaining Agreement between the City of Portland and Police Benevolent Association for the period of January 1, 2025 through December 31, 2027 is hereby approved substantially in the form attached hereto; and

BE IT FURTHER ORDERED, that the City Council hereby authorizes the City Manager or designee to execute said Agreement and any other related documents necessary or convenient to carry out the intent of said Agreement.

**MEMORANDUM OF AGREEMENT
BETWEEN THE CITY OF PORTLAND AND THE PORTLAND POLICE
BENEVOLENT ASSOCIATION**

This Memorandum of Agreement (“MOA”) is entered into by and between the Negotiating Team of the City of Portland, Maine (the “City Negotiating Team”) and the Negotiating Team of the Portland Police Benevolent Association (the “PBA Negotiating Team”) (collectively, the “Parties”).

WHEREAS, the City of Portland and the Portland Police Benevolent Association are parties to a collective bargaining agreement that expired on December 31, 2024;

WHEREAS, the Parties have engaged in extensive negotiations to come to a tentative agreement regarding the terms of a successor collective bargaining agreement;

NOW THEREFORE, the Parties agree that the terms of the tentative agreement for a successor collective bargaining agreement are as follows:

1. The red-lined collective bargaining agreement attached hereto is hereby incorporated into this MOA and outlines the terms of the Parties’ tentative agreement for a successor collective bargaining agreement for the period of January 1, 2025 through December 31, 2027.
2. The City will begin withholding 50% of the premium required by the Maine Paid Family and Medical Leave Act (PFMLA), specifically 26 M.R.S. § 850-F, or an equal amount payable to an equivalent private plan pursuant to 26 M.R.S. § 850-H, from bargaining unit employees’ wages effective in the first pay period following implementation of the collective bargaining agreement.
3. The Parties understand that the City is still in the process of creating the Civilian Police Review Board in accordance with the City’s Charter. As a result, the Parties agree and understand that Exhibit N regarding the Police Citizen Review Subcommittee will be in the new contract, with all rights reserved, and that it will remain open to discussion despite ratification of a successor collective bargaining agreement.
4. The Parties recognize that the language regarding overtime scheduling in Section 5.10 does not reflect the current practices of the Department. The Parties agree to meet through the departmental Overtime Board to establish overtime scheduling procedures which will incorporate a seniority-based rotational selection list.

5. The Parties agree that the details of the Master Patrol Officer position will be addressed in a Department SOP, as is the case with other speciality positions; however, the Parties agree to the following basic outline of the program:
 - Maximum of 10 Master Patrol positions in the Department
 - Maximum of two per shift, one on each time (A, B, C, D and E)
 - Appointment to these positions consistent with application/interview process for other specialties
 - Open to discussion about whether we move people to an open space on a shift, seek volunteers to change shifts, etc. upon implementation, given recent schedule change
 - But moving forward, goal of the City to make sure that qualified, experienced patrol officers are distributed throughout the shifts & squads
 - Minimum standards for qualification
 - Must be a current or former field training officer with at least one year of experience as an FTO
 - Minimum of 5 years working full-time in patrol with the Portland Police Department
 - At least 80 hours of post-Academy training completed
6. Cost of living increases, the new detective premium pay and the increases in current stipends or new stipends, including, but not limited to, the educational, specialty, and shift differential stipends, shall all be effective retroactive to July 6, 2025.
7. Upon implementation of the agreement, all bargaining unit members shall receive a one-time bonus in the amount of \$2,500.00.
8. The Parties agree to recommend and advocate adoption of the successor collective bargaining agreement to their respective principals.

PORTLAND POLICE
BENEVOLENT ASSOCIATION

DocuSigned by:

DC69FE8CAB5A45D
By: Thien Duong, President
Date: 6/18/2025

CITY OF PORTLAND

Signed by:

066DA28D6D9F4B3...
By: Keith Hansen, Chief Negotiator
Date: 6/23/2025

COLLECTIVE BARGAINING AGREEMENT

BETWEEN

CITY OF PORTLAND

AND

PORTLAND POLICE BENEVOLENT ASSOCIATION

January 1, ~~2024~~2025 – December 31, ~~2024~~2027

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A G R E E M E N T

AGREEMENT made this [] day of ~~February~~July, 2024-2025 by and between the City of Portland, hereinafter the "City", and the Police Benevolent Association, hereinafter the "Association".

1. PREAMBLE:

1.1 Pursuant to the provisions of the Municipal Public Employees Labor Relations Law (Chapter 9-a, Title 26, M.S.R.A.), the parties have entered into this Agreement with the goal of establishing mutual rights, preserving proper employee morale, and promoting effective municipal operations.

2. RECOGNITION:

2.1 The City hereby recognizes that the Association is the sole and exclusive bargaining representative of all police officers in the Portland Police Department below the rank of Sergeant for the purpose of bargaining with respect to wages, hours of work and working conditions, except employees excluded by Chapter 9-A, Title 26, Maine Revised Statutes Annotated.

3. NO DISCRIMINATION BY PARTIES:

3.1 Employees covered by this Agreement shall have the right to join the Association or to refrain from joining the Association. No employee shall be favored or discriminated against either by the City or by the Association because of ~~his~~their membership or non-membership in the Association.

3.2 The parties agree that, ~~pursuant to Federal and State law,~~ they will not unlawfully discriminate against any employee because of any protected group status as defined by applicable local, state, or federal law. race, color, sex, sexual orientation, physical or mental disability, except where based upon a bonafide occupational qualification, religion, age, ancestry or national origin.

~~3.3 The use of male or female gender nouns or pronouns is not intended to describe any specific employee or group of employees, but is intended to refer to all employees, regardless of sex.~~

4. SALARIES:

4.1 Base Wages

4.1.1 Employees will be paid pursuant to the pay plan attached as Exhibit A and incorporated herein.

~~Traffic Investigator(s) have been moved to the Detective pay scale~~

- 4.1.2 Employees hired prior to April 27, 1987 will be compensated at the pay step representing their number of years of aggregate permanent service with the City. Except as provided in 4.1.3 below, employees hired on or after April 27, 1987 will be compensated at the pay step representing their number of years of aggregate permanent service within the Department as a Police Officer including any Cadet time earned.
- 4.1.3 Employees who possessed Maine Criminal Justice Academy certification or equivalent certification and subsequent municipal law enforcement experience prior to being hired by the City as a Police Officer are eligible to be placed on the PBA scale at the pay step that recognizes the number of years of law enforcement experience following certification. The City, at its sole discretion, may credit newly hired employees with prior military experience with placement on the PBA scale at a pay step which the City determines reflects their prior military experience. Employees are responsible for providing the City with documentation regarding Academy certification and prior law enforcement experience and/or prior military experience. Pay increases will be processed for the pay period following receipt of this information. Subsequent step movement will be based on this initial service credit plus permanent continuous service as a Police Officer with the Portland Police Department. This advanced placement is for pay purposes only and does not affect any other benefits, including seniority.
- 4.1.4 Changes in pay step based on service requirements will be effective the first full pay week after the employee's anniversary date with the Portland Police Department except as follows: employees who receive credit for prior service in accordance with 4.1.3 will receive step increases based on an adjusted date that takes that service into account.
- 4.1.5 Effective upon the signing of this agreement and upon implementation of kiosks with printers available to the employees, the City shall implement a paperless pay stub system. Also effective upon the signing and as soon as the re-loadable debit cards are available, all current and newly hired employees will have mandatory direct deposit for all monies owed by the City. If an employee opts for the re-loadable debit card, the debit card will be supplied and replaced at no cost to the employees.

4.2 Specialty Payments

- 4.2.1 Employees in the following full-time specialty positions will receive specialty payments in accordance with the schedule below:

Detective / Evidence Technician
 Island Officers (with both EMT certification and Drill School Training)
 Traffic Investigator
 Canine Officer
 Court Officer
 Field Training Officer
 Community Policing Officer
 Crime Reduction Unit
 School Resource Officer
Master Patrol Officer

Stipend Amount: \$~~40.00/week~~3.00/hour

- 4.2.2 Employees in the following part-time specialty positions will receive specialty payments in accordance with the schedule below:

DRE
 Media Specialist
 Field Force Team
 Polygraph Operator
 Special Reaction Team
 Hostage Negotiator
 Dive Team
 Hazardous Devices Team
 Haz Mat Technicians
 MCJA Certified Firearms Instructor
 Portland Regional Command Vehicle Team
 Defensive Tactics
 Accident Reconstruction *This part-time specialty stipend is not available to those who receive the full-time Traffic Investigator stipend.

Stipend Amount: \$~~30.00/week~~1.50/hour

- 4.2.3 Specialists on the Special Reaction Team, Hostage Negotiation Team and the Hazardous Devices Unit will receive specialty pay upon completion of their required training or certification as designated by the Police Chief.

- 4.2.4 Except as provided in 4.2.4.1, Employees—employees may be compensated for up to one (1) full-time specialty and two (2) part-

~~time specialties, up to a maximum of \$6.00 per hour, selected to a full time specialty designated in 4.2.1 above may hold and be compensated for up to one (1) additional part time specialty as listed in 4.2.2 above.~~

4.2.4.1 Employees in the Master Patrol Officer specialty position may hold up to two (2) full-time specialties, but are limited to a total of \$6.00 per hour in specialty pay stipends.

4.2.5 Employees assigned to the Special Reaction Team who are in training will receive a \$75 annual stipend payable as soon as possible after the beginning of the fiscal year, but not later than thirty (30) days after the beginning of the fiscal year. This is a retroactive payment for that fiscal year. The employee must be an active employee on July 1st in order to qualify for the payment. The stipend will be pro-rated for employees who qualified for the stipend for less than the full prior calendar year.

4.2.6 Employees with an up-to-date Emergency Medical Technician certification shall receive a stipend of \$15.00 per week.

4.3 Educational Incentive Stipend

4.3.1 The City shall pay to employees an educational incentive stipend (EIS) based upon educational level attained above high school.

4.3.2 Eligible employees will receive an hourly educational incentive stipend to be included in the employee's regular rate of pay. The hourly stipends based on the forty (40) hour work week are as follows:

Associate's Degree <i>(or at least 60 credits)</i>	\$341.00 /hour
Bachelor's Degree	\$462.50 /hour
Master's Degree	\$585.00 /hour

4.4 Shift Differential

4.4.1 Police Officers are eligible for shift differential in accordance with ~~4.14.2~~ following certification by the Maine Criminal Justice Academy or upon their date of hire as a Portland Police Officer if they possess prior MCJA certification or certification recognized by the Maine Criminal Justice Academy.

4.4.2 All employees covered by this agreement whose regular assignment

is to a shift which is not a "day shift" shall receive a shift differential as follows:

Start time between 1:00 PM and 2:59 PM, shift differential of fifty cents (\$0.50) per hour for the entire shift.

Start time between 3:00 PM and 5:59 PM, shift differential of one dollar (\$1.00) per hour for the entire shift.

Start time between 6:00 PM and 11:59 PM, shift differential of two dollars (\$2.00) per hour for the entire shift.

~~Officers, including detectives and evidence technicians, whose regular assignment is to a shift for which the majority of the hours fall after 6:00 p.m. shall receive a shift differential of fifty cents (\$.50) per hour for the entire shift. Officers, including detectives and evidence technicians, whose regular shift assignment is to a shift for which the majority of the hours fall after 11:00 p.m. shall receive a shift differential of sixty five cents (\$.65) per hour for the entire shift.~~

~~\$.40 per hour for officers whose majority of work hours fall between 1:00 p.m. and 9:00 p.m.~~

~~4.4.2.1 — Officers assigned to the above Teams but who work a part of their week on days at the department's request will receive night shift differential.~~

~~4.4.2.2 — Officers assigned to the above teams who work a part of their week or a full week on days at their own request will not receive night shift differential.~~

~~4.4.2.3 — Officers who are not regularly assigned to the above teams but who work the above schedules for any reason are not eligible for shift differential.~~

~~4.4.2.4 — Officers whose regular work schedule does not consist of five (5) consecutive eight (8) hour days, or four (4) consecutive ten (10) hour days will not receive a shift differential.~~

4.4.3 To ensure the safety of all teams:

4.4.3.1 Shifts or teams shall be assigned by seniority with the exception of probationary officers.

4.4.3.2 The department shall ensure that each shift or team

has no less than one-third of its officers with four years in the department. The Chief may waive this requirement at ~~his~~their discretion.

4.4.3.3 Should the number of officers with four years in the department fall below one- third on any shift or team, the department will request volunteers who are willing to bump into that shift or team providing the Chief has not waived this requirement. Volunteers may bump into that shift or team by departmental seniority.

4.4.3.4 If there are insufficient volunteers, the department may implement a temporary transfer of the least senior officer who has completed the working test period and who has four or more years of creditable law enforcement experience following certification either in the department or at another law enforcement agency. However, that officer will maintain ~~his/her~~their slot on the shift or team that ~~he/she is~~they are temporarily transferred from. When there is a next least senior officer with four or more years in the department, the officer temporarily transferred will return to ~~his/her~~their original assignment. Once a shift or team has one-third of its officers with four or more years on the department temporary transfers will cease.

4.5 When officers involved in a critical incident, such as use of deadly force, or motor vehicle accident involving death or serious injury, on or off duty, while operating under the color of the law, are placed on administrative leave, the City will pay them their average salary to include overtime earned during the previous fifty-two (52) weeks.

5. HOURS AND OVERTIME:

5.1 The regular work week shall be forty (40) hours comprised of five (5) eight (8) hours days, or four (4) ten (10) hour days for all Police Officers except those assigned to the Islands. Police Officers whose regular work schedule is four (4) ten (10) hour days shall be paid at the rate of one and one-half (1-1/2) times the "regular rate of pay" for hours worked in excess of forty (40) hours per week or ten (10) hours per day, but not for both. Police Officers whose regular work schedule is five (5) eight (8) hour days shall be paid at the rate of one and one-half (1-1/2) times the regular rate of pay for hours worked in excess of forty (40) hours per week or eight (8) hours per day, but not for both. The "regular rate of pay" shall include all stipends, specialties, educational incentives and differentials paid hereunder, or allowed under the Fair Labor Standards Act. The work week and overtime

rate for Island Officers is defined in Exhibit H. The schedule for Police Patrol as well as Detectives is set forth in Exhibit K.

5.1.0 Work Schedule Re-opener

The parties agree to reopen the contract to amend provisions impacted by a work schedule change that is agreed upon by the PBA, the Police Chief and the City Manager.

5.1.1 When a member of the Detective Bureau, Polygraph Operator, Traffic Investigator, Evidence Technician, Canine Officer or Island Officer works an overtime shift in Patrol, the Officer's overtime rate will be used.

5.1.2 When an Officer whose regular shift assignment does not entitle ~~him/her/them~~ to shift differential works an overtime shift, that Officer will not receive night shift differential. ~~even if a majority of the hours worked fall between 1:00 p.m. and 8:00 a.m.~~

5.1.3 When a time change occurs during an employee's shift, the employee will be paid in accordance with actual hours worked. In the Spring, when the shift is seven (7) hours or nine (9) hours, depending upon the employee's regularly assigned shift schedule, the employee will be scheduled to work a full eight (8) or ten (10) hour shift. In the Fall, when the shift is nine (9) hours or eleven (11) hours, depending upon the employee's regularly assigned shift schedule, the employee will be paid overtime for the additional hour. ~~Members of the CID shall be on a rotating on-call system as set forth in Exhibit L.~~

5.1.4 Officers who are not permanently assigned to the islands and who have up-to-date EMT certification may be assigned to Peaks Island on a temporary basis. They will work under the terms and conditions of employment that are defined by Exhibit G for the duration of the assignment, which will not exceed six (6) months. Officers who are assigned to Peaks Island on a temporary basis will be eligible to receive specialty pay for the duration of the assignment once they have completed Fire Drill School. Officers certified prior to March 15, 1996 may refuse such assignments; however, the City will not continue to pay their certification fees.

5.2 The regular forty (40) hour work week shall not be shortened; provided, however, that this provision shall not be construed as restricting, limiting, or qualifying in any manner the right of the City to lay off members or reduce the work force in the Police Department in accordance with the seniority provisions.

5.3 For the purpose of this section, "hours worked" shall mean only one of the following:

- (a) Hours actually worked and paid for with City of Portland Police Department funds.
- (b) Hours compensated for by holiday pay.
- (c) Hours compensated for by vacation pay.
- (d) Hours compensated for by bereavement and funeral leave.
- (e) Hours spent riding to and from Peaks Island up to a total of 30 minutes per round trip. The Chief may approve compensation for boat travel time to Peaks Island in excess of 30 minutes in unusual or emergency circumstances.
- (f) Hours compensated for by personal leave.

(g) Hours compensated for by Earned Paid Leave (EPL).

(h) Hours compensated for by non-disciplinary paid administrative leave.

5.4 For the purpose of this section, "hours worked" shall not include:

- (a) Hours compensated for by sick leave.
- (b) Hours compensated for on so-called "non-City doubles" or special details as defined below.
- (c) Hours compensated for by reserve service leave or military leave.
- (d) Hours compensated for by jury pay.
- (e) Hours compensated for by injury pay.
- (f) Hours compensated for workers' compensation pay.
- (g) Hours cashed in for vacation and comp time.

(h) Hours compensated for by disciplinary paid administrative leave.

5.5 Any employee required, during ~~his~~their otherwise off-duty time, to appear at the Maine District, Superior, Juvenile, or U.S. District Courts; Grand Jury; Liquor Commission hearings, or Secretary of State hearings to be a witness in any matter arising out of the performance of duty shall receive a

minimum of four (4) hours pay at one and one-half (1-1/2) times their regular rate of pay. Employees required to make multiple court appearances on a given day may submit one court slip for the morning and one court slip for the afternoon. Employees may submit an additional slip in either the morning or afternoon if required to attend Secretary of State hearings (Motor Vehicle) in addition to another type of court hearing in the same morning or same afternoon. Employees may submit two (2) slips if a morning court session extends into any portion of the afternoon, excluding the usual noontime lunch hour.

5.6 In the case of Civil Service Commission hearings only, any employee required to attend said hearings as a witness in any matter arising out of the performance of duty shall receive a minimum of two (2) hours pay or may receive one and one-half (1-1/2) times their regular rate of pay for hours spent testifying as a witness, whichever is greater, but not both.

5.7 The employee shall turn over to the City all witness fees or other payments paid directly from the Maine District, Superior, or U.S. District Courts; Grand Jury; Liquor Commission hearings; Secretary of State hearings; and Civil Service Commission hearings as or because of the employee being a witness and for which time ~~he was~~they were compensated by the City pursuant to this section.

5.8 Special Details

5.8.1 For special detail assignments, where the Department is reimbursed by non-City recipients of Police Department services, ~~except as provided in 5.8.2 below~~ employees shall ~~be paid~~receive a minimum of four (4) hours pay at an hourly rate of 1.97 times the top step of the patrol pay plan for all hours worked.~~receive a flat rate of \$52.00 per hour.~~

5.8.2 Employees assigned to non-City or non-school strike sites shall receive a minimum of eight (8) hours pay at an hourly rate of 1.97 times the top step of the patrol pay plan for all hours worked.~~\$52.00 per hour or double time the outside detail rate of fifty two dollars (\$52.00), times the number of hours actually worked, whichever is greater.~~

5.8.3 For special detail assignments where the Department is reimbursed directly by any City Department or the School Department, employees shall receive either a minimum of six (6) hours pay at their regular rate or one and one-half (1 1/2) times their regular rate of pay times the hours actually worked, whichever is greater, but not both.

5.8.4 Officers assigned to non-City special detail assignments as outlined in Section 5.8.1, or non-city or non-school strike sites as outlined in Section 5.8.2, shall receive four (4) hours of pay ~~calculated at \$52.00 per hour at an hourly rate of 1.97 times the top step of the patrol pay plan~~ for cancellations with less than twelve (12) hours advance notice.

5.9 Employees called back to work shall receive a minimum of four (4) hours pay for the work for which they are called back, or may receive one and one-half (1-1/2) times their regular rate of pay under the above provisions, whichever is greater, but not both. ~~Any questions regarding appropriate payment for call ins will be determined in accordance with Portland Police Department Administrative Memorandum dated February 24, 1999 and reissued in February 2001.~~

5.9.1 Employees who are called on New Year's Eve and July 4th to report early for their shift on that day will receive call-back pay provided in 5.9 above.

5.9.2 Members of the CID shall be on a rotating on-call system as set forth in Exhibit L.

5.10 Overtime

5.10.1 For the purpose of overtime and paid detail selection, selection shall be made initially by seniority, with the most senior officer being offered the overtime assignment first. Subsequent overtime assignments shall be made from the seniority list on a rotating basis. Seniority shall be determined by the established seniority list. For the purpose of maintaining their positions on the seniority list, officers working their regular assigned tour of duty or on military leave shall not be removed from their standing on the list, and they shall be offered the next available overtime detail.

There shall be no exceptions allowed to the rotating selection list. For the purpose of the rotation list, refusal or non-availability shall be deemed the same as acceptance for the selection process. There shall be no penalty imposed by the City for non-acceptance of an overtime assignment. However, once accepted, failure by an officer to complete the assignment shall be grounds for discipline in accordance with the provisions of Article 20. The Officer may turn the job back in to the on-duty Shift Commander if ~~he/she is~~they are unable to work it providing it is turned in prior to the scheduled start of the assignment. SOP 3.2 includes notations to be made to the overtime log for jobs turned in.

- 5.10.2 If no one in the bargaining unit accepts the overtime assignment, the Chief or ~~his~~their designee will determine if the assignment needs to be filled. The procedures outlined in SOP 3.2 will be utilized. Officers shall not be “forced” in to work an overtime assignment on their scheduled day off unless the Police Chief, or Designee, declares an emergency.
- 5.10.3 Any bargaining unit member may review the rotation list at reasonable times. Superior officers shall account for notification by indicating the date, time and their initials of the attempt to notify any member and the disposition of that notification. (see exhibit below). No member will be given a refusal if ~~he/she~~they declines overtime that is offered less than five (5) hours before the start of the assignment. Whenever an overtime opportunity occurs, not more than two (2) hours prior to the end of the shift, the Department may offer assignments to officers presently working. Any job accepted by a member will be marked in the overtime book. Such logs shall be made available for Union Executive Board review at reasonable times.

J. Smith	R 9/7 Lt. 1200 hrs. T.J	N/A 9/9 Lt. 1200 hrs. J.T.
J. Doe	A 9/8 Sgt. 1100 hrs. A.J.	

R = Refusal
N/A = Not Available
A = Accepted Job

- 5.10.4 The current practice of filling overtime jobs up to three (3) days ahead of time will continue for the term of the 2021-2023 contract.
- 5.10.5 ~~All patrol o~~Officers, except those in positions designated to receive detective premium pay as outlined in Exhibit A, with less than three years of service at the police department will be placed on the “forced list” for the purpose of filling overtime assignments. Officers will be forced on a rotating basis in order of least to most senior, except as provided in 5.10.2.~~The officer’s name will be removed from the list upon their three-year anniversary date.~~

5.11 Overtime/Compensatory Time

- 5.11.1 Except as provided in 5.11.2 below an employee may, at ~~his/her~~their discretion and with the approval of the Bureau

Commander or designee, receive compensation for overtime worked in the form of compensatory time at the time and one-half rate in lieu of overtime pay for non-reimbursed City jobs. Examples of reimbursed City jobs include the Jetport, Court, Public Services, and the City's ~~Oxford Street Shelter~~ Homeless Services Center.

5.11.2 Compensation for hours spent in non-mandatory training will be in the form of compensatory time at a time and one-half rate.

5.11.3 After twenty (20) years of service Officers will not be allowed to accumulate more than 120 hours of compensatory time. During the twelve (12) months prior to the twentieth year cap the Officer will be required to utilize ~~his/her~~ their compensatory time in excess of 120 hours. The Department will ensure that the Officer is given the opportunity to utilize those excess hours.

5.11.4 Officers shall receive four (4) hours of compensatory time for attendance at assigned Honor Guard events approved by the Chief of Police.

5.11.5 Any employee covered under this agreement may cash in forty (40) hours of compensatory time per fiscal year for equivalent pay.

5.12 Overtime Board

A departmental Overtime Board comprised of a Major, or ~~his/her~~ their designee, and the Presidents of both PBA and PSOBA, or their designees, will meet on an as-needed basis to discuss overtime issues raised by PBA and/or PSOBA bargaining unit members. Issues will be related primarily to overtime scheduling concerns but the Board will also have the authority to recommend new or revised procedures providing such procedures are not in violation of departmental SOP's and to implement such recommendations upon a unanimous vote of the Board. PBA and PSOBA bargaining unit members will be required to present their concern/issue to this Board prior to initiating a grievance regarding that same issue.

6. **HOLIDAYS:**

6.1 The following shall be paid holidays for all employees covered by this Agreement, for the duration of said Agreement:

- | | |
|-----------------------------------|-----------------------------|
| (a) New Year's Day | (g) Labor Day |
| (b) Martin Luther King's Birthday | (h) Indigenous Peoples' Day |
| (c) Presidents Day | (i) Veteran's Day |
| (d) Patriot's Day | (j) Thanksgiving Day |
| (e) Memorial Day | (k) Christmas Day |

(f) Independence Day
(m) Juneteenth (June 19th)

(l) Floating Holiday

- 6.2 In the event an employee ~~is assigned to work~~ on one of the said observed holidays, the ~~Chief shall grant him/her a compensatory day off, which shall be ten (10) hours or eight (8) hours depending upon the employee's regular work schedule, or allow the employee~~ shall be entitled to a holiday credit plus one and one-half (1-1/2) times their base hourly rate for all regularly scheduled hours worked. ~~to cash in the holiday for eight (8) hours of holiday pay.~~ Employees who are not assigned to work on one of the said holidays will receive a holiday credit. In no instance shall more than five (5) holiday credits be carried into the next calendar year. Employees may cash in any holidays they would lose because of the five day carry-over requirement.

Holiday time earned will be 10 hours for all shifts unless the employee works an 8 hour shift. Holiday cash outs per year are capped at 130 hours for all shifts.

- 6.3 Except as provided below, minimum staffing levels for each holiday will be determined by Police administration and each team will be responsible for meeting that staffing level.

6.3.1 For the Fourth of July, Thanksgiving Day, Christmas Eve, Christmas Day, New Year's Eve and New Year's Day, the minimum staffing level for the early out shift (B Team) will be maintained by Shift Commanders.

6.3.2 Administration will start working on the holiday schedule at least four (4) weeks prior to the holiday period and post it at least ten (10) calendar days prior to the holiday period. The schedule will be put together based on Officer requests and in accordance with established departmental procedure. Requests received less than four (4) weeks prior to the holiday will be evaluated on a first-come, first-serve basis rather than on a seniority basis.

6.3.3 The following specialty positions will be exempt from the "bidding" process for this period and can receive Thanksgiving Day, Christmas Eve, Christmas Day, New Year's Eve and New Year's Day off, at their request:

Detectives/Evidence Technicians
CRU Personnel

Traffic Unit
School Resource Officers

If an officer or supervisor assigned to a specialty position chooses to work on Thanksgiving Day, Christmas Eve, Christmas Day, New Year's Eve or New Year's Day; the Shift Commander may take that

officer or supervisor into account in determining the appropriate staffing levels for the holiday.

- 6.4 If an observed holiday occurs during the work week in which an employee is actually on scheduled vacation, the employee will not be charged a vacation day for the day of the observed holiday. In such a case, however, the employee may, at ~~his/her~~their option, charge the observed holiday as a day of vacation leave or compensatory time and receive a holiday credit if such employee has sufficient accrued vacation leave or compensatory time prior to such observed holiday to so charge it.
- 6.5 In no event shall an employee be permitted to charge an observed holiday, Christmas Eve or New Year's Eve as a day of personal leave.
- 6.6 In addition to the above, any special, non-recurring holiday declared by the President of the United States or the Governor of the State of Maine and observed by other City employees pursuant to order or resolution of the City Council of the City of Portland shall be allowed as additional holiday.
- 6.7 ~~The City will comply with MainePERS laws and regulations regarding pension contribution deductions from holiday payments. The Maine Public Employees Retirement System clarified their definition of earnable compensation effective July 1, 1990. Effective August 1, 1991 members who cash in holidays after the week in which they occur will not have pension contributions deducted from these holiday payments. Holidays cashed in after the week in which they occur will be pensioned if and only if holiday hours when combined with other hours paid that week total less than or equal to forty (40) hours.~~

~~Members who elect to take payment for these holidays in the week the holiday occurs will have pension contributions deducted from these holiday payments. Floating holidays when cashed in will be considered to be taken during the week in which they occur and will be pensioned as long as they are not carried into the next calendar year.~~

~~Members may receive reimbursements from MainePERS for pension contribution deductions taken during the period from July 1, 1990 through July 1991.~~

7. **VACATIONS:**

- 7.1 Vacation leave shall be earned by permanent employees at the rate of .77 hours per full payroll week in the first through the second years of service; 1.54 hours per full payroll week in the third through the sixth years of service; 2.31 hours per full payroll week in the seventh through the

nineteenth year of service; and 3.08 hours per full payroll week in the twentieth and each succeeding year of service. For lateral hires, vacation leave shall be earned at a rate equal to their placement on the wage scale.~~The weekly earnings rate shall be adjusted in the final week of the calendar year in accordance with annual accrual amounts of 40 hours, 80 hours, 120 hours, and 160 hours.~~

7.2 Vacation leave earnings shall be credited and posted on a weekly basis. For purposes of this Article, years of service is defined as consecutive City service.

7.3 Maximum Accumulation

7.3.1 ~~All e~~Employees may accumulate up to a maximum of 200 hours of vacation leave.~~, or carry over, earned vacation time on the following basis:~~

a. ~~All employees hired by the City on or after January 1, 1981 may accumulate up to a maximum of 200 hours of vacation leave.~~

b. ~~All employees hired prior to January 1, 1981 may accumulate up to a maximum of 240 hours of vacation leave.~~

7.3.2 Employees shall not earn, or carry on the books, more than the applicable maximum accumulation, including any time converted from sick leave to vacation leave pursuant to Article 11.1.3.

~~7.3.3 In determining the amount of vacation time an employee can accumulate, only continuous permanent City service shall be considered.~~

7.4 Vacations shall be scheduled according to the present practice. Requests to use vacation time, compensatory time, or holiday time for a full shift or longer must be submitted at least 14 calendar days in advance, except as approved by the Chief of Police or their designee. All vacations, regardless of duration, must have the approval of the Chief of Police or ~~his/her~~their designee as to scheduling.

7.5 Any employee covered under this agreement who is entitled two (2) weeks of vacation or more may cash in up to forty (40) hours of said leave per fiscal year for equivalent pay. Time must be taken in increments of eight hours up to forty (40) hours per year.

7.6 Earned Paid Leave

7.6.1 ~~Effective January 2, 2022 and p~~Pursuant to 26 M.R.S. Sec. 637,

employees will accrue one (1) hour of Earned Paid Leave (EPL) for every forty (40) hours worked and shall be subject to the City's personnel policies regarding EPL. EPL shall be credited and posted on a weekly basis.

7.6.2 Employees may accumulate up to a maximum of forty (40) hours of EPL in a calendar year. Unused EPL hours will roll over from one calendar year to the next, but employees will not be awarded more than 40 hours in a calendar year, including hours that are rolled over.

7.6.3 EPL may be used for 1) an emergency, illness, or sudden necessity; or 2) any reason other than emergency, illness, or sudden necessity, including vacation or personal time. Where EPL is taken for an emergency, illness, or sudden necessity, the employee must make a good faith effort to provide as much notice as is feasible under the circumstances, and in accordance with the Department's regular procedures. Where EPL is taken for any reason other than emergency, illness, or sudden necessity, an employee must request to take EPL in accordance with the Department's regular procedures as outlined in article 7.4.

7.6.4 ~~All employees hired prior to January 1, 1981 shall be compensated for all accumulated vacation leave and EPL at the time of separation with a combined maximum payout of 240 hours.~~ All employees hired on or after January 1, 1981 shall be compensated for all accumulated vacation leave and EPL at the time of separation with a combined maximum payout of 160 hours. Any accrued EPL over these amounts is forfeited at the time of termination of employment.

7.6.5 If at any time Maine's EPL law is rescinded, employees shall not earn any additional EPL and vacation leave accrual rates will be restored as follows: 1.54 hours per week in the first through the second year of service; 2.31 hours per week in the third through sixth year of service; 3.08 hours per week in the seventh through nineteenth year of service; and 3.85 hours in the twentieth and each succeeding year of service.

8. CLOTHING:

8.1 The City agrees to pay 100% of the cost of normal acquisition and reasonable replacement of uniforms and accouterments as defined by Exhibit B.

8.2 In all cases, police officers, including plain clothes officers, shall be responsible for having and maintaining the required equipment and uniforms as specified by the Chief and attached as Exhibit B. Plainclothes

detectives, Evidence Technicians, and the Court Officer will be reimbursed by the City for purchase of articles of clothing that are reasonably necessary for the performance of their duties up to a maximum of \$1,000 upon promotion and up to a maximum of \$1,000 per fiscal year for maintenance of a professional appearance.

8.2.1 All officers will be permitted to purchase allowable apparel and equipment on Exhibit C. Officers will be reimbursed for such items up to a maximum of \$300 per fiscal year. The officer's original receipts detailing their purchases must be submitted to the Police Department's Finance Department by the close of business on June 20th of each year.

8.2.3 All Crime Reduction Unit (CRU) members will be reimbursed up to a maximum of \$500.00 per fiscal year for allowable apparel and equipment.

8.2.4 Honor Guard members (up to fifteen maximum) will be reimbursed up to a maximum of \$200.00 per fiscal year for appropriate clothing/equipment as determined by the Chief of Police.

8.3 The Chief has the right to promulgate General Orders requiring appearance standards for all uniforms and equipment. The Chief may prescribe additional items of required or allowable equipment or uniforms, with the agreement of the PBA Executive Board.

8.4 Notwithstanding the above, the City agrees to pay 100% of the cost of repairing or replacing required uniforms or equipment, as well as eyeglasses, cell phones, dentures or hearing aids, damaged, lost, or destroyed in the performance of duties. The City further agrees to pay up to ~~one hundred~~ one hundred and fifty (~~\$100~~\$250.00) dollars for repair or replacement of other personal items worn or carried by the officer, and damaged or destroyed in the performance of duties, except that the maximum reimbursement for footwear will be \$100.00. The Bureau Commander or designee determines whether the damage occurred during the performance of duty and, if so, whether repair or replacement is appropriate.

8.5 The City agrees to pay the reasonable cost of repair or replacement of civilian clothing and to pay up to one hundred (\$100.00) dollars for the repair or replacement for accouterments worn by plainclothes patrol officers, when such clothing has been damaged or destroyed in the performance of duties.

8.6 The City will not, in any case, reimburse employees for personal items lost or stolen in the line of duty.

8.7 The City agrees that plainclothes patrol officers will be permitted to work extra jobs, outside work and overtime in regular uniforms on the same basis as any normally uniformed employee.

8.8 Upon termination, an employee shall turn into the Police Department all items of required clothing and equipment provided in Exhibit B or non-required items provided to the employee by the City.

~~8.9 During the term of this contract the City shall institute a Body Worn Camera (BWC) program. The parties' agreement on the terms of this program are set forth in Exhibit M.~~

9. **INSURANCE:**

9.1 Life Insurance

9.1.1 The City will pay the full cost of premiums of the Maine Public Employees Retirement System Group Life Insurance Plan for each employee at the maximum level permitted at the basic level of said insurance program. Those employees electing the supplemental coverage will pay the full cost for such coverage. Employees will continue to pay the cost of dependent life insurance premiums.

9.1.2 The City reserves the right to obtain the same or a better level of life insurance benefits and claim service from any other source during the contract period for any price. The City will provide the Association with thirty (30) days' prior notice of any change in insurance provider and the Association shall have ten (10) days thereafter to comment on such change.

9.1.3 The City agrees to continue life insurance deductions on a pre-tax basis as provided by the Internal Revenue Service.

9.2 Medical Insurance

9.2.1 The City currently provides a primary self-insured health insurance benefits program with claims administration by a third party administrator. ~~Effective January 1, 2005, changes to the City's Point of Service health benefit plan were implemented following mid-term reopener negotiations. Effective no sooner than January 1, 2016, changes to t~~The City's health plan will be implemented incorporating the principles of a value-based insurance design. ~~(See Attachment A) The terms of the new plan will be no worse for employees than those described in Attachment A.~~

~~9.2.1.1 First year of implementation of the changes to the~~

~~City's health plan shall include a two hundred dollar (\$200) deductible for the single plan and four hundred dollar (\$400) deductible for the family plan per year.~~

9.2.1.21 The ~~second year of implementation of the changes to the~~ City's health plan shall include a four hundred-dollar (\$400) deductible for the single plan and eight hundred-dollar (\$800) deductible for the family plan per year.

9.2.1.~~3~~2 The City has agreed to establish a reserve account of one hundred fifty thousand dollars (\$150,000) to be used as outlined by the Health Insurance Advisory Committee. ~~(See Attachment B)~~

~~9.2.2 For employees who are hired into a permanent position prior to January 1, 1985, the City will pay the full cost of the medical insurance premium for an individual or family subscriptions as appropriate per employee as outlined in subsection 9.2.4 below.~~

9.2.~~3~~2 ~~For employees who are hired into a permanent position on or after January 1, 1985, the City will pay the full cost of the medical insurance premium for an individual subscription per employee and in the case of an employee eligible for and electing family coverage, the City will pay fifty-three percent (53%) of the difference between the cost of the individual subscription for an employee who is eligible for and who elects to have such family medical insurance. Effective no sooner than January 2016, t~~The City will pay 85% of the medical insurance premium for an individual subscription per employee. The City will pay fifty-three (53%) of the difference between the cost of the individual subscription for an employee who is eligible for and who elects to have family medical insurance coverage. Annually, the employee will have the opportunity to earn up to a 15% premium credit by meeting the five (5) requirements of the City's wellness program as recommended by the Health Advisory Committee. The five (5) requirements will be listed on the City's wellness website.~~that consist of completing a health risk assessment (3%), completing biometric testing (3%), meeting with a health coach (3%), documenting fitness-related activity (3%), and being tobacco-free or enrolled in a smoking cessation program (3%). Employees will earn a 3% credit for each of the five (5) wellness criteria that they meet; for example, for meeting three (3) wellness items they would receive a 9% discount on their health insurance premium.~~

9.2.~~4~~3 The City will pay, or share in the payment of, whichever is applicable, only the subscription level to which an employee is entitled by virtue

of the number of people ~~he~~they may insure. However, employees who are members of the same family and eligible for coverage by more than one family subscription will be entitled to full or part payment, as applicable, from the City for no more than one family subscription, with other family members entitled only to individual subscriptions, ~~except employees receiving double family coverage prior to September 26, 1983 shall continue to do so~~. Said subscriptions shall be on the same terms and conditions as specified in subsections 9.2.1 - 9.2.~~3~~2 above.

9.2.~~54~~ The City will provide the Union with thirty (30) days prior notice of any change in insurance provider, and the Union shall have ten (10) days thereafter within which to comment on such change.

9.2.~~65~~ The City shall begin payment on health insurance premiums on the first of the month following the first full month of service.

9.2.~~76~~ In addition to any other benefit which may be available, the City agrees to pay \$15,000 for funeral and incidental expenses to the primary beneficiary of an employee who dies in the line of duty.

9.2.~~87~~ Except as provided in 9.2.~~9-8~~ below, the City agrees to continue health care benefit deductions on a pre-tax basis as provided by the Internal Revenue Service. The City further agrees to continue offering to employees the annual election of pre-tax health care flexible spending accounts on a voluntary basis.

9.2.~~9-8~~ Notwithstanding any other provision of this collective bargaining agreement, the PBA agrees to re-open the cost-sharing provisions of this Article upon a written request of the City. The City agrees to reopen the Wage Article of this Agreement upon written request of the PBA in connection with the health insurance reopener.

9.2.~~98~~.1 The PBA agrees to participate in coalition bargaining with other City unions concerning health insurance when requested to do so by the City. The PBA membership, however, must ratify changes to the health insurance plan.

9.2.~~109~~ For the purposes of this article, "family" is defined as spouse or domestic partner and dependents. To enroll a domestic partner on the City's health insurance plan, the employee must satisfy the City's eligibility requirements for claiming an individual as a domestic partner.

9.2.~~109~~.1 The portion of the employee's health insurance

contribution for domestic partner coverage as outlined in 9.2.~~3~~2 above will be taken on a post-tax basis, in accordance with Internal Revenue Service regulations.

- 9.2.~~109~~2 The City's contribution to the premium cost for domestic partner coverage and coverage of dependents of the domestic partner will be reported as imputed income at year end, in accordance with Internal Revenue Service regulations, and will be calculated into the employee's gross earnings as taxable wages.

9.3 Income Protection and Dental Insurance Deductions

- 9.3.1 The City agrees to provide an income protection plan of its own choosing for employees and to permit employees to participate in such program at their own cost and through payroll deductions. The City reserves the right to modify its income protection plan at any time.
- 9.3.2 Employees may participate in any dental insurance plan which may be made available to employees at their own cost and through payroll deductions. Employees may enroll a spouse and dependent children on the plan; ~~effective July 1, 1999~~ employees may enroll a domestic partner on the City's dental insurance plan providing the employee satisfies the City's eligibility requirements for claiming an individual as a domestic partner. In no case shall the City be required to make a dental insurance plan available to employees.

10. PENSIONS:

- 10.1 Permanent employees shall participate in the appropriate Maine Public Employees Retirement System defined benefit plan or the ~~ICMA~~ 401(a) defined contribution plan for their primary pension plan. The options are outlined below:
- 10.1.1 Effective January 2, 2022 the City shall provide to all employees employed as police officers, a retirement benefit through the Maine Public Employees Retirement System (MEPERS), pursuant to the Consolidated Plan, Rule 94-411 Chapter 803, Section 8, Subsection 5 (Special Plan Benefit Plan 3C), of two-thirds of the average final compensation after twenty-five (25) years of creditable service regardless of age.
- 10.1.2 The City currently offers an ~~ICMA~~ 401(a) defined contribution qualified pension plan to new hires and current employees as an

alternative to participation in the Maine Public Employees Retirement System defined benefit plan. Each participant has a plan account to which employee and employer contributions are made. Plan benefits are based on the total amount of money in the participant's account at retirement or eligible event.

~~Effective January 2, 2022, t~~The Employer contribution to the ~~ICMA~~ 401(a) shall be 10.0%

~~10.1.3 Effective July 12, 2010, t~~Transfers between the Maine Public Employees Retirement System (MainePERS) and the ~~ICMA~~ 401(a) defined contribution qualified pension plan ~~are no longer permitted, and an employee's decision to join either plan is irrevocable for all periods of employment with the same employer as per~~ are governed by MainePERS laws and rules.

10.2 The City shall continue to make available to all eligible employees enrolled in MainePERS for their primary pension plan the additional benefit of the so-called "two percent option" pursuant to the Consolidated Plan, Chapter 803, Sec. 8 to the extent this option continues to be provided in the Maine Public Employees Retirement System Laws and the Consolidated Plan. Said option shall be applied only to each year of membership service in the Department served after completion of the applicable service conditions for retirement and after April 16, 1980.

~~10.3 The City agrees to provide a listing of all options and benefits which are available to retiring employees.~~

~~10.4 Any employee hired prior to July 1, 1984 may at their own expense buy back both their total share and the City's total contribution obligation for their initial six (6) months of employment in which they were excluded from membership in the Maine Public Employees Retirement System. The Union acknowledges that the City shall have no financial obligation under this voluntary buy back provision.~~

10.~~53~~ The City offers a 457 plan ~~through ICMA~~. Participation in this plan is voluntary and is in addition to participation in a primary pension plan as outlined in 10.1.

10.~~64~~ If the Union wishes the City to pursue an alternative pension plan to Maine Public Employees Retirement System during the term of this Agreement, the City agrees to reopen negotiations regarding such a plan.

10.~~75~~ The City agrees to continue pension deductions on a pre-tax basis as provided by the Internal Revenue Service.

10.86 The parties mutually agree to the terms of a Retiree Health Savings Account (RHSAs) as outlined in Exhibit O.

11. SICK, BEREAVEMENT, FUNERAL AND PERSONAL LEAVE:

11.1 Sick Leave

11.1.1 Employees who work a five (5) day, eight (8) hour schedule shall accrue sick leave at the rate of 1.85 hours for each full payroll week of service with unlimited accumulation. Employees who work a four (4) day, ten (10) hour schedule shall accrue sick leave at the rate of 2.31 hours for each full payroll week of service with unlimited accumulation. Peaks Island employees who work a twenty-four (24) hour schedule shall accrue sick leave at the rate of 2.77 hours for each payroll week of service with unlimited accumulation.

11.1.1.a. When an employee uses a sick day they shall have ten (10) hours deducted from their sick leave balance if working a 4/10 schedule, or eight (8) hours deducted from their sick leave balance if working a 5/8 schedule. Peaks Island Officers who use a sick day shall have twenty-four (24) hours deducted from their sick leave balance.

11.1.1.b. Balances of accrued sick leave under the 5/8 or 4/10 schedule will not be converted in the event of a transfer/promotion of an employee working a 4/10 to a 5/8 schedule, or vice versa. Accrued balances will not be reduced or increased.

11.1.2 Sick leave may be used for the following cases:

11.1.2.1 Personal illness or physical incapacity of such a degree as to render the employee unable to perform the duties of ~~his~~their position, unless the Police Chief determines that the employee is capable of other work in the Police Department. If requested, the employee shall furnish the Chief a certificate from ~~his~~their attending physician.

11.1.2.2 Attendance upon members of the family within the household of the employee, including domestic partner and relatives of domestic partner, when their illness requires care by such employee, not to exceed twelve (12) days per year. If requested, the employee shall furnish the Chief a certificate from the attending physician.

11.1.2.3 In the discretion of the Police Chief, sick leave may be used in the event of the death of an immediate family member (defined hereby as spouse or domestic partner, child, ~~mother, father~~parent, ~~brother, sister~~sibling, ~~or mother-in-law or fatherparent~~-in-law).

~~11.1.2.4 Employees who wish to use sick leave to care for a domestic partner or relatives of domestic partner in accordance with 11.1.2.2 above, or in conjunction with bereavement leave in accordance with 11.1.2.3 above, must satisfy the City's eligibility requirements for claiming an individual as a domestic partner.~~

11.1.3 Conversion to Vacation Leave

11.1.3.1 Any permanent employee working the standard work week who uses the equivalent of two or fewer sick days within any consecutive 12-month period may elect to convert 48 hours of accrued sick leave to 40 hours of vacation leave. "Two or fewer days" is equivalent to a maximum of sixteen (16) hours for employees working a 5/8 schedule, twenty (20) hours for employees working a 4/10 schedule, and twenty-four (24) hours for employees working the Peak's Island schedule.

11.1.3.2 Alternatively, an employee who has 12 or more years of permanent City service and a sick leave balance of no less than 768 hours may elect to convert 48 hours of accrued sick leave to 40 hours of pay at their regular hourly rate.

Employees may make one of the above elections only once for any consecutive 12-month period, and only once during any 12-month period.

11.1.3.3 The conversion of sick leave to vacation leave shall not be permitted if doing so would result in exceeding the maximum permitted vacation accumulation.

The Director of Human Resources shall determine the rates applicable for the conversions outlined above for permanent employees working other than a 5/8, 4/10, or Peaks Island schedule.

11.2 Bereavement Leave

11.2.1 An employee shall be excused from work for forty (40) hours because of a death in the employee's immediate family, as defined in 11.2.34.

11.2.2 An employee shall be excused from work for one (1) day because of a death of one of the employee's following relatives: aunt, uncle, niece, nephew, grandchild, or sibling-in-law.

11.2.23 Employees working the 5/8 or 4/10 schedule shall be paid their regular rate of pay for the regularly scheduled work hours missed, either eight (8) or ten (10) hours, respectively. Employee's working the Peaks Island schedule shall be paid the regular work hours for the 5/8 schedule (i.e., three (3), eight (8)-hour increments.) A maximum of eight (8) hours of bereavement leave per day shall be paid to employees working the 5/8 or Peaks Island schedule, and a maximum of ten (10) hours of bereavement leave per day shall be paid to employees working a 4/10 schedule. ~~It is intended that this time off be used for the purpose of handling necessary arrangements and attendance at the funeral.~~

11.2.34 Immediate family is defined hereby as spouse or domestic partner, child, child of a domestic partner, mother, father, parent, brother, sister, sibling, mother, parent-in-law, father-in-law, step-parents, grandparents, or other relatives living in same household. ~~Immediate family also includes member of domestic partner's family similarly related providing the employee meets the City's eligibility requirements for claiming an individual as a domestic partner.~~

11.2.45 An employee may also use sick leave in addition to bereavement leave in the manner provided in subsection 11.1.2.4 above.

~~11.3~~ Funeral Leave

~~11.3.1 One (1) day may be used for attendance at the funeral of the following relatives: aunt, uncle, niece, nephew, grandchild, stepfather, brother in law, stepmother, or sister in law. One (1) day may be used to attend the funeral of a relative of the employee's domestic partner who is similarly related providing the employee meets the City's eligibility requirements for claiming an individual as a domestic partner.~~

~~11.3.2 Employees working the 5/8 or 4/10 schedule shall be paid their regular rate of pay for the regularly scheduled work hours missed,~~

~~either eight (8) or ten (10) hours, respectively. Employees working the Peaks Island schedule shall be paid the regular work hours for the 5/8 schedule (i.e., one (1), eight (8) hour increment.)~~

11.43 For the purpose of this article, "family" includes domestic partner. In order to use ~~sick or~~ bereavement leave for ~~the death of~~ a domestic partner or ~~child the relative~~ of a domestic partner, ~~or funeral leave for the death of a relative of a domestic partner,~~ the employee must meet the City's eligibility requirements for claiming an individual as a domestic partner.

11.54 Personal Leave

11.54.1 Any permanent employee working a standard work week who has been employed by the City for twelve (12) consecutive months as of the beginning of the calendar year is eligible to convert up to two (2) days or sixteen (16) hours of previously earned sick leave, vacation leave or compensatory time to an equivalent amount of personal leave. Employees working the 4/10 schedule may convert up to two (2) days or twenty (20) hours of previously earned sick leave, vacation leave or compensatory time to an equivalent amount of personal leave. Eligible employees may make that election only during the month of July of each calendar year in accordance with the provisions of 11.54.2.

11.54.2 Earned leave will be converted to personal leave at the time the conversion is elected. The personal leave balance will change as personal time is used. Neither conversion of sick leave to personal leave, approved sick leave in conjunction with bereavement leave, nor the subsequent use of personal leave under this section shall be considered to be use of sick leave for purposes of determining eligibility for either the sick leave conversion to vacation outlined in Article 11.1.3 or the Chief's Perfect Attendance Program.

11.54.3 The employee will give the Bureau Commander or designee as much advance notice of the use of personal leave as circumstances permit; and in any case the employee will notify the Bureau Commander or designee of the use of personal leave in the same manner as required for sick leave. When using personal leave time, the employee is not required to give the reason for use of such time. Personal leave balances are not payable at separation from employment. However, an employee shall have the option at separation to convert unused personal leave to sick leave.

12. UNUSED SICK LEAVE UPON RETIREMENT, LAYOFF, RESIGNATION OR DEATH:

12.1.1 Retirement Benefits

When an employee retires from continuous permanent active service with the City and is immediately eligible for retirement benefits under one of the two primary pension plans outlined in Article 10,~~with twenty (20) years of permanent, continuous City service if hired on or before April 16, 1980 and with twenty five (25) years of permanent, continuous City service if hired after April 16, 1980, the employee shall be entitled to receive an amount equal to his-their salary at the time of retirement for one-half (1/2) of accumulated sick leave up to a maximum of nine hundred (900) hours of pay.~~7 provided the employee has a minimum of four hundred eighty (480) hours of sick leave accumulated. Retiring employees with less than four hundred eighty (480) hours shall not receive any payment.~~~~

12.1.2 Layoff Benefits

When an employee is laid off from continuous permanent service with the City, the employee may elect to receive an amount equal to his-their salary at the time of lay-off for one-half (1/2) the number of days for unused sick leave which the employee has accumulated, provided that the maximum payment shall not exceed an amount equal to wages for ninety (90) days.

- 12.2 In the event of death before retirement of an employee covered by this Agreement, unused sick leave shall be paid, subject to the limitation set forth above for retiring persons, in the salary equivalent as follows:

12.2.1 To a beneficiary designated in writing by the employee, providing that the designation is in a form approved by the City and is on file in the employee's personnel file in Human Resources at the time of death. The City reserves the right to maintain the payment in escrow in the event of any dispute as to entitlement of such payment.

12.2.2 If there is no such designated beneficiary on file, then payment shall be made to:

12.2.2.1 If said employee leaves a spouse, with whom ~~he or she was~~they were living at the time of death, then to such spouse.

12.2.2.2 If no such spouse, then to the children but if said employee leaves a minor child or minor children (including adopted children) then to the

guardian of such minor child or minor children.

12.2.2.3 If no such spouse or no minor child or children, then to the estate of said employee.

12.3 In the event of death in the line of duty of an employee, the City shall pay one hundred percent (100%) of the total accumulated allowable amount up to one hundred eighty (180) days as outlined in 12.2 above.

12.4 For resigning employees of good standing with more than three (3) but less than ten (10) years of continuous permanent service within the Department, payment shall be one-fifth (1/5) of accumulation with a maximum payment of thirty (30) days; for resigning employees of good standing with ten (10) years or more of permanent continuous Departmental service, payment shall be one-half (1/2) of accumulation with a maximum payment of forty-five (45) days. A good standing resignation is considered to be two (2) week's notice of resignation. The use of vacation time during the employee's period of resignation must be approved by the employee's immediate supervisor. The City will require a doctor's certificate prior to paying an employee for sick leave taken after the employee has submitted their resignation from City service. This requirement may be waived by the Chief of Police or their designee.

13. **ON-THE-JOB INJURIES**

13.1 Employees covered by this Agreement who are injured on the job and eligible for Workers' Compensation benefits shall receive, in addition to compensation paid or payable under the Workers' Compensation Act, an amount sufficient to bring them up to net pay while any incapacity exists, or until they are either placed on disability retirement, special plan retirement, return to active duty, resign, or are terminated by the Civil Service Commission for just cause. Absence because of such injuries shall not be charged to accumulated sick leave.

13.1.1 "Net Pay" is defined as the employee's regular wages minus ~~his/her~~their federal and state income tax deductions as of the date of injury.

13.2 In the event an injury is eligible for Workers' Compensation benefits, the 7-day waiting period shall be paid as part of the compensation due to the employee. If an employee injured on duty is disabled for more than fourteen (14) calendar days from the date of injury and the Workers' Compensation payment to the City for the 7-day waiting period exceeds the extra-hazardous payment for the waiting period, the City will send the employee a check for the excess.

- 13.3 Employees receiving Workers' Compensation benefits under this article shall continue to accrue sick leave, vacation benefits and holidays subject to the maximum accumulation, during the first twelve (12) months of incapacity. Employees may take vacation leave while out on Workers' Compensation, but in no case shall they receive double payment for vacation time. Insurance benefits shall continue as set forth in the Agreement.
- 13.4 Except as provided in paragraph 13.4.2 below, effective January 1, 2004, employees out on Workers' Compensation must pay their pension contribution based on the wage portion of the Workers' Compensation benefits that the employee received. All pension payments will be made pursuant to the rules of the Maine Public Employees Retirement System. If payment is not made within thirty (30) days of when the employee receives the Workers' Compensation benefit, the employee will be responsible for accrued interest until contributions are paid.
 - 13.4.1 Employees out on Workers' Compensation prior to January 1, 2004 may pay their pension contribution on an optional basis under the rules of the Maine Public Employees Retirement System. If such employee contribution is made by the employee while out on Workers' Compensation or by the end of the calendar year during which the employee lost time, the employee is only required to pay that contribution amount. If the employee pays their share after the end of the calendar year, they will be responsible for their contribution plus interest in accordance with Maine Public Employees Retirement System laws. The City will pay its share, including interest, in accordance with Maine Public Employees Retirement laws.
 - 13.4.2 The City has provided notice to the Maine Public Employees Retirement System of employees out on Workers' Compensation between January 1, 2004 and October 28, 2005, and has paid the interest for the employee accrued from January 1, 2004 through the date of letter(s) sent to each employee by the Maine Public Employees Retirement System regarding payment of pension contributions on their Workers' Compensation benefits. If payment is not made within thirty (30) days of when the employee receives the MainePERS letter, the employee will be responsible for accrued interest until such contributions are paid.
 - 13.4.3 Retirement service credit will be provided only for time for which pension contributions have been paid.
- 13.5 The references to the Workers' Compensation Act in this article are not intended to expand or contract any rights the City has under the Workers'

Compensation Act.

13.6 When medical testing is required by the City as a result of a known work-related exposure to air or blood borne pathogens and is scheduled by the City during an officer's off-duty time, the City will compensate this situation as a call-in per section 5.9 of this contract. Travel time to or from the medical office or testing location will not be compensated. Any follow-up visits for additional testing or treatment which are required by the City will also be compensated on the same basis as provided in this section. The employee may receive compensatory time off rather than pay hereunder, at ~~his/her~~their option. Examples of pathogens which may result in such testing are tuberculosis, rabies or hepatitis.

13.6.1 Except as specifically provided above, and in section 13.6.4, hours spent in medical treatment, testing, or other therapy which is done during off-duty hours by an employee will not be compensated, whether such treatment, testing or other therapy is related to a work-related injury or exposure or not.

13.6.2 The City reserves the right to arrange testing and/or treatment during an employee's regular work schedule.

13.6.3 The City and the employee reserve any rights they have pursuant to the Maine Workers' Compensation Act.

13.6.4 When medical treatment is required by an officer's supervisor during an officer's regular shift as a result of an on-duty, work-related injury, and if the treatment extends beyond the officer's current shift, the City will compensate the officer for the off-duty time spent in the medical office, not to exceed two (2) hours at the officer's overtime rate in the event that the total hours worked that week exceed forty (40), or eight (8) or ten (10) hours per day as determined by the officer's regular shift, but not for both. If the officer is required to return to the police department to complete necessary reports or paperwork after the medical treatment is concluded, the City will compensate the officer for the actual time spent at the officer's overtime rate. The employee may receive compensatory time off rather than pay hereunder, at ~~his/her~~their option.

13.7 Transitional Work Program

13.7.1 It is the goal of the City of Portland to assist an employee who sustains a work-related injury to return to work as quickly as medically possible. To that end, the City will define specific work assignments or "Transitional Work" that will be made available to such employees who, in the City's judgment, based on medical

evidence relative to the injury, will probably be able to return to "Regular Work" within three years of the date of injury.

13.7.1.1 "Transitional Work" is defined as a temporary job assignment created for the purpose of this provision of a regular job assignment that has been modified to eliminate or significantly limit one or more of its essential functions temporarily for the purpose of this provision.

13.7.1.2 "Regular Work" is defined as the position the employee held at the time of the injury or, in the event that position is not available, another suitable position within the bargaining unit.

13.7.2 Eligibility

Participation in the Transitional Work Program will be limited to a period of three years after the date of injury. In order to be eligible for assignment to Transitional Work, an employee (1) must have sustained an injury arising out of and in the course of employment with the City of Portland; (2) must have the approval of a treating physician; and (3) must sign a Transitional Work Agreement. The City will provide Transitional Work within the injured employee's department providing such work is available.

13.7.3 Duration of Agreement

An employee who meets the eligibility requirements in the policy will be assigned to the next available Transitional Work assignment and will be permitted to work for up to 90 days in that assignment. The employee will be medically evaluated during this 90 day period at intervals specified by the employee's treating physician and/or as requested by the City. If, by the end of the 90 day period, the employee has not been released to Regular Work, the employee will no longer be eligible for Transitional Work, unless further medical evidence is furnished that permits the City to believe that, with reasonable further periods of Transitional Work, the employee will probably be able to return to Regular Work. If such evidence is furnished, the City may offer additional periods of Transitional Work. This process may be repeated until the end of the three-year period following the date of injury.

If, during the course of Transitional Work, further medical evidence indicates to the City that the injured employee probably will not be able to return to Regular Work within three years of the date of injury, the Transitional Work assignment may be terminated. Such

employees will retain any rights they may have under 39 MRSA Sec. 217 with regard to employment rehabilitation.

13.7.4 Return to Work within Three Years of Date of Injury

13.7.4.1 If an employee becomes capable of performing the essential functions of the job classification held on the date of injury, with or without reasonable accommodation, within three years of the date of injury, the employee may return to work in that capacity. Upon return to work the employee shall receive pay and benefits including seniority from that point forward at the level ~~he/she~~they would have received if the injury had not occurred.

13.7.4.2 If the employee cannot return to the job classification held on the date of injury within three years of date of injury, the City will evaluate up-dated medical evidence to determine the employee's ability to perform other permanent assignments that are available within the bargaining unit.

13.7.4.3 Upon a determination of capability to work, the employee will provide the City with ~~his/her~~their current medical restrictions and the positions ~~he/she~~they wishes to be considered for if unable to return to "Regular Work". If the employee is able to return to work for the City, but not in the position held at the time of the injury, the City will seek to return the employee to the Police Department unless no suitable position exists within the bargaining unit. ~~Except as provided in Exhibit K, pay~~Pay and benefits for the position outside the bargaining unit shall be determined by the City under the appropriate bargaining agreement and with concurrence of the bargaining unit representative. If the employee should return to a non-union position, the City's non-union personnel policy will determine pay and benefits.

13.7.4.4 The acceptance or refusal of appointment to a position other than the position held on the date of injury shall not terminate the employee's right, at a later date, to seek return to the position held on the date of injury.

13.7.5 Termination of Employment

13.7.5.1 In those cases in which an employee has been unable to perform the essential functions of ~~his/her~~their Regular Work for three years from the date of injury, the employee may be terminated from employment. This termination is non-disciplinary. In the event of termination, the employee will receive at least ninety (90) day notification of the termination process and, at the same time, will be requested to provide a current medical report which assesses ~~his/her~~their ability to return to Regular Work within the ninety (90) day period.

13.7.5.2 If unable to return to Regular Work by the date specified in the 90-day notification listed in 13.7.4.1 and providing the updated medical evaluation indicates a work capacity, the employee will provide the City with ~~his/her~~their current medical restrictions and the positions ~~he/she~~they wishes to be considered for, as an alternative to termination. The provisions of 13.7.3 will apply if the employee is capable of performing another permanent budgeted position with the City that is available within the ninety (90) day period.

13.7.5 Notwithstanding the above, all parties reserve all their rights under the Workers' Compensation statute and other applicable federal or state law.

13.7.6 In the event of death in the line of duty of an employee, the City shall pay up to \$15,000.00 for funeral expenses.

14. MANAGEMENT RIGHTS AND DEPARTMENT RULES:

14.1 The City retains all rights and authority to manage and direct its employees, except as otherwise specified in this Agreement. The Association acknowledges the right of the City to make appropriate rules and regulations governing the conduct of its employees, provided they are not inconsistent with the provisions of this Agreement.

15. LEGAL AID AND PROTECTION:

15.1 Provided that the award of damages, including costs other than defense costs, against both the City and its employee(s) shall not exceed Four Hundred Thousand (\$400,000.00) which includes plaintiff's attorney fees and costs but not defense fees and costs, for any and all claims arising out of a single occurrence and subject only to the limitations set out hereinafter, when a member covered by this Agreement is sued for damages as a result

of acts arising out of and in the course of ~~his~~their employment, the City shall:

- (a) Arrange, at the City's expense, for an attorney selected by the Corporation Counsel, to defend the member; and
- (b) Upon final judgment or settlement of the case, the City shall pay through a self-insurance program or in its discretion through purchased insurance coverage, the amount of any judgment or settlement so limited, including court costs; or
- (c) Provide, in the City's discretion, defense and/or indemnification through purchased insurance coverage (limited to \$400,000.00, which includes plaintiff's attorneys' costs but not defense costs, for any and all claims arising out of a single occurrence).

15.2 Members have the following rights when represented by an attorney provided and selected by the City:

15.2.1 The City attorney, prior to selecting an attorney to represent an Officer named in a lawsuit filed with the City, will consult with the Officer regarding the case and the attorney selection. Officers may indicate a preference for one (or more) attorney(s) over another (others) from the list of attorneys pre-approved by the City's attorney and the City shall take the Officer's input into account when selecting the attorney.

15.2.2 Officers who are named defendants in the case are entitled to be present at meetings between City representatives and the Officer's attorney regarding the case, including settlement discussions that would affect the Officer.

15.2.3 Attorneys hired by the City who simultaneously represent multiple parties, Officer(s) and/or Police Chief as well as the City, will recommend separate counsel for the Officer in the event that they determine that any of these parties have divergent interests.

15.3 Notwithstanding the above, the City shall not be required to either defend or to indemnify a member who engages in acts for which that member is charged with or indicted for a criminal offense; or for acts which are committed while off-duty that are not lawfully authorized law enforcement conduct; or for on-duty conduct that is the subject of a civil complaint and which the City determines, following an investigation, constitutes bad faith conduct by the Officer. The City shall in no event be required to pay any exemplary or punitive damages.

15.4 In any instance where the City has refused to provide an attorney to a member for the reasons outlined in 15.3, the following provisions shall apply:

15.4.1 If upon final judgment it is determined by a Court in a criminal action that the Officer is acquitted of any criminal charges, or the Officer is found not guilty in a criminal proceeding, or the criminal charges are dismissed and the dismissal not part of a plea bargain in which the Officer pleads guilty or "nolo contendere" on other charges, the City shall reimburse the member in full for all costs of defense, including reasonable attorney's fees, incurred after the issuance of a criminal complaint or indictment. The City shall not be responsible for any costs incurred prior to the issuance of a complaint or an indictment. The member shall notify Corporation Counsel of the name of the attorney selected to represent the members before any costs are incurred.

15.4.2 In any instance where the City denied coverage because it concluded that the Officer was not engaged in the good faith performance of ~~his or her~~their lawfully authorized duties when committing the acts that are then the subject of the civil case and the civil case results in a judgment for the Officer or only a nominal amount of charges are awarded, the City shall reimburse the Officer for all costs of defense, including reasonable attorney's fees and shall pay the nominal damages.

15.4.3 In any instance where the City is required to pay for the Officer's attorney fees as set forth in 15.4.1 or 15.4.2, the fees shall first be approved by the Corporation Counsel and, if a dispute arises as to the reasonableness of costs of defense, including reasonable attorney fees, then the dispute shall be referred to the Board of Overseers Fee Arbitration Panel for a final and binding determination.

15.4.4 The City is not required to pay any exemplary or punitive damages.

15.5 It is a condition of the City's obligation to defend and/or indemnify an employee hereunder that the employee shall fully cooperate with the City in any claim by or against the City, regardless of whether the employee works for the City at the time that the claim is filed. "Full cooperation" hereunder shall include, without limitation, providing information to the City and its attorneys (including attorneys designated or hired by the City), appearing and/or participating as a witness in the case when requested to do so by the City including, without limitation, participating in all pre-trial and trial proceedings. "City" as used under this section shall include officer, employees and agents of the City including, without

limitation, attorneys designated or hired by the City. Except in those circumstances where such full cooperation is in conflict with the advice of the Officer's legal counsel or is in violation of the Officer's constitutional rights, failure to fully cooperate with the City in any case may result in disciplinary action against the employee, denial of the indemnification obligation hereunder unless otherwise required by the Maine Tort Claims Act, and/or an assessment to the employee of losses incurred by the City that, in the City's judgment, would likely have been reduced or avoided with the employee's full cooperation.

15.6 Paragraph 15.5 above may not be construed to imply that an employee who is not a defendant has no duty to fully cooperate with the City and its representatives, when the City and its representatives, in their sole discretion, determine that the employee has information relevant to the claim or the defense of the claim against the City or another employee of the City. In such a situation, except in those circumstances where such full cooperation is in conflict with the advice of the Officer's legal counsel or is in violation of the Officer's constitutional rights, the non-defendant employee has a duty to fully cooperate with the City and failure to do so may result in disciplinary action against the employee.

15.7 The City agrees to release the employee from ~~his/her~~their shift for appearances at any necessary proceedings on the date of such proceedings and at the request of the City's designated defense attorney. Should the proceedings conclude prior to the end of the employee's shift, the employee may be required to report for duty for the remainder of ~~his/her~~their shift.

15.8 Any other language in Article 15 notwithstanding, the City's defense and indemnification obligations to an employee who is sued for acts committed while that employee was acting under the direction and control of and for the State, an agency of the State including but not limited to the Maine Drug Enforcement Agency, the Federal government, an agency of the Federal government, or any other governmental or quasi-governmental entity, shall be secondary to defense and indemnification coverage provided by that agency.

15.9 The rights of the City and the members are governed by this article and are not affected by the terms of any policy of insurance.

16. GRIEVANCE PROCEDURE:

16.1 Should the Association feel aggrieved concerning the interpretation or application by the Department or the City of any provision of this Agreement, the Association may seek adjustment of the grievance as follows:

16.1.1 The Association, through its authorized representative, shall take up the grievance with the employee's Bureau Commander or designee. The Bureau Commander or designee shall meet with the Association within three (3) working days of receipt of notification of the grievance from the Association.

16.1.2 If the Association and the Bureau Commander have not resolved the grievance, the Association may submit the details of such grievance in writing to the Chief of Police within five (5) working days after meeting with the Bureau Commander under 16.1.1. The written grievance shall include the following:

- (a) a statement of grievance including the facts surrounding the issue;
- (b) identification of the clause, section, or provision of the Agreement which is in dispute;
- (c) the remedial action requested, when possible or practicable.

The Chief shall respond to the grievance within five (5) working days after the grievance hearing at ~~his~~their level.

16.1.3 Within five (5) working days of receipt of the Chief of Police's decision, the Association may appeal the decision to the Director of Human Resources by filing a copy of the written grievance and the Chief's decision with the Director of Human Resources. The Director of Human Resources shall meet with the Association, the employee, and other persons deemed necessary for a proper resolution of the grievance, and provide the Association with a written response within ten (10) working days after the grievance hearing at the Human Resources level.

16.1.4 Within five (5) working days of receipt of the Human Resources Director's decision, the Association may appeal the decision to the City Manager by filing a copy of the written grievance and the responses at Steps 16.1.2 and 16.1.3. The City Manager shall meet with the Association and provide the Association with a written response within ten (10) working days after the grievance hearing at the Manager's level.

16.1.5 In the event that the decision of the City Manager rendered pursuant to 16.1.4 above is not acceptable to the Association, within five (5) working days after receipt of the decision at Step 16.1.4, it may request in writing that the matter be submitted to arbitration. The

City and the Association shall attempt to mutually agree upon an arbitrator. In the event they are unable to agree upon an arbitrator within seven (7) days of the request for arbitration, the arbitrator shall be selected through the American Arbitration Association in accordance with the rules of said Association then in full force and effect. Thereafter, the arbitration shall be conducted in accordance with the rules of the American Arbitration Association. Said arbitrator shall have no authority to add to, subtract from, or modify the provisions of this Agreement. The arbitrator's decision shall be final and binding upon the parties hereto. The costs of the arbitrator and of the arbitration shall be borne equally by the parties.

16.1.5.1 In the event that the decision of the City Manager rendered pursuant to 16.1.4 above is not acceptable to the Association, within five (5) working days after receipt of the decision at Step 16.1.4, the Association may request in writing that the matter be submitted to mediation. If the parties agree that mediation is appropriate, a joint request to the Federal Mediation and Conciliation Board (FMCS) will be made. If mediation (i) is not requested, (ii) does not resolve the grievance, or (iii) the City declines to mediate, then the parties may proceed to arbitration. A parties decision to request or decline mediation in this or any grievance shall not be used or held against either party in any future grievance or arbitration, nor shall it establish any precedent.

16.1.5.2 In the event that the decision of the City Manager rendered pursuant to Step 16.1.4 above is not acceptable to the Association, and/or the parties have exhausted all remedies including Mediation as set forth in 16.1.5.1 above, within five (5) working days after receipt of the decision at Step 16.1.4 or within five (5) working days after mediation without resolution has occurred, the Association may request in writing that the matter be submitted to arbitration. The City and the Association shall attempt to mutually agree upon an arbitrator. In the event they are unable to agree upon an arbitrator within seven (7) working days of the request for arbitration, the arbitrator shall be selected through the American Arbitration Association in accordance with the rules of said Association then in full force and effect. Thereafter, the arbitration shall be conducted in accordance with the rules of the American Arbitration Association. Said arbitrator shall

have no authority to add to, subtract from, or modify the provisions of this Agreement. The arbitrator's decision shall be final and binding upon the parties hereto. The costs of the mediation services provided by the FMCS and/or the arbitrator and of the arbitration shall be borne equally by the parties.

16.1.6 If a hearing has not been scheduled within ten (10) working days of receipt of the grievance at steps 16.1.2, 16.1.3 or 16.1.4 above, the Association may appeal the grievance to the next consecutive step of the grievance procedure. The time limits for processing of grievances may be extended by written consent of the parties.

16.1.7 At Steps 16.1.2, 16.1.3, and 16.1.4 of the grievance procedure, the Chief of Police, Director of Human Resources, or City Manager may designate a duly authorized representative to act on ~~his/her~~their behalf.

16.1.8 All grievances shall be commenced not later than thirty (30) days after the occurrence of one of the following two events, whichever shall be later in time:

- (a) The time of the occurrence of the event giving rise to the grievance; or
- (b) The time the event became known to either the Association or the employees concerned.

16.1.9 For the purposes of this Article, a work day shall be based upon a Monday through Friday, forty (40) hour work week.

17. DUES DEDUCTION:

17.1 The City shall deduct regular weekly Association dues only upon receipt of a signed authorization from individuals who are members of the Association on forms supplied by the Association and acceptable to the City, a sample copy of which form is appended hereto as Exhibit D which shall be the form used in every instance. The City shall forward the aggregate dues to the duly elected Treasurer of the Association as soon as practicable. The City shall also forward, with the aggregate dues, separate totals of amounts paid to the Portland Police Protective Association and the Police Benevolent Association. In the event of a change in the amount of the dues voted by the union membership during the term of this Agreement, the Treasurer of the Union shall notify the Personnel Director in writing. After receipt of same, dues as therein noted shall be deemed to have been authorized to be withheld on behalf of the employees who had previously signed

authorization forms.

- 17.2 The Association shall indemnify and save the City harmless against all claims and suits which may arise by reason of any action taken in making deductions and remitting same to the Association pursuant to this section.

17.3 Union Security

17.3.1 Any employee who chooses not to become a Member of the PBA/MAP, or any Member who chooses to cease to be a Member, shall be bound by such choice except as provided in this Article. Any Member who chooses not to join, or opts out of, the PBA/MAP shall be entitled to representation by PBA/MAP under this Agreement but only upon payment to PBA/MAP of reasonable fees, including fees for employee representative services and attorneys' fees, costs and expenses, including arbitrators' fees and expenses, incurred by PBA/MAP.

Any employee complying with these conditions shall be entitled to PBA/MAP services under this Agreement on the same basis and under the same terms as PBA/MAP Members.

Any Member may change ~~his/her~~their status with respect to membership but only during the twenty (20) day period immediately prior to the expiration of the collective bargaining agreement then in effect by giving written notice of the same to PBA/MAP during that period. Otherwise, their current membership shall continue to the next opt out period in the next pending contract.

17.3.2 Upon receipt of a written authorization card from the employee, the City shall deduct the full Association dues. The City has no obligation to pay the Association any dues payment for an employee if the employee has not signed said authorization card.

17.3.3 The Association shall indemnify and hold the City harmless against any and all claims or suits which arise out of or result from the deductions of said fees or other action taken pursuant to this Article, said indemnification to include all costs and attorney's fees resulting from any such claims or suits.

18. PRINTING COPY OF AGREEMENT:

18.1 The City ~~agrees to will~~ provide a PDF file of the Agreement to the Association with in thirty (30) days subsequent to the ratification of the Agreement by both parties. ~~twenty five (25) copies of the Agreement in~~

~~reasonable size print within a reasonable period after the execution of this Agreement. The City will also provide the Association with a PDF file copy of the Agreement.~~ The Agreement and pay plans will also be posted on the City of Portland website: www.portlandmaine.gov>Departments>Unions.

19. P.B.A. PRESIDENT, BOARD OF DIRECTORS AND REPRESENTATIVES:

- 19.1 The president of the Association shall be allowed reasonable time off without loss of any benefits to prepare for representation and to represent members.
- 19.2 Members of the Executive Board shall be allowed reasonable time off without loss of any benefits to represent members at the member's request, at any grievance procedure of departmental hearing and shall be allowed sufficient time to interview and represent a requesting member during all stages of a grievance procedure.
- 19.3 Members of the Negotiating Committee shall be allowed sufficient time off without loss of benefits to represent the Association on all negotiations with the City concerning the Collective Bargaining Agreement.
- 19.4 The Association shall supply a list of all members referred to in Paragraphs 19.1 - 19.3 above to be kept at the office of the Chief of Police for the purpose of verifying the status of the Association's President, Board of Directors, Executive Committee and Negotiating Committee.
- 19.5 Team representatives will be allowed one (1) hour during their shifts per week to work on Union matters, except where emergency situations do not allow for the same in the reasonable opinion of the Shift Commander.

~~19.6 Team representatives who are unable to attend quarterly Board meetings during their regular work shift will receive 1.5 hours of compensatory time in consideration for their attendance at these meetings.~~

- 19.~~5~~6 Executive Board Members shall be allowed up to three (3) days per year for the purpose of attending employment related training, education or conferences per approval of the Police Chief. Executive Board Members requesting approval to attend employment related training or conferences shall provide the Police Chief, or Designee, with no less than twenty (20) days advance notice, along with information on the requested training or conference.

20. MEMBERS RIGHTS:

- 20.1 Members of the Portland Police Department hold a unique status as public

officials, and the security of the City and its citizens depends to a great extent upon the manner in which members of the Department perform their manifold duties. The performance of such duties involves the members in all manner of contacts and relationships with the public. Out of such contacts and relationships may arise questions concerning the actions of members of the force. Such questions may require prompt investigation by Superior Officers designated by the Chief of Police or other competent authority.

20.2 To ensure that such investigations are conducted in a manner conducive to good order and discipline, while observing and protecting the individual rights of each member of the Department, the following rules of procedure are established and cover all members of the Department; provided, however, no member who has completed the working test period shall be disciplined without just cause.

20.2.1 As much as possible, the interrogation will be conducted at a reasonable time taking into consideration the working hours of the member and the legitimate interests of the Department. The Officer conducting the interrogation shall advise the member that an official investigation is being conducted. The investigating Officer shall inform the member of the nature of the alleged conduct which is the subject matter of the interrogation and, unless in the judgment of the Chief of Police circumstances warrant anonymity, shall identify the complainant. If it is known that the member being interrogated is a witness only, ~~he~~they shall be so informed.

20.2.2 The interrogation shall be recorded and preserved by the investigation Officer until the investigation is resolved. A copy shall be provided to the member upon ~~his/her~~their written request. The interrogation shall be conducted with the maximum amount of confidentiality possible. The interrogation of a member suspected of violating Department rules and Regulations shall be limited to questions which are directly, narrowly, and specifically related to the member's performance of duty as it relates to the alleged violation.

20.2.3 If a member is under arrest or may be, or if ~~he/she is~~they are a suspect or the target of a criminal investigation, ~~he/she~~they shall be afforded all constitutional and statutory rights granted under such circumstances to other persons, including the right to counsel prior to any questioning or interrogation.

20.2.4 In all cases wherein a member is to be interrogated concerning an alleged violation of Departmental Rules and Regulations which, if proven, could result in ~~his/her~~their suspension or removal from the Department, the officer may, at ~~his/her~~their request, be afforded a

reasonable opportunity and facilities to contact and consult privately with an attorney of ~~his/her~~their choosing and/or a representative of the Association before being interrogated, and ~~his/her~~their attorney and/or a representative of the Association may be present during the interrogation, and may participate to the full extent of the employee's Weingarten rights.

20.2.5 If a member under investigation is requested to submit to a polygraph examination, ~~he or she~~they will be apprised in writing of the incident or incidents about which the inquiry is to be made to enable the member to confer with counsel of ~~his or her~~their choosing prior to the examination who may monitor the examination. The questions asked on the polygraph examination will be narrow and specific as defined by American Polygraph Association guidelines and will be allowed to be reviewed by member's counsel prior to the examination. The exam will be offered in a format approved by the American Polygraph Association. Such polygraph examination shall be voluntary and the officer shall not be disciplined for refusal to submit to such examination.

20.2.6 The investigation shall be conducted without unreasonable delay and the member will be advised of the final outcome of the investigation.

20.2.7 Consistent with Maine State Law and with the Union's approval all internal affairs records, including computerized records developed during the investigation but excluding the computerized complaint log, that exceed the seven (7) year Statute of Limitations will be destroyed once per year as determined by the Chief. Any member may request that their records be destroyed on the anniversary of the seven (7) year Statute of Limitations.

20.3 Disciplinary Action

20.3.1 No disciplinary action shall be taken against any member of the Department who has completed the two (2) year working test period and is covered by this Agreement without due notice and in accordance with the procedures set forth in this Agreement. Any disciplinary action that is taken against a member during ~~his/her~~their working test period shall be governed exclusively by the Civil Service Ordinance.

20.3.2 ~~For purposes of this Article, designee refers to an officer above the rank of Major.~~ Any reference to the Chief of Police in this Article may also apply to the Chief's designee.

20.3.3 Any member who has completed ~~his/her~~their working test period

charged with a violation of Departmental Rules and Regulations shall be entitled to a hearing as outlined below prior to the issuance of any disciplinary action. The Chief shall continue to hold disciplinary hearings that involve major violations of Department Rules and Regulations.

20.3.4 Disciplinary hearings shall be informal in nature.

20.3.4.1 ~~At the hearing before the Chief of Police or designee,~~ The employee shall be given sufficient notice of the pre-disciplinary hearing date and shall be given time to allow ~~him/her~~them an opportunity to consult legal counsel, conduct an investigation, and prepare a defense. At the hearing ~~before the Chief of Police or designee~~, the member may be accompanied by legal counsel and/or a representative of the Association. The member shall have the right to confer with ~~his/her~~their counsel at any time during the hearing and shall have the right to have ~~his/her~~their counsel speak on ~~his/her~~their behalf. The employee shall have access prior to the hearing to all information and/or documents upon which the contemplated discipline is based unless, in the judgment of the Chief of Police, circumstances warrant anonymity until the Internal Affairs unit has completed its investigation.

20.3.5 If, following the initial hearing, the Chief of Police finds there is just cause for taking disciplinary action, ~~he/she~~they may:

20.3.5.1 Issue an oral or written reprimand or warning. Notwithstanding anything in the Civil Service Ordinance to the contrary, the Chief may suspend a member for not more than thirty (30) days for one offense, provided that such suspensions shall not exceed forty-five (45) days in the aggregate during any twelve (12) month period that follows a suspension.

20.3.5.2 In lieu of suspension and upon concurrence of the member, require the member to work not more than ten (10) days off without compensation; or,

20.3.5.3 In addition to any disciplinary action imposed under this Article, the member may be required to attend corrective training during the member's on-duty time.

20.3.5.4 Employees shall be notified of any disciplinary action

taken against them, and the Association shall be provided with written notice of all disciplinary actions. Any disciplinary action administered under this section may be processed to grievance arbitration under Article 16, Grievance Procedure.

~~20.3.5.5 The new hearing and appeal procedure shall be on a trial basis for the term of this contract. The role of the non-voting PBA member is process-related. The Union agrees the discussions of the Review Board will be confidential and information from these discussions will not be entered as evidence at any subsequent proceeding.~~

20.3.6 No written reprimands involving an alleged violation of Departmental Rules and Regulations shall be placed in a member's personnel file and/or records unless the member is first given a copy of the written reprimand. The member shall have the opportunity to respond in writing and contest the validity of the written reprimand. The Chief of Police shall review both the reprimand and contesting document and upon finding just cause for the reprimand, may place in the member's personnel file and/or records the written reprimand and the contesting document. Such written refutation by the member shall be submitted to the Chief of Police within five (5) days after the member has received a copy of the reprimand.

20.3.7 When, through appropriate procedures, it is determined by the Chief of Police that just cause exists for removing a member or suspending them for a period greater than fifteen (15) working days, the Chief of Police may seek their removal or suspension through the Civil Service procedures as set forth in 20.16. However, the employee may waive in writing all Civil Service procedures regarding the proposed discipline and proceed before the Chief in accordance with the procedures set forth in 20.3. If the employee opts to proceed and accept discipline directly from the Chief, and feels aggrieved concerning the discipline, the Association may process such grievance in accordance with Article 16 of this agreement.

20.3.8 No record of an oral reprimand shall appear in a member's personnel file. However, routine critiques of an officer's performance by ~~his~~ their supervisors shall not be defined as an oral reprimand and may be noted in a member's performance evaluation.

20.3.9 All written reprimands and reports of disciplinary action (except instances involving suspension) shall be removed from the personnel file and/or records and destroyed one year after the incident

involved, unless during that year the member has had subsequent disciplinary action taken against ~~him~~them involving other incidents. Under no circumstances shall the written reprimand or report of disciplinary action remain in the member's personnel file for more than two (2) years.

20.3.9.1 All records and/or reports of disciplinary action involving the suspension of a member for five (5) days or less shall be removed from the personnel file and/or records and destroyed three (3) years after the incident involved, unless during that period of time the member has had subsequent disciplinary action taken against ~~him~~them involving other incidents. Under no circumstances shall the written reprimand or report of the disciplinary action remain in the member's personnel file and/or records for more than five (5) years.

20.3.9.2 All records and/or reports of disciplinary action involving the suspension of a member for more than five (5) days shall be removed from the personnel file five (5) years after the suspension, unless during that period of time the member has had subsequent disciplinary action taken against ~~him~~them involving other incidents. Under no circumstances shall the records and/or reports of disciplinary action remain in the member's personnel file for more than eight (8) years.

20.3.10 All personnel records shall be confidential in conformity with applicable State Law. Any dispute concerning the confidentiality of such records or the access of members to those records shall be finally determined by a court of competent jurisdiction and is not an arbitrable matter under Section 16 of this contract.

20.3.11 Personnel records shall include any record or file, except Internal Affairs cases, that contain any information which can affect the employee's employment, promotion, or any other condition of employment wherever that record is located. Employees shall, upon written request to the Chief, have access to all such records and shall have the right to have such records copied at reasonable cost.

20.3.12 Upon request, a member shall have the right to inspect ~~his/her~~their official personnel record wherever kept.

Inspection shall be during regular business hours of the respective repository and be conducted under supervision by the Department. A member shall have the right to make duplicate copies for ~~his/her~~their own use. No record(s) shall be withheld from a member's inspection.

20.3.13 A member shall have the right to include in ~~his/her~~their personnel record written refutation of any material ~~he~~they considers to be detrimental.

20.4 Civil Service Commission Disciplinary Actions

20.4.1 The Chief may recommend suspension in excess of fifteen (15) days (or thirty (30) days aggregate in a calendar year), demotion, or discharge of an employee to the Civil Service Commission. Any such recommendation shall be processed under the Civil Service Ordinance.

20.4.2 Any disciplinary action prosecuted before the Civil Service Commission, including the Chief's recommendation therefore, shall not be grievable under this Agreement. Any final decision of the Civil Service Commission may be appealed only to court.

20.4.3 In the event that an employee is suspended by the Commission for a period in excess of thirty (30) consecutive days, the employee shall not accrue vacation, sick, or holiday benefits during the period of such suspension.

20.4.4 If the member under investigation is requested to submit to a polygraph examination, ~~he or she~~they will be furnished a list of questions which will be asked prior to the commencement of the examination, to enable the member to confer with counsel of ~~his~~their choosing. If a member is requested to submit to any other type of test, ~~he or she~~they will be advised of the type of test and the member will be afforded an opportunity to obtain similar independent test, if available. The taking of a polygraph examination is voluntary. If a member refuses to take a polygraph test, the refusal shall not be introduced into evidence in any disciplinary hearing nor have any bearing upon discipline, suspension or dismissal. If a polygraph examination is taken, neither party to the contract, nor its representatives, may object to the admissibility and use of the examination's results at any hearing, but either party may argue as to the weight to be accorded such results at any such hearing.

21. STRIKES AND SLOWDOWNS PROHIBITED:

- 21.1 The parties hereto agree that there will not be, and that the Association, its officers, members, or agents, will not engage in, encourage, sanction, or suggest strikes or slowdowns which would involve suspension of or interference with normal work.

22. SAVINGS CLAUSE:

- 22.1 If any provision of this Agreement shall be contrary to any law or a City Ordinance, such invalidity shall not affect the validity of the remaining provisions. This section shall be without prejudice to either party, however, as it might relate to the application of the Municipal Public Employees' Labor Relations Law, M.R.S.A., Title 26, Sec. 969, to this Agreement.

23. PHYSICAL FITNESS:

- 23.1 The parties hereby recognize that the physical fitness of employees vitally affects the efficient, safe, and productive operation of the Department and the quality of police services provided to the public. Each employee is required to maintain the level of physical fitness necessary to perform the normal duties of ~~his/her~~their position.
- 23.2 The Chief is authorized to promulgate a rule requiring each employee to undergo a physical fitness testing program on a regular basis ~~beginning July 1984~~. Said rule shall outline the tests which the employee is required to undergo and tests shall be objective and measurable. Reasonable provision shall be made for any known physical disability of any employee by offering alternative tests or by permitting extensions of time for taking such tests in the case of temporary disabilities. Discipline shall not result from the employee's failure of the initial test or any portion thereof. However, the City may then order the employee into a remedial or structured program at the City's expense as necessary. The Chief shall determine appropriate discipline in the event of subsequent full or partial test failure with the following exception: So long as the program coordinator certifies that said employee has been diligently participating since entering the remedial or structured program, the employee will not be disciplined for failing the physical fitness test.
- 23.3 The Chief shall consult with the Civil Service Commission and the Association regarding appropriate physical standards and tests prior to promulgation of the rule. In addition, the Association shall be given the draft of the rule and shall have no less than fifteen (15) working days to make written comments on such draft rule prior to its final promulgation. The same procedure as provided in this subsection shall be followed in the event of any amendments to said Rule.

23.4 The City shall provide \$100 annually to each employee to be used for a physical examination and/or to maintain their level of physical fitness to perform the normal duties of their position. In no case shall the City be obligated under this Article to spend more than \$100.00 per employee per year. Payment of the \$100 shall be made as soon as possible after the beginning of each fiscal year, ~~beginning July 1, 1985,~~ but not later than 30 days after the beginning of the new fiscal year. Notwithstanding the above, the payment shall be considered a retroactive payment for the previous fiscal year as provided in the grievance settlement dated September 10, 1985.

23.5 The parties hereby recognize that officers' mental health is critically important and also impacts the efficient, safe, and productive operation of the Department and the quality of police services provided to the public. As a result, each employee is required to attend and participate in a check-in appointment with a qualified, licensed mental health professional on an annual basis, measured by calendar year. Such appointments will be scheduled on a day when the employee is regularly scheduled to work, and the employee shall be excused, with pay, for the entire shift.

23.5.1 Appointments for employees who work the night shift will be scheduled during the day immediately proceeding or following a regularly scheduled shift, and the employee shall be excused, with pay, for the entirety of the regularly scheduled shift.

23.5.2 Participation in this program will be optional for calendar years 2025 and 2026 but will be mandatory beginning in calendar year 2027 for all employees.

24. SENIORITY AND LAYOFFS:

24.1 Seniority is defined as continuous service with the Department from the date of swearing in as a full time Police Officer. If an employee is sworn in prior to starting City service the seniority date will be the date of hire with the City as a Police Officer.

24.1.1 When an employee who has held the rank of sergeant or above is demoted [as discipline or at the employee's request] to the rank of patrol officer, that employee shall be reinstated into the PBA at the bottom of the seniority list; this seniority positioning will be limited to the purposes of applying for open shift assignments, specialty positions and promotions. If a member of the SOA is demoted at no fault of their own (layoff/reduction in force) they will be restored to the seniority level held in the PBA at the time when they voluntarily left the PBA. The employee shall not, however, be allowed, based upon ~~his/her~~their seniority, to "bump" or displace

another member of the unit from ~~his/her~~their current position. The returning officer shall be assigned to a currently open position.

Thereafter, the demoted employee may use ~~his/her~~their seniority in the PBA, in the same manner as any other member of the unit; this will include, but not be limited to, applying for open shift assignments, specialty positions and promotions, as well as layoffs, reductions in force and use of leave time.

~~This section is not intended to apply to reductions in rank caused by layoffs or reductions in force. This Amendment will have no retroactive application.~~

24.1.2 Seniority for Police Officers with the same date of hire who are hired on or after January 1, 2000 shall be determined by their score on the Civil Service written test. Numerical scores will be maintained by Human Resources and will not be released to the Union or the Department for confidentiality reasons. The person with the highest score will be senior to the other officers starting on the same day. In the event of equal scores, the first letter of the last name will be used to break the tie.

24.1.3 Seniority for Police Officers with the same date of hire who are hired on or after March 27, 1995 but prior to January 1, 2000 shall be determined by their Civil Service point total. The person with the highest score will be senior to the other Officers starting on the same day. In the event of equal scores, the first letter of the last name will be used to break the tie.

24.1.4 Seniority for Police Officers with the same date of hire who were hired prior to March 27, 1995 has been determined by the first letter of the last name. The Officer whose first letter is closest to the beginning of the alphabet will be senior to the other Officers starting on the same day.

24.2 Seniority shall be a factor when considering job openings. The criteria for making job assignments are outlined in Exhibit F.

24.3 Seniority shall be the sole factor for purposes of layoffs, days off, and work shift assignments except as provided otherwise herein.

24.4 In the event of a lay-off, the affected employee has recall rights for twenty-four (24) months from the day of such lay-off. The affected employee shall deliver ~~his or her~~their then mailing address and telephone number, if any, to the Chief of Police at ~~his/her~~their office and shall be obligated, as a continuing condition of ~~his/her~~their recall rights for said

twenty-four (24) month period, to continue to inform the Chief in writing of any change thereafter.

24.5 ~~The Chief, or designee, will allow swapping days off between employees in the unit with as much advance notice as reasonably possible. Swaps shall not affect Department functions and there will be no additional compensation paid for any swaps. The Chief, or his/her authorized representative, will allow switching days off between employees in the Unit on advance notice of at least five (5) days, so long as the Department's functions are not thereby impaired. When extenuating circumstances exist, the five (5) day notice requirement may be waived by the Chief or his authorized representative.~~

24.5.1 Requests will be made for good reason only. The employees involved in the swap must work within the same division or specialty. A swap may be denied if it is not for good reason or if it is determined that the two employees are not equally qualified.

24.5.2 Swaps need not occur within the same week. However, once approval is received, it is the responsibility of the employee requesting the swap to notify the substitute. The City shall not be held responsible for enforcing any agreement made between employees and shall be under no obligation to the substitute for ~~his/her~~their duty as a substitute.

24.5.3 Swaps shall be made for single shifts only. Consecutive shift requests will be considered only in emergency situations and require approval of the Major.

24.5.4 Swaps shall not be denied for arbitrary or capricious reasons. An employee may appeal any denial by a Lieutenant to the Major. Such appeals will be expedited by the Major and are grievable only through Step 2 of the grievance procedure.

24.5.5 The employees involved in the swap will be held responsible for the shift being covered. Any employee who does not meet this obligation will not be permitted to participate in any swap for six (6) months or longer.

25. **RESPONSE TIME:**

25.1 Residency within the territorial limits of the City of Portland shall not be a condition of employment; however, in order to safeguard the health, safety, and welfare of Portland citizens, the Chief of Police has the authority to promulgate a Departmental Rule and Regulation establishing a required

"response time" for employees; however, prior to promulgating such a rule, the Chief of Police will consult with the PBA Executive Board.

- 25.2 Within five (5) working days of the date of promulgation of the rule, the Association may appeal the rule to a single arbitrator on the sole issue of whether or not the rule is reasonable. The selection of the arbitrator and the rules of the arbitration shall be the same as those provided in Section E of Article 16, Grievance Procedure. The arbitrator's decision shall be final and binding upon the parties. The costs of the arbitrator and of the arbitration shall be borne equally by the parties.

26. LEAVES OF ABSENCE:

- 26.1 Military leave and Reserve Service Leave shall be available to employees under the terms and conditions of applicable federal and/or State legislation. Any disputes as to rights under this provision are not arbitrable, but may be determined by a court of competent jurisdiction.

26.2 Disability Leave of Absence

- 26.2.1 When disabled, a member will be placed on an unpaid leave of absence of up to three (3) months if (1) employee requests a leave, (2) employee is disabled by ~~his/her~~their doctor from performing ~~his/her~~their duties for a period of more than one (1) consecutive week, or (3) employee's attendance or performance becomes unsatisfactory because of the disability. Employees will provide the City with a doctor's note for all absences exceeding one consecutive week that are related to a medical incapacity. The initial twelve (12) week period will be processed as a Family Medical Leave if the disability is covered by the Family Medical Leave Act.

Except for emergencies, the employee shall submit a written request or a doctor's note to the Chief at least one (1) month prior to the anticipated departure. The employee is required, as a condition of this leave, to provide a statement from an attending physician setting forth (a) the anticipated duration of the disability, and (b) any conditions which may limit the employee's performance of ~~his/her~~their job before or after the leave. A decision regarding approval of such leaves shall be made by the Chief based upon medical documentation. Leaves may be denied if medical documentation is insufficient or does not support the leave but leaves shall not be denied for arbitrary or capricious reasons.

- 26.2.2 The Chief shall have the authority to extend such leave upon written request from the employee.

26.2.3 Accumulated sick leave benefits shall be applied to any portion of the requested leave so eligible at the option of the member, but cannot be used to extend a disability leave.

26.2.4 Disability due to pregnancy or child-birth are, for all job-related purposes, temporary disabilities.

26.3 Personal Leave of Absence

26.3.1 A member may request a personal leave of absence without pay for a period not in excess of thirty (30) days. The Chief, in ~~his~~their sole discretion, may grant such leave.

26.4 Family and Medical Leave

26.4.1 ~~FMLA leave is governed by the requirements of state and/or federal FMLA laws, as they may apply. An employee who has been employed for twelve (12) consecutive months and who has worked 1250 hours in those last twelve months is entitled to up to a total of twelve (12) weeks of Family and Medical Leave (FMLA) in any twelve (12) month period. The leave shall be an unpaid leave unless the employee elects to use any accumulated paid leave.~~ The employee must give at least 30 days notice of the intended date upon which Family and Medical Leave will commence and terminate, unless prevented by an emergency situation from giving that notice. The employee shall provide medical certification, in the form of a completed City of Portland Health Care Provider Certificate Form, of the need for the leave. ~~FMLA leave is governed by the requirements of the state and/or federal FMLA laws, as they apply. If the requirements, benefits, definitions and/or scope of FMLA changes during the term of this Agreement, such changes are automatically incorporated by this Agreement.~~

~~26.4.2 Employees who request to use Family Medical Leave for the purpose of caring for a domestic partner, child of a domestic partner or parent of domestic partner must satisfy the City's eligibility requirements for claiming an individual as a domestic partner.~~

26.5 The City will continue the employee's health benefits coverage during the leaves referenced in 26.1, 26.2, 26.3 and 26.4. The employee will accrue holiday, vacation and sick leave credits during the first twelve (12) weeks of such leave. After the first twelve (12) weeks, there will be no further accrual of holiday, sick or vacation leave. Seniority, however, will accrue during the time of the leave. An employee taking such leave is entitled to be restored to the position held by the employee when the leave

commenced, and will be entitled to any other benefit the employee would have accrued had ~~he/she~~they not taken the leave.

27. MANDATORY TRAINING:

27.1 The City agrees to make available a minimum of twenty (20) hours per year of in-service training to each employee. Employees will attend training as directed or approved by the City. Employees will be compensated at their appropriate base rate for the time spent in training. Any training required for a particular job assignment will be offered on a yearly basis.

27.2 Travel time will be paid for travel to and from required training that the Officer is attending as a student providing the Officer has already worked ~~eight (8) hours or ten (10) hours, depending upon~~ their regular shift assignment, including time spent in training, on the day the travel occurs. Such compensation shall be in the form of compensatory time at a time and one-half rate and shall not exceed a maximum of two hours each way.

27.2.1 Requests for compensation for travel time must be submitted on a pay slip separate from the slip for the training.

27.2.2 The Chief or designee may approve travel time associated with non-required training but such approval is at ~~his/her~~their discretion.

27.3 The City will make EMT training available to employees in the following priority order:

- a. To employees who request the training and request a regular assignment to the islands;
- b. To employees who request the training and are willing to accept temporary assignments to the islands, as needed, including those in Specialty positions; and,
- c. To other employees who request the training as City resources allow.

27.4 Once EMT-trained by the City, employees will be required to maintain their EMT certification for a minimum of 5 years from their initial certification, or so long as they are regularly assigned to Island duty, whichever is longer. Employees regularly assigned to Island duty must maintain certification as an Emergency Medical Technician or may be subject to disciplinary action.

27.5 Fire drill school training will be provided to employees regularly assigned to the islands and to employees who are willing to accept temporary assignments to the Islands as needed. EMT training and fire drill school training shall count toward completion of the minimum hours of mandatory

training.

28. **SAFETY COMMITTEE**

28.1 The Safety Committee shall be comprised of three (3) members appointed by the President of the PBA, one (1) member appointed by the President of the PSOBA, two (2) members appointed by the Chief of Police, and the ~~Risk Manager or~~ Human Resources Department's designee.

28.2 The Committee shall meet ~~bi-monthly or as set by the Committee, or more often~~ at the request of any member of the Committee.

28.3 The Committee shall develop recommendations on matters affecting employee safety for the Chief of Police. Recommendations shall be adopted by the Committee, for transmittal to the Chief, ~~by majority vote.~~

~~The Chief shall respond in writing to all recommendations of the Committee as expeditiously as possible.~~

29. **TERM OF AGREEMENT**

29.1 This Agreement shall govern the rights of the parties from January 1, ~~2024-2025~~ until and including December 31, ~~2024~~ 2027.

29.2 This Agreement shall remain in full force and effect until a new Agreement has been executed in accordance with 26 M.R.S.A. 965.

IN WITNESS WHEREOF, the City has caused this Agreement to be executed by ~~Danielle West~~ Jon P. Jennings, its City Manager, and the Association has caused this Agreement to be signed by Thien Duong, its President, and Daniel Felkel, PBA Legal Counsel.

WITNESSES:

Danielle West
City Manager
City of Portland

Thien Duong
Portland Police Benevolent Association

Daniel Felkel, Counsel for
Portland Police Benevolent Association

**EXHIBIT A
PBA PAY PLAN**

5% COLA 07/06/25			5% COLA 07/05/26			5% COLA 07/04/27		
1	0 - 3 Yrs	\$31.67 \$1,266.80	1	0 - 3 Yrs	\$33.25 \$1,330.00	1	0 - 3 Yrs	\$34.91 \$1,396.40
2	3 - 5 Yrs	\$33.85 \$1,354.00	2	3 - 5 Yrs	\$35.54 \$1,421.60	2	3 - 5 Yrs	\$37.32 \$1,492.80
3	5 - 8 Yrs	\$35.19 \$1,407.60	3	5 - 8 Yrs	\$36.95 \$1,478.00	3	5 - 8 Yrs	\$38.80 \$1,552.00
4	8 - 10 Yrs	\$36.20 \$1,448.00	4	8 - 10 Yrs	\$38.01 \$1,520.40	4	8 - 10 Yrs	\$39.91 \$1,596.40
5	10 - 12 Yrs	\$37.60 \$1,504.00	5	10 - 12 Yrs	\$39.48 \$1,579.20	5	10 - 12 Yrs	\$41.45 \$1,658.00
6	12 - 18 Yrs	\$38.72 \$1,548.80	6	12 - 18 Yrs	\$40.66 \$1,626.40	6	12 - 18 Yrs	\$42.69 \$1,707.60
7	18+ Yrs	\$40.69 \$1,627.60	7	18+ Yrs	\$42.72 \$1,708.80	7	18+ Yrs	\$44.86 \$1,794.40

* Effective 07/06/2025, the separate detective wage scale has been eliminated and replaced with 10% premium pay on top of the above patrol pay plan for the following positions:

Detective
Court Officer
Evidence Technician
Traffic Investigator

EXHIBIT B

Initial Issue of Equipment

<u>Minimum Quantity</u>	<u>Item</u>
1	<u>Approved Duty</u> Firearm— Glock 21
3	Magazines
25 or 40 rounds	45-cal. Duty Ammunition— (Glock 21)
1	Double Magazine Pouch
1	Baton
1	Baton Holder
2	Breast Badges
1	Hat Badge
1 ea.	Building, Lockerroom, Cruiser Key
1	Metal Clipboard
1	Cuff Case
1 pr.	Handcuffs
1	Double Lock Cuff Key
1	* Dress Blouse— (Honor Guard Only)
1	* Sam Browne Crossover Belt— (Honor Guard Only)
1	Funeral Band
1	Gun Belt
1	Garrison Belt
4	Gun Belt Keepers
1	Glove Case
4 pr.	Disposable Gloves
1	Hat
1	Hat Cover
1	Ballcap (K9 only)
1	Holster
1	3 in 1 Jacket w/ Traffic Vest
1	Raincoat
1	Locker with Lock
1	OC Spray
1	OC Spray Pouch
1	Miranda Card
1	Microphone Pouch w/ cable link microphone
1	Name Tag
1	Serving Since Pin
1	Neck Tie
1	Tie Clip
1	Police ID card
1	Radio Case

1	Radio
1	Protective Vest
6	Long Sleeved shirts
5	Short Sleeved Shirts
5 pr.	Socks
3 pr.	Uniform pants

EXHIBIT B (cont'd)

Initial Issue of Equipment

<u>Minimum Quantity</u>	<u>Item</u>
1 pr.	Dress pants
5 sets	** BDU (1 set = pants, shirt)
1	*** Bicycle Helmet
1	*** Bicycle Jacket
1 pr.	*** Bicycle Gloves
2 pr.	*** Bicycle Shorts
2 pr.	*** Bicycle Pants
2 pr.	*** Bicycle Shirts
1	**** Leather Jacket
1 pr.	**** Motorcycle Boots
1	**** Motorcycle Helmet
1 pr.	**** Motorcycle Britches
1	***** Fire Jacket
1	***** Fire Helmet
1 pr.	***** Fire Boots
1 pr.	***** Fire Gloves
2 sets	***** BDUs (Green=SRT; Negotiators; Bomb Squad)
1 set	***** BDU's (Blue-Fire Investigator)

* Will be available in several sizes to be signed out by other Officers for special events
 ** Evidence Technicians, Canine Officers, Property Coordinator – Blue
 *** Qualified Bicycle Officers only
 **** Qualified Motorcycle Officers only
 ***** Island Services Officers only

EXHIBIT C

Allowable Apparel and Equipment for On-Duty Use

Black Leather Jacket
 Black Shoes
 Black Leather Gloves
 Winter Footgear
 Court Attire (including dress trousers, collared shirts, socks, ties, shoes, and other related dress apparel approved by the Police Chief, or Designee)
 Alterations to Court Attire/ Uniforms
 Sweater
 Black Boots
 Shoe Polish and accessories
 Socks
 T-Shirts
 Prescription Eyewear
 *Whistle and Chain
 *Ear Phones
 *Ticket Book Holders
 *Off-Duty Holster
 *On-Duty Holster (Approved)
 *Badge
 *Badge Case
 *Black Pens
 Flashlight (and replacement batteries, bulbs, lenses)
 Flashlight holder
 *Hand cuffs / Case
 *Cuff Key
 Practice Ammunition
 Ear and Eye Protection (for shooting)
 Items Related to Recognized Specialty Position(s) (subject to the approval of the Team Commander and Police Chief)
 Winter Scarf (Navy blue or black)
 *Trooper-Style Pile Caps
 *Insulated Collarless Vests
 Sneakers (Chief designated)
 Running shoes
 Sunglasses
 Turtleneck
 Watch Cap
 *Approved Multi-Purpose Knife
 *Duty Bag
 *Nylon or Leather Duty Belt and attached accessories (standard model approved by the Police Chief, or Designee)
 *BDU's for training purposes
 *Duty Approved Weapon (~~Glock 17, 19, 21, 26, 30 or pre-approved and inspected AR-15/M16 .223 rifles~~), pre-approved weapons optics and anything else that can be considered parts and equipment, all of which must be inspected and approved by the Department Armorer or a Firearms Instructor

EXHIBIT C

Allowable Apparel and Equipment for On-Duty Use (cont'd)

- *Cell Phones
- *Department approved outer vest carrier
- *Business Cards
- *Job Specific Books
- *Promotional Study Material
- Fitbits, Smart Watches or other approved fitness activity tracking devices
- *Items designated as equipment.

EXHIBIT D

EMPLOYEE VOLUNTARY DEDUCTION AUTHORIZATION FORM

EMPLOYEE VOLUNTARY DEDUCTION FORM

Print (last name first)

Fund Dept. Div. Prog. Soc. Sec. No. Employee Name

Code	Amount Delete perm. change; drop deduction.	Add Check add for check delete to
------	--	---

INSTRUCTIONS: Please type or print. The deduction form must accompany the payroll that change appears on.

NOTE: The figure under "Amount" is a replacement figure only. It is not the net difference. See reverse side for code number.

Effective

EXHIBIT F
PORTLAND POLICE DEPARTMENT
Memorandum

RE: Filling of Vacancies

The following guidelines are set forth to establish a procedure for the filling of vacancies.

1. In accordance with Section 24.3 of the PBA contract, the following assignments will be considered shifts, and the sole factor for selection will be seniority.

Team assignments in the Patrol Division: A, B and C. Job assignments within the teams will be made by the lieutenants, based upon department needs.

2. In accordance with Section 24.2 of the PBA contract, the following facts will be used for filling the job openings listed below: Performance Evaluations, Sick Leave Use, Training, Disciplinary Record, and Seniority.

Criminal Investigations Division

General Investigator
Narcotics Investigator
Evidence Technician
Court Officer
Crime Reduction Unit

Operations Group

Canine Handler
Traffic Investigator
Youth Services Officer
Islands Officer
School Resource Officer
Community Policing Officer

Besides the aforementioned factors, additional ones may be used for specific job assignments, e.g., when a position is posted, the Bureau Commander will also post any additional screening mechanism, such as a written assignment, interviews, etc.

3. Canine handlers will be part of the Patrol Teams and assigned according to department needs and the PBA contract.
4. Community Policing Officers will be assigned by the Chief or ~~his~~their designee based upon Department needs and the PBA contract.

EXHIBIT G**MEMORANDUM OF AGREEMENT ISLAND OFFICERS**

~~This AGREEMENT made this — day of March, 2005, between the City of Portland (hereinafter the "City") and the Portland Police Benevolent Association, (hereinafter the "Association"), to amend the 2003-2004 Collective Bargaining Agreement (hereinafter the "Contract") between the City and the Association in regard to an alternative work schedule for Police Officers regularly assigned to Peaks Island.~~

~~— WHEREAS, the Police Officers who are regularly scheduled to work on Peaks Island (hereinafter the "Island Officers") have requested a change in their work schedule; and the City agrees that this schedule incorporates certain operating efficiencies;~~

~~— WHEREAS, the City agrees to continue this program for the duration of this contract as long as overtime costs do not increase;~~

~~— NOW, THEREFORE, the parties agree to amend their contract to provide that t~~The following terms and conditions of employment will be in effect for Officers assigned to the Island Services Unit and to Officers assigned to a temporary vacancy in accordance with Article 5.1.4. The following terms and conditions do not apply to Police Officers who may be temporarily assigned to the Islands to cover a vacancy that does not require a change to their regularly scheduled hours of work.

Article 4 – Salaries

- No change to current weekly salary
- No change to Specialty Pay
- Amend Article 4.2.6 to allow Island Officers to receive the \$15.00 EMT stipend. The parties further agree that this stipend will also compensate Island Officers for the daily 15-minute time period Island Officers spend waiting for the Ferry.

Article 5 - Hours and Overtime

- Amend regular work week to be 48 hours (consisting of two shifts of 24 hours) within an eight-day work period.
- Amend regular work day to be twenty-four (24) hours. At least one Officer will be on patrol at all times. Each Officer will be permitted to sleep for four (4) hours during the hours of 10 p.m. and 6 am.
- Overtime is paid for hours worked in excess of 48 hours per eight-day work period.
- Base hourly rate for the purpose of calculating pay for Island overtime assignments is defined as weekly salary divided by forty-two hours. Base hourly rate for the purpose of calculating pay for mainland overtime assignments worked by Island Officers is defined as weekly salary divided by forty hours. Base hourly rate for the purpose of calculating the cash payout of accrued time pursuant to Articles 5 through 7, Articles 11 through 12,

and the Retiree Health Savings Account in Exhibit O is defined as weekly salary divided by forty hours.

- Amend Article 5.3 to exclude hours spent riding to and from Peaks Island for Island Officers only.
- Amend Article 5.4 to include hours spent riding to and from Peaks Island for Island Officers only. In the event of schedule vacancies, management will determine how to meet the needs of the Island without incurring overtime. If overtime is offered, it will be offered to Police Officers with the necessary qualifications in order of seniority. If no one accepts the overtime, the overtime will be worked by an Island Officer eligible to work and in accordance with a rotating force list. The rotating force list will be comprised of Island Officers and will begin with the junior Island Officer. Officers will receive 1 mark for each 8-hour period worked on the Island (3 marks per 24-hour shift).
- Island Officers will not be eligible for overtime or special detail assignments during the 24 hour period that falls between two work shifts, during the late shift prior to their first day on, or during the late shift of their fifth day off. Officers will receive no mark in the overtime book for this period of time.
- Island Officers will be eligible for special detail assignments during their five (5) days off except as provided above. All provisions of Article 5.10 shall apply during this five day period.

Article 6 – Holidays

- Island Officers will receive eight (8) hours of holiday pay or an eight (8) hour holiday credit.
- If an Island Officer wishes to take a holiday off which is a scheduled work day, that Officer will be required to utilize sixteen (16) hours of accrued leave in addition to eight (8) hours of holiday pay for that 24-hour period.

Article 7 - Vacations

Island Officers will accrue vacation at the rate of 1.62 hours per full payroll week in the first through second year of service, 2.42 hours per full payroll week in the third through sixth year of service, and 3.23 hours per full payroll week in the seventh and succeeding year of service. ~~Upon contract execution, Island Officers in their twentieth and succeeding years of service will accrue vacation at the rate of 3.85 hours per full payroll week. The weekly earnings rate shall be adjusted in the final week of the calendar year in accordance with the annual accrual amounts of 84 hours, 126 hours and 168 hours.~~ An Island Officer's vacation accrual will be reduced by 24 hours for each scheduled work day that is taken as a vacation day during this period.

Article 11 - Sick Leave

- Sick leave shall continue to accrue at the rate of 1.85 hours per week.
- An Island Officer's sick leave accrual will be reduced by 24 hours for each scheduled work

day that is taken as a sick day during this period.

- For the purpose of Article 11.1.3.1 one 24 hour work day taken as sick leave will be considered equivalent to three sick days.
- For the purpose of 11.4.3, a full shift may be taken off in the same manner as sick leave providing all sixteen (16) hours of personal leave are used at once and providing the employee has eight (8) hours of accrued sick leave, vacation leave, compensatory time or holiday credits to supplement the sixteen (16) hours of personal leave. The employee will give the Bureau Commander or designee as much advance notice as circumstances permit.

Requests for Leave Time

Island Officers who wish to use accrued leave time (vacation leave, compensatory time, holiday credits) should submit such requests to the supervisor of the Traffic Unit with as much notice as possible. Reasonable notice is considered to be at least ~~three~~ (3)fourteen (14) calendar days. Leave requests submitted without ~~30~~ fourteen (14) calendar days' notice will be denied except in unusual circumstances. The appropriate accrual shall be reduced by actual hours used (24 hours for each scheduled work day).

The City will purchase one round trip Casco Bay Lines ticket per Officer per shift.

The only persons considered for Island Officer job vacancies for the term of this agreement will be Police Officers who possess an up-to-date EMT license. All contract provisions remain in effect except to the extent they are specifically modified in this ~~agreement~~ Exhibit.

~~———— The City agrees to continue this program for the duration of this contract as long as
 overtime costs related to sick leave do not significantly increase. This agreement shall
 expire effective December 31, 2005 unless the parties mutually agree to extend it.~~

Agreed to by:

 City of Portland _____ Date

 Police Benevolent Association _____ Date

Counsel for Police Benevolent Association Date

EXHIBIT H

CITY OF PORTLAND

TRANSITIONAL WORK AGREEMENT

The Employee and the Employer enter into this agreement for a period of Transitional Work, as follows:

The date upon which the Employee sustained an injury is _____.

Pursuant to the City of Portland's Transitional Work Policy, the Employee will return to work in a Transitional Work assignment on _____.

Attached is a copy of the Transitional Work Policy of the City of Portland which the Employee has read and understood.

The parties agree that the term of this Transitional Work assignment shall be ninety (90) days, from the return to work date above until _____.

5. This Transitional Work Agreement does not act as a waiver of rights and obligations of the employee or employer under 39.A MRSA Section 218 or any other applicable law.

Dated this _____ day of _____, 20____.

Employee

City of Portland

~~EXHIBIT I~~

~~ON-THE-JOB INJURIES~~

~~The purpose of this Exhibit is to provide employees with information about benefits currently provided under State law:~~

~~Current State law provides that those employees who are enrolled in Maine Public Employees Retirement System special plan for their primary pension plan are entitled to keep special plan benefits in the event they are unable to return to "Regular Work" within the PBA bargaining unit if the following condition is met. The employee must apply for and be approved for disability retirement benefits before they transfer to a position that is not a sworn position in the Police or Fire Department.~~

~~This statement confirms information discussed in negotiations on July 19, 2001. The Union acknowledges that in the event that State law changes with respect to this benefits, this Exhibit will immediately become null and void. The City is not agreeing to provide, through this Exhibit, any benefit greater than what is provided by statute.~~

EXHIBIT J

EVIDENCE TECHNICIANS

The City of Portland and the Portland Police Benevolent Association agree as follows in regard to the "on-call" status of Evidence Technicians:

1. Twenty-four hour crime scene processing by qualified personnel is essential whenever crimes and accidents occur which require the prompt collection and preservation of physical evidence.
2. When the immediate services of an Evidence Technician (E.T.) are required and there is no Evidence Technician on duty, an on-call E.T. will be notified and expected to respond as soon as possible.
3. Any E.T. is subject to being called in to work during ~~his/her~~their off-duty time. E.T.'s will provide the department with a phone number where ~~s/he~~they can be reached when off-duty.
4. Call-ins will be prioritized as follows, depending on the needs of the department:
 - a. Evidence Technicians whose off-duty time is within four (4) hours of their regular shift (before and after) will be called first.
 - b. Evidence Technicians on their regular days off will be called second.
 - c. Evidence Technicians on any other type of leave, except military leave, sick leave or Family Medical Leave, will be called last.
 - d. Evidence Technicians on military leave, sick leave or Family Medical Leave will not be subject to call-in.
5. E.T.'s who are subject to call-in are not required to stay within any specific distance of the City and there are no restrictions on their use of off-duty time.
6. When no E.T. is available to respond to a crime or accident scene, another agency with equivalent personnel will be requested to respond and assist.
7. Each Evidence Technician will receive three (3) hours of compensatory time per week in consideration of this agreement. Evidence Technicians shall receive the full three (3) hours of compensatory time for any week in which they are eligible to be called in for any of the days of that week. The compensatory time awarded pursuant to this agreement will be treated the same as any other compensatory time awarded by the City.

EXHIBIT K SCHEDULES

Criminal Investigation Division				Internal Affairs / Training			
700	0800 - 1600	Mon - Fri	Lt.	760	0800-1600	Mon - Fri	Lt.
721	0900 - 1700	Mon - Fri	Sgt.	761	0700-1500	Mon - Fri	Sgt.
722	0800 - 1600	Mon - Fri	Sgt.	763	0800 - 1600	Mon - Fri	Sgt.
701	0800-1600	Mon - Fri	Det.	Community Services Division			
702	0730-1530	Mon - Fri	Det.	900	0700 - 1500	Mon - Fri	Lt.
703	0700 - 1500	Mon - Fri	Det.	922	0700 - 1500	Mon - Fri	Sgt.
704	0700 - 1500	Mon - Fri	Det.	931	0700 - 1500	Mon - Fri	Ofc. YSO
705	0700 - 1700	Mon - Thu	Det.	932	0700 - 1500	Mon - Fri	Ofc. PHS
706	0700 - 1500	Mon - Fri	Det.	933	0700 -1500	Mon - Fri	Ofc. DHS
707	0800 - 1800	Tue - Fri	Det.				
708	0900 - 1700	Mon - Fri	Det.	903	0630 - 1630	Tue - Fri	Ofc.
710	0600 - 1600	Tue - Fri	Det.	904	0630 - 1630	Tue - Fri	Ofc.
711	0700 - 1500	Mon - Fri	Det.	905	0630 - 1630	Tue - Fri	Ofc.
713	1100-1900	Mon - Fri	Det.	907	0730 - 1730	Sat - Tue	Ofc.
714	0800 - 1600	Mon - Fri	Det.				
715	0900 - 1700	Mon - Fri	Det.				
718	0700-1500	Mon - Fri	Det.	Traffic & Peaks Island			
742	0700 - 1700	Tue - Fri	Det.	920	0800 - 1600	Mon - Fri	Lt.
Forensic Services - Court				921	0700 - 1500	Mon - Fri	Sgt.
731	1500 - 0100	Sun - Wed	ET	901	0600 - 1600	Tue - Fri	Ofc.
732	0700 - 1700	Wed - Sat	ET	902	0600 - 1600	Mon - Thu	Ofc.
733	0600 - 1600	Sun - Wed	ET	911	0700 - 0700	Peaks	Ofc.
734	1500 - 0100	Wed - Sat	ET	912	0700 - 0700	Peaks	Ofc.
743	0600 - 1400	Mon - Fri	Ofc.	913	0700 - 0700	Peaks	SLO
744	0800 - 1600	Mon - Fri	Property	914	0700 - 0700	Peaks	Ofc.
745	0800 - 1600	Mon - Fri	Process Server	Jetport			
746	0730 - 1530	Mon - Fri	Victim Advocate	821	0700 - 1500	Mon - Fri	Sgt.
MDEA / Special Investigations				801	1200 - 2200	Wed - Sat	Ofc.
750		Mon - Fri	Sgt.	802	1200 - 2200 0800 - 1800	Sun - Tue Wed	Ofc.
751		MDEA	Det.	803	0330 - 1230	Wed - Sat	Ofc. BK9
752		MDEA	Det.	804	0330 - 1230	Sun - Wed	Ofc. BK9
753		SSTF	Det.				
Crime Reduction Unit				MCJA August 2017			
351	1300 - 2100	Tue - Sat	Sgt.				
355	1300 - 2100	Tue - Sat					
356	1300 - 2100	Tue - Sat	Ofc.				
357	1300 - 2100	Tue - Sat	Ofc.				
358	1300- 2100	Tue - Sat	Ofc.				
359	1300 - 2100	Tue - Sat	Ofc.				

0630 - 1630	100	Lt.	1600 - 0200	300	Lt. (1300-2300)	2100 - 0700	500	Lt.
	121	Sgt.		321	Sgt.		521	Sgt.
Tuesday	101	Ofc.		301	Ofc.		501	Ofc.
Wednesday	102	Ofc.		302	Ofc.		502	FTO
Thursday	103	Ofc.		305	Ofc.		503	FTO
Friday	104	Ofc.		306	Ofc.		504	Ofc.
	105	Ofc.		312			505	Ofc.
	106	FTO.		313	FTO		506	Ofc.
	107A	Ofc.						
0730 - 1730	122	Sgt.	1700 - 0300	322	Sgt.	2200 - 0800	522	Sgt.
	107	FTO		307	FTO		507	Ofc.
Wednesday	108	Ofc.		308	Ofc.		508	Ofc.
Thursday	109	Ofc.		309	Ofc.		509	
Friday	110	Ofc.		310	FTO	M	510	Ofc.
Saturday	111	Ofc.		311	Ofc.		511	Ofc.
0630 - 1630	200	Lt.	1600 - 0200	400	Lt.	2100 - 0700	600	Lt.
	221	Sgt.		421	Sgt.		621	Sgt.
Friday	201	Ofc.		401	Ofc.		601	Ofc.
Saturday	203			402	Ofc.		603	Ofc.
Sunday	204	Ofc.		403	Ofc.		604	Ofc.
Monday	205	Ofc.		405	Ofc.		605	Ofc.
	206	Ofc.		406	Ofc.		606	Ofc.
	212	Ofc.						
	215	Ofc.						
0730 - 1730	222	Sgt.	1700 - 0300	422	Sgt.	2200 - 0800		
				404	FTO		622	Sgt.
Saturday	207						607	Ofc.
Sunday	208	Ofc.		407	Ofc.		608	
Monday	209	Ofc.		408	Ofc.		610	Ofc.
Tuesday	210			409			611	Ofc.
	211	Ofc.		410	Ofc.		612	Ofc.
				411	Ofc.		609	Ofc.
0730 - 1530	114	Ofc.	Sun - Thu	303	Ofc.	Sun - Thu	512	Ofc.
Sun - Thu	115	Ofc.	1300- 2100	304	FTO	2400 - 0800	509	Ofc.
	118			314	Ofc.			
Sun - Thu	113	K9		312	Ofc.	Wed - Sat		
	140	DPW	Wed - Sat	315	K9		513	K9
	141	ACO		142	OEO			

EXHIBIT L

Criminal Investigation Division (CID) Detectives

The City of Portland and the Portland Police Benevolent Association (PBA) agree as follows in regard to the "on-call" status of detectives:

- 1) Twenty-four-hour investigative coverage by qualified personnel is essential whenever crimes occur which require an immediate investigation by Detectives.
- 2) When the services of a Detective(s) are required and there is insufficient CID staff on duty, the "on-call" Detective(s) will be notified and expected to respond as soon as possible.
- 3) Call-ins will be organized by a weekly schedule. Two (2) Detectives will be "on-call" every week starting Monday morning at 0700 hours and ending the following Monday morning at 0659 hours.
 - a) Trades or swaps are allowed but each Detective must be on-call for ~~his/her~~their share of the on-call duty on an annualized basis.
 - b) If a Detective is assigned to be on-call and ~~he/she is~~they are unavailable for any reason, it is ~~his/her~~their responsibility to swap an-call weeks with an available Detective with the approval of the CID Lieutenant or ~~his/her~~their designee.
 - c) Detectives on military leave, sick leave or Family Medical Leave (FMLA) will not be subject to the on-call schedule until their return.
 - d) During the Detective's on-call weeks they will not be eligible for overtime; however they will receive a mark in the overtime book **for every job that gets offered** during this period.
- 4) Within reason, Detectives who are on-call are not required to stay within any specific distance of the City and there are no restrictions on their use of off-duty time; however Detectives must comply with SOP # 10 section IV-A. 17.
- 5) Each Detective will be compensated with a lump sum of \$225.00 for the week that ~~he/she is~~they are on-call.
- 6) When a Detective is called in to work during their on-call week, they will be paid in accordance with Article 5.9 of the PBA contract.

EXHIBIT M

MEMORANDUM OF AGREEMENT

AGREEMENT made this _____ day of July 2017, by the City of Portland (hereinafter the "City"), and the Portland Police Officers Benevolent Association (hereinafter the "PBA").

WHEREAS, the City is committed to the implementation of a policy for body worn cameras and a pilot program for uniformed officers; and

WHEREAS, the PBA and the City have agreed to discuss matters related to the appropriate utilization of body worn cameras by PBA members; and

WHEREAS, a successful pilot program may result in the expansion of the use of body worn cameras by all sworn officers.

NOW, THEREFORE, the City and the PBA do hereby agree as follows:

1. The Chief of Police, in consultation with the PBA's Executive Board, will appoint a committee to initiate a pilot program to test the use of body worn cameras in the Patrol Division and to draft policies and procedures to govern the use of the cameras as standard issue equipment. The committee will be composed of various members of the department of different ranks and will include command staff members. The policies and procedures adopted by the department will also be provided to interested community groups to obtain public comment.

2. The goal of the committee is to identify the specific objectives behind the program, as well as, the anticipated benefits, costs, uses, and privacy impact of body worn cameras.

3. The parties acknowledge that body worn cameras shall be introduced incrementally, starting with the pilot program, and shall include the solicitation of feedback from the committee.

4. The parties acknowledge that both the implementation of the pilot project and the expanded policy or policies will address the terms and conditions set forth in the points below; and, further, that these terms and conditions shall not only be part of this MOA but shall also be part of any SOP that is enacted in the future by the department.

- Pre-event recording will be limited to no more than two (2) minutes of video. Pre-event audio recording will not occur.

- Body worn camera footage may be used in performance reviews but is not intended to replace the review of officer performance in the field.

- If body worn camera footage exists, discipline will not be dispensed solely on

EXHIBIT M (con't)

~~the basis of the body worn camera footage, but rather upon consideration of all relevant evidence collected during the Internal Affairs investigation; including video footage.~~

~~● Public access to body worn camera footage shall be governed by Maine law.~~

~~● Officers may review video footage during report preparation; except when ordered otherwise and/or in a situation involving the use of deadly force. In a situation involving the use of deadly force, an officer must obtain the express permission of a member of the Command staff to review video footage prior to report preparation.~~

~~● When a body worn camera is powered on, it is passively recording video; similar to the WatchGuard cruiser cameras in use by the department, as of the date of this agreement. Both audio and video are recorded only when the body worn camera is switched to active record mode. Body worn cameras shall not be completely powered off during an officer's shift for any reason. The body worn camera shall be stored in an officer's uniform pants cargo pocket during bathroom breaks and locker room visits. The uniform pants cargo pocket is the only acceptable means of storing a body worn camera while an officer is on duty. Other potential recording situations, including, but not limited to, domestic violence safety planning and hospital visits, will be discussed in detail during future SOP committee meetings.~~

~~5. The PBA agrees that the implementation of both the pilot program and the anticipated expansion of the program to all sworn officers shall not require any further impact bargaining and shall not generate, require, or cause any additional wages, salaries, compensation, stipends, or specialty payments to be paid by the City to PBA members due to the introduction and use of body worn cameras.~~

~~This agreement contains the full and complete understanding of the parties and is effective upon its execution.~~

For the City of Portland

For the PBA

EXHIBIT N

MEMORANDUM OF AGREEMENT

AGREEMENT made this _____ day of November 2017, by the City of Portland (hereinafter the "City"), and the Portland Police Officers Benevolent Association (hereinafter the "PBA").

WHEREAS, the City is committed to the continued examination and evaluation of the police department's investigation of citizen complaints regarding police personnel;

WHEREAS, the PBA and the City both have an interest in assuring that the investigation of citizen complaints is done in a fair, objective, thorough and timely manner;

WHEREAS, the PBA and the City recognize the importance of maintaining public confidence in the methods of investigation of citizen complaints about police officers.

NOW, THEREFORE, the City and the PBA do hereby agree as follows:

1. Except as noted below in Paragraph #2, the parties agree to the changes to Chapter 2, Article VI of the City of Portland Code of Ordinances recommended to City Manager Jon Jennings by the Police Citizen Review Subcommittee, in a memo dated January 11, 2017 (which memo is incorporated herein by reference.)
2. The parties hereto do not agree with the Subcommittee's recommendation to limit the PCRS member disqualifiers listed in section 2-49(a-b) to two years; instead, the parties hereto agree that the disqualifiers shall remain in effect for a period of ten (10) years.
3. The parties agree that the suggested changes to Section 2-76, Function and Duties of the ordinance are reasonable and fair and will result in the continued efficient and effective functioning of the subcommittee.
4. That the PBA agrees that the implementation of the ordinance changes recommended by the Police Citizen Review Subcommittee, other than the two year disqualification period, is a sensible approach to the subcommittee and community concerns and that the changes will not generate, require or cause any additional wages, salaries, compensation, stipends or specialty payments to be paid by the City to PBA members due to the amendment of Chapter 2, Article VI of the City of Portland Code of Ordinances.

This MOA contains the full and complete understanding of the parties and is effective upon its execution.

For the City of Portland

For the PBA

EXHIBIT O

PBA/PORTLAND POLICE DEPARTMENT – RHSA

The City agrees to create a Retirement Health Savings Account (RHSA) for Members of the collective bargaining unit. The RHSA will contain the following provisions:

1. Employees shall not be eligible to participate in the RHSA until they have successfully completed their six-month probationary period.
2. A participant in the RHSA will contribute pre-tax dollars, via payroll deduction, to the RHSA, in the following amounts:
 - a. Sick Leave Accrual Contribution – In those instances where the employee's sick leave accrual at the end of the year (2021) reaches the number of hours designated below, the City agrees to contribute the monetary equivalent rate of compensation for the hours set forth below:

i. less than 400 hours	– 0 hours contributed
ii. 400 hours to 599 hours	– 20 hours contributed
iii. 600 hours to 799 hours	– 40 hours contributed
iv. 800 hours to 999 hours	– 60 hours contributed
v. 1000 hours to 1199 hours	– 80 hours contributed
vi. 1200 hours to maximum	– 100 hours contributed
 - b. Catch up Contributions -- In the first year of the plan only, at the end of calendar year 2021, employees whose accruals eclipse the figures set forth above will be allowed to contribute "catch up" amounts as follows: Employees who reached 600 plus hours will be able to contribute 40 hours plus the 20 hours for the prior (400 hour) step. For employees with 800 plus hours, they will be able to contribute the 60 hours, plus the 40 hours plus the 20 hours for a total of 120 hours; and so on and so forth to the highest step.
 - c. Completion of Service – Upon completion of service with the Police Department, fifty percent (50%) of all employee's compensable time as set forth in the CBA for termination pay, shall be deposited by the City into the employee's RHSA at the then monetary equivalent rate of compensation. The other fifty percent (50%) shall be paid to the employee in cash.
3. A participant in the RHSA may only withdraw funds for medical expenses. Withdrawal of funds may occur only upon separation from employment.

Formula for New Program Costing on Tax Rate

1) FY25 Valuation:	15,145,000,000	\$15,145,000
2) FY25 Tax Rate (Total City & School): <u>Levy / (Valuation/1000)</u>		\$15.01
(a) FY25 Tax Rate (City):		\$6.57
(b) FY25 Tax Rate (County):		\$0.56
(c) FY25 Tax Rate (School):		\$7.88
3) FY25 Value of \$0.01 of Tax Rate (Total City & School):		\$151,450

FISCAL IMPACT NOTE	FY25		FY26		FY27		FY28	
New Program Cost Data:	City Rate	City / Sch Combined Rate	City Rate	City / Sch Combined Rate	City Rate	City / Sch Combined Rate	City Rate	City / Sch Combined Rate
<u>Example:</u>								
ADD: NEW ITEM ANNUAL EXPENDITURES		\$303,000		\$1,034,000		\$1,053,100		\$1,073,000
LESS: TOTAL NEW ITEM ANNUAL REVENUES		\$0		\$0		\$0		\$0
=NEW ITEM NET TAX RATE IMPACT PROJECTION	\$303,000	\$303,000	\$1,034,000	\$1,034,000	\$1,053,100	\$1,053,100	\$1,073,000	\$1,073,000
New Program Impact to the Tax Rate	\$0.0200	\$0.0200	\$0.0683	\$0.0683	\$0.0695	\$0.0695	\$0.0708	\$0.0708
New Program % Impact on Tax Rate	0.3045%	0.1333%	1.0392%	0.4549%	1.0584%	0.4633%	1.0784%	0.4720%
Tax Rate Including New Program	\$15.03	\$15.03	\$15.08	\$15.08	\$15.08	\$15.08	\$15.08	\$15.08

The cost of year 1 (FY25) is \$303K and only includes one-time ratification bonuses. The ongoing costs related to the contract are shown in the FY26 column, and adjusted for anticipated COLAs for full years 2 (FY27) and 3 (FY28).

MEMORANDUM
City Council Agenda Item

FROM: Troy Moon, Sustainability Director

DATE: June 27, 2025

SUBJECT: Order 241-24/25 Amendment to Portland City Code Chapter 30 RE: Golf Carts - Sponsored by the Sustainability & Transportation Committee, Regina Phillips, Chair

SPONSOR: The Sustainability and Transportation Committee, Regina Phillips, 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 6/23/2025

Final Action 7/14/2025

Can action be taken at a later date: Yes

Does this item involve a new contract with the City: No.

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

I. SUMMARY

The amendment changes how the City regulates golf carts by removing the cap on the number of golf cart operators and establishing a wait list for rental golf cart licenses.

II. AGENDA DESCRIPTION

On May 14, 2025, the Sustainability & Transportation Committee unanimously recommended to the City Council approval of this amendment, which would change how the City regulates golf carts by removing the cap on the number of golf cart operators allowed and establishing a wait list for rental golf cart licenses.

City code requires that all golf cart rental operators be licensed by the City of Portland. It also allows the City Manager to establish a cap on the number of golf cart operators. The proposed amendment:

1. Eliminates the cap on rental golf cart operators: The current ordinance requires that the City facilitate a competitive bidding process between operators if the cap established by the City Manager is met, which is unclear and challenging to administer.
2. Directs the Permitting and Inspections Department to create and manage a wait list for cart licenses: The current ordinance allows the City Manager to set a cap on the number of cart licenses available but does not have a mechanism for interested parties to secure a spot in line when the number of licensed carts falls below the cap. Making this change will align cap management with other programs with caps such as short-term rentals and food truck licenses on Cutter Street. The recommended amendment explains how Permitting and Inspections will manage the wait list.

This item must be read on two separate days. It received its first reading on June 23. Five affirmative votes are required for passage after public comment.

III. BACKGROUND

IV. INTENDED RESULT AND/OR COUNCIL GOAL ADDRESSED

This amendment will provide clarity to the regulatory process, allowing for more confident and legally sound administration by staff.

V. FINANCIAL IMPACT

No fiscal impact.

VI. STAFF ANALYSIS AND BACKGROUND

VII. RECOMMENDATION

Staff recommends adoption of the amendment

VIII. LIST ATTACHMENTS

1. Amendment - Ch30 re Golf Carts
2. Michniewicz Amendment 1 to Order 241 (golf carts)

Prepared by:

Troy Moon, Sustainability Director

Date: 06/27/2025

MARK DION (MAYOR)
PIOUS ALI (A/L)
APRIL D. FOURNIER (A/L)
BENJAMIN GRANT (A/L)

**CITY OF PORTLAND
IN THE CITY COUNCIL**

SARAH MICHNIEWICZ (1)
WESLEY PELLETIER (2)
REGINA L. PHILLIPS (3)
ANNA BULLETT (4)
KATE SYKES (5)

**AMENDMENT TO PORTLAND CITY CODE
CHAPTER 30 RE: GOLF CARTS**

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF PORTLAND,
MAINE IN CITY COUNCIL ASSEMBLED AS FOLLOWS:**

1. *That the Section 30-110 of the Portland City Code Chapter 30 is hereby amended to read as follows:*

Sec. 30-110. Rental of Golf Carts for Operation on City Streets.

. . . .

(b) Limitations on number of ~~rental golf cart operators and~~ rental golf carts.

~~_(1) The City Manager may set a cap on the number of golf cart rental operators that may operate in the city at one time. If such a limit is met, the city shall determine operators through a competitive bidding process.~~

(12) The City Manager may set a cap on the number of rental golf carts that may operate in the city at one time. The Sustainability and Transportation Committee will review an annual report and recommendation made by the City Manager regarding the number of rental golf carts available for public use.

(2) Beginning on May 1, 2025, once the cap on the number of rental golf carts has been reached, the Permitting and Inspections Department will form and maintain a waitlist of golf cart rental operators seeking additional rental golf cart licenses.

(3) Rental golf carts licensed by May 1, 2025 may be renewed each year upon application and payment of the license

fee, so long as the renewal is complete by May 1 of each year.

(4) Failure of a golf cart rental operator to renew a license for any number of rental golf carts by May 1 of any subsequent year shall result in the forfeiture of the right to renew the license for that number of rental golf carts and any subsequent application shall be treated as a new application for registration and placed at the end of the waitlist.

(5) Any rental golf cart licenses forfeited pursuant to Section 30-110(b)(4) shall be offered to the first eligible golf cart rental operator on the waitlist, proceeding down the list until all available licenses are filled or the list has been exhausted.

. . . .

(d) Annual Registration Required. Beginning May 1 2020, every golf cart rental operator shall register each rental golf cart annually with the city.

. . . .

(4) Be stored on private property when not in active use and not be stored~~stored~~ in the City right-of-way.

. . . .

**AMENDMENT TO ORDER 241-24/25
PREPARED BY CORPORATION COUNSEL
FOR COUNCILOR SARAH MICHNIEWICZ
RE: RENTAL GOLF CART DEFINITION AND LICENSE FORFEITURE**

(a) Definitions. The following words shall have the following definitions for purposes of this article.

- (1) A rental golf cart means any golf cart rented or offered for rent to be operated on City streets. "Rental golf cart" shall not include any golf cart rented or offered for rent to be operated solely on a golf course or exclusively on one contiguous piece of~~other~~ public or private property.

...

- (b) Limitations on number of rental golf carts.

- (1) The City Manager may set a cap on the number of rental golf carts that may operate in the city at one time. The Sustainability and Transportation Committee will review an annual report and recommendation made by the City Manager regarding the number of rental golf carts available for public use.
- (2) Beginning on May 1, 2025, once the cap on the number of rental golf carts has been reached, the Permitting and Inspections Department will form and maintain a waitlist of golf cart rental operators seeking additional rental golf cart licenses.
- (3) Rental golf carts licensed by May 1, 2025 may be renewed each year upon application and payment of the license fee, so long as the renewal is complete by May 1 of each year.
- (4) Failure of a golf cart rental operator to renew a license for any number of rental golf carts by May 1 of any subsequent year shall result in the forfeiture of the right to renew the license for

that number of rental golf carts and any subsequent application shall be treated as a new application for registration and placed at the end of the waitlist. Forfeiture under this section shall not apply when a registered rental golf cart is decommissioned or otherwise out of operation and the registrant replaces the decommissioned golf cart with a new golf cart and registers the new cart within thirty (30) days of the decommission of the previously registered rental golf cart.

- (5) Any rental golf cart licenses forfeited pursuant to Section 30-110(b)(4) shall be offered to the first eligible golf cart rental operator on the waitlist, proceeding down the list until all available licenses are filled or the list has been exhausted.

. . . .

(d) Annual Registration Required. Beginning May 1 2020, every golf cart rental operator shall register each rental golf cart annually with the city.

. . . .

(4) Be stored on private property when not in active use and not be stored in the City right-of-way.

. . . .

MEMORANDUM
City Council Agenda Item

FROM: Greg Watson, Director

DATE: June 27, 2025

SUBJECT: Order 4-25/26 Designating the Portland Tourism Municipal Development District and Adopting the Development Program for the District for Fiscal Year 2025-2026 - Sponsored by the Housing & Economic Development Committee, Councilor Pious Ali, Chair

SPONSOR: Housing and Economic Development Committee, Councilor Pious Ali/Chair; meeting held June 17, 2025, and the vote was 3-1 (Phillips) to forward this to the City Council for 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 7/14/2025

Final

Action 7/14/2025

Can action be taken at a later date: No The required public notice will be published in the *Portland Press Herald* on July 2, 2025.

Does this item involve a new contract with the City: Yes. Corporation Counsel has reviewed and approved the Agreement.

PRESENTATION: Greg Watson/5 Minutes

I. SUMMARY

This item and companion items would approve the Portland Tourism Municipal Development District for Fiscal Year 2025/2026.

II. AGENDA DESCRIPTION

The District was originally approved by the City Council to begin with the second half of FY2024 – January 1, 2024, through June 30, 2024 and was then approved for its first full year beginning with FY2025, so FY2026 would be the second full year of operation.

For FY2026, City Council authorization is needed for the continued operation of the District, which includes: (1) Adopting the Development Program; (2) Establishment of Assessments for the District; and, (3) Authorizing the Agreement.

The revenue raised through the special assessment will fund the District's Development Program expenses for FY2026. The proposed assessment formula is detailed in the Staff Analysis section of this memo.

The Housing and Economic Development Committee reviewed this item at its June 17, 2025 meeting, and voted 3-1 (Phillips) to forward this to the City Council with a recommendation to approve the District.

This item must be read on two separate days. This is its first reading.

III. BACKGROUND

Visit Portland (VP), a/k/a Greater Portland Convention and Visitors Bureau, had originally approached the City indicating a need for the District as they were underfunded compared with other Destination Marketing

Organizations (DMO), the majority of which are funded by lodging taxes and/or tourism development districts. Historically, VP had been largely funded by annual membership dues and advertising revenue. At that time, VP reported that their then current annual budget was less than half-a-million dollars, while pre-pandemic budgets had exceeded \$1M. Other DMOs of similar size to VP have operating budgets of anywhere from \$2.3 Million to \$14 Million. In order to be sustainable, VP requested the creation of the District.

In consultation with Corporation Counsel's office and outside counsel, it was determined that the District could be established using assessments similar to the Portland Downtown District (PDD). An assessment would be placed on non-seasonal lodging houses within the District of 40 or more rooms, at 1.5% per room sold. The larger lodging houses in the District were targeted for this level of financial contribution due to the programming that would occur through the District for tourism, economic development, and conferences.

Using data from 2024, it is estimated that an assessment rate of 1.5% per room sold would bring in an estimated \$1.445 Million in assessments for FY2026. The City's administrative fee is 10% of assessments collected, which would net VP an estimated \$1.3 Million for FY2026. See attached listing of the contributing lodging houses and estimated assessments.

With the District in place, VP has a sustainable source of funding to keep Portland competitive as a tourist and convention destination and provide assurances for additional marketing efforts needed during seasonal or economic downturns. VP targets national audiences and capitalizes on growth markets to drive high value, overnight offseason travel to the area, and solidify Portland as a year-round destination. These efforts bolster hotels, restaurants, and retail, their employees, and the multitude of local business contracts needed to run these establishments.

VP tracks results to show a return on investment as a result of the District.

IV. INTENDED RESULT AND/OR COUNCIL GOAL ADDRESSED

The intended result would be for the Portland City Council to approve the District in a similar fashion as it does annually for the PDD, which would include approving the Development Program, Assessment Fee, and Agreement.

V. FINANCIAL IMPACT

As the City negotiated a 10% administrative fee during the initial District approval to be retained by the City, there is no financial impact to the City. Administrative fees are intended to cover staff costs associated with the administration of the program, as well as provide funding for City infrastructure needs impacted by increased tourism, including but not limited to, new public restrooms and maintenance, new trash receptacles and maintenance, public benches, and transportation.

For FY25, the City collected \$143,205.21 for our 10% administrative fee. No amount was collected in excess of the 10%. This fee was appropriated within the FY25 operating budget to cover costs related to administration of the program, with no amount set aside for future infrastructure investments or costs. The FY26 administrative fee is expected to rise slightly to an estimated \$144,500 and was appropriated by Council as part of the FY26 operating budget approval in June 2025.

VI. STAFF ANALYSIS AND BACKGROUND

The intended result would be for the Portland City Council to approve the District in a similar fashion as it does annually for the PDD, which would include approving the Development Program, Assessment Fee, and Agreement.

VII. RECOMMENDATION

The Housing and Economic Development Committee reviewed this at their June 17, 2025, meeting and voted 3-1 (Phillips) to forward this to the City Council for approval.

VIII. LIST ATTACHMENTS

1. Order 4 - Adopting the Development Program for the Portland Tourism Municipal Development District
2. PTDD Redlined Development Plan 6-11-2025
3. PTDD Cln Development Plan 6-11-2025

Prepared by:

Greg Watson, Director

Date: 06/27/2025

MARK DION (MAYOR)
PIOUS ALI (A/L)
APRIL D. FOURNIER (A/L)
BENJAMIN GRANT (A/L)

**CITY OF PORTLAND
IN THE CITY COUNCIL**

SARAH MICHNIEWICZ (1)
WESLEY PELLETIER (2)
REGINA L. PHILLIPS (3)
ANNA BULLETT (4)
KATE SYKES (5)

**ORDER DESIGNATING THE PORTLAND TOURISM MUNICIPAL DEVELOPMENT
DISTRICT AND ADOPTING THE DEVELOPMENT PROGRAM FOR THE DISTRICT
FOR FISCAL YEAR 2025-2026**

ORDERED, that pursuant to 30-A M.R.S. Section 5224, after public hearing, the City Council of the City of Portland hereby designates the Portland Tourism Municipal Development District and adopts the Development Program submitted by the City Manager, in substantially the form as attached hereto, for the fiscal year 2025-2026.

ECONOMIC DEVELOPMENT PROJECT

CITY OF PORTLAND, MAINE

A Municipal Development District

**PORTLAND TOURISM MUNICIPAL DEVELOPMENT DISTRICT
DEVELOPMENT PROGRAM**

Presented to:

City Council

City of Portland

June __, 2025

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Exhibit List

Exhibit A	City of Portland Property Map Showing District Property Relative to City Boundaries
Exhibit B	Notice of Public Hearing
Exhibit C	Minutes of Public Hearing
Exhibit D	City Council Order
Exhibit E	Statutory Requirements and Thresholds Form

Development Program

I. Introduction

The City of Portland (the “City”) seeks to establish a Municipal Development District to be known as the “**Portland Tourism Municipal Development District**” (the “District”), located throughout the City of Portland.

The District includes 23 non-seasonal hotels with 40 rooms or more to be assessed for the District to provide programs, services and improvements as described in this Development Program.

In designating the proposed District and adopting this Development Program, the City can accomplish the following goals:

- Maintain and ideally expand the existing tax revenues flowing from the District properties;
- Enable the investment of assessment payments made by properties uniformly and proportionally benefitting from the Development Program in strategic sales, marketing, promotions, destination development and special events;
- Maintain and create long-term, stable employment opportunities for area residents; and
- Improve the overall economy of the City, the Cumberland County region, and the State of Maine.

II. Development Program Narrative

A. The Development District

The District will encompass approximately 42.1269 acres of real property, and includes the following\ City Tax Map/Lots/Blocks: 019-B020001 (0.6552 acres), 042-A001001 (0.807 acres), 20-C009001 (0.7983 acres), 038-G005001 (0.5462 acres), 054-G001001 (.2459 acres), 189-A014001 (4.8057 acres), 040-E00300H (0.767 acres), 210A-A005001 (2.78 acres), 266-A002001 (5.3691), 029-L00100H (0.5829 acres), 265-A001001 (2.9256 acres), 029-K003001 (0.3866 acres), 209A-A016002 (2.2107 acres), 039-E010001 (2.3018 acres), 032-I042001 (0.4392 acres), 065-A003001 (2.007 acres), 266-A001001 (3.0384 acres), 038-F009001 (0.6505 acres), 029-R001001 (0.5596 acres), 267-B001001 (8.173 acres), 020- C010001 (0.7821 acres), 032-C001001 (0.2304 acres), 037-E007001 (1.0647 acres) (each a “District Property”). The District is shown in **Exhibit A** attached hereto.

B. The Development Program

The City’s designation of the District and adoption of this Development Program allows for the City to fund activities and projects to be supported by the District Property owners, and also coordinate services to ensure effective delivery and proper support for tourism promotion while building on existing revitalization efforts and protection of public and private investment. The travel industry is a major economic driver for the City and Maine. Visitor spending not only

supports tourism-related businesses but also the local artists, lobster/fishing community, cultural institutions, food & beverage establishments, and small businesses that residents alone could not support year-round. Therefore, it is in the public interest of the City, and vital to the welfare of the City's economy, to facilitate and encourage cooperating public-private partnerships where lodging properties become partners with the City for the enhancement and expansion of the travel economy and to provide for increased business activity, tourism, economic development and job creation throughout the District.

The term of the District will commence when established by the City Council and continue indefinitely, subject to annual budget approvals by the City Council, until the Council takes action to terminate or amend the District. District Property owners may submit a petition to the City Council at any time requesting that the District be terminated, which the City will consider in accordance with applicable law.

Under this Development Program, projects as listed below in Table 1 will be executed through an agreement with a development program manager (the "Development Program Manager").

This Development Program is structured and proposed pursuant to Chapter 206 of Title 30-A of the Maine Revised Statutes, as amended (the "Statute"). The designation of the District and adoption of the Development Program are effective upon approval by the City Council, evidenced by Exhibit C and Exhibit D hereto.

~~C. — The Projects~~
C. Services and Programming

District Property owners will pay assessments on an annual basis to support the program. The formation of the District is intended to contribute to the economic growth and wellbeing of the City, and to the betterment of the health, welfare or safety of the inhabitants of the City. To accomplish this intention, the City desires to support the costs described below using District revenues. The City shall not reduce services to the District Properties because of the implementation of the District. Projects and services approved and executed by the District shall be in addition to and not in the place of municipal projects and services. Assessment revenues must be spent in accordance with the financial plan.

The annual project costs presented in the annual Financial Plan shall be approved by the City Council and must be contained within the project descriptions below and identified in the Order Establishing the Portland Tourism Development District. Please see Table 1 herein for a complete list of authorized projects and their respective cost estimates for the second half of the 2024 fiscal year. Future cost estimates for the projects will be approved on an annual basis and will serve as the basis for the assessment calculation.

TABLE 1
Municipal Projects

<u>Project Services</u> <u>and</u> <u>Programming</u>	FY 2026 Cost Estimate*
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<u>A. Sales, Marketing, Promotions, Destination Development and Special Events.</u> Marketing efforts will reach markets such as Leisure Travelers, Meetings & Conferences, Sporting Events, Destination Weddings and Social Events, International Travelers, Motorcoaches, Cruise Passengers, and Media/Influencers. Marketing messaging will reach all ages of travelers and target all demographics including BIPOC and LGBTQ+. Ten percent (10%) of the Sales, Marketing, Promotions, Destination Development, and Special Events budget shall be allotted specifically to reach the BIPOC, LGBTQ+ markets, and community DEI efforts. Projects may include: • Promoting and marketing tourism in different periods (for example out of season or shoulder seasons); • Research & Development of a marketing plan designed to outline a strategy for attracting potential visitors and expand programs to attract diverse visitors at the right time with the right message; • Regional and national leisure marketing and convention trade marketing programs inclusive of broadcast, social, digital, audio, print, pay-per- click and out-of-home channels, designed to increase awareness of and drive overnight traffic to the destination – in turn, benefitting the assessed lodging properties through increased consumer demand and increased year-round room night bookings.; • Public Relations and media programs that enhance the profile of Portland as a visitor, meetings and event destination – in turn, benefitting the assessed lodging properties through increased consumer demanded increased room night bookings; • Dedicated funds to support incentives, hosting fees and other offsetting costs associated with securing strategic industry events, incremental group and convention business, and/or large-scale events for the destination that generate room nights for the assessed lodging properties; • Strategic partnerships, sponsorships, or other alliances that reinforce the City of Portland as a destination of choice within the travel marketplace for meetings, events and leisure travel – in turn, generating greater room night sales to the assessed lodging properties; • Attendance at tradeshow, conferences, and professional industry/partner events to promote the destination and the assessed lodging properties; • Sales missions, client events, site inspections, and familiarization tours showcasing the destination and the assessed lodging properties;	\$791,949
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- | | |
|--|--|
| <ul style="list-style-type: none">• Visitor services programs designed to extend stays at assessed lodging properties and increase visitor spending;• Preparation, production, mailing, and distribution of collateral promotional materials such as brochures, flyers, maps, and videos featuring assessed lodging properties;• Research on current and new markets that would result in additional room night sales to assessed lodging properties | |
|--|--|

<u>Project Services</u> <u>and</u> <u>Programming</u>	FY 2026 Cost Estimate*
B. Business Practices & Workforce Initiatives Work with lodging partners, attractions, restaurants, venues and other tourism-related entities to support programs that encourage sustainable visitation. Services may include: • Programs to combat congestion at specific locations and reduce pressure on infrastructure and resources that have a negative impact on the quality of life for residents; • Programming to sustain demand and undertaking activities that balance the livability of the destination in popular tourism periods and generating overnight stays from leisure travelers especially during need periods; • Infrastructure or capital improvements, including maintenance activities, that enhance Portland’s competitive position to attract desirable special events year around and attract overnight visitors including payment of debt service on such expenditures; • <u>Funds may shall be deployed to build programs to support a sustainable workforce. Programming may include destination-wide workforce assessment, cost analysis and investment strategy, and apprenticeship/ or educational programming as seasonality requires, and worker-led roundtables and peer listening sessions designed to foster open dialogue among hospitality employees, as well as a community-facing workforce website that highlights worker contributions and connects them with professional resources.</u>	\$100,000
C. <u>District Administration</u> The administration portion of the budget shall be utilized for administrative costs, office costs, and other general administrative costs such as insurance, legal, and accounting fees incurred by the City and the Development Program Manager. A portion of the budget will be allocated to a contingency fund. If there are contingency funds collected, they may be held in a reserve fund or utilized for other program or administration costs at the discretion of the Development Program Manager board. Policies relating to contributions to the reserve fund, the target amount of the reserve fund, and expenditure of monies from the reserve fund shall be set by the Board, subject to approval by the City.	\$533,692
D. <u>Return on Investment/ Quarterly and Annual Reporting</u> <u>The Development Program Manager will account for the expenses and results of the District district specific to the services Services and programming Programming and the return on investment as it relates to be recorded benefiting the property owners in room nights sold, lodging properties occupancy percentages, and revenues generated the district and community related impact such as workforce programs.</u>	\$20,000

<u>Project Services</u> <u>and</u> <u>Programming</u>	FY 2026 Cost Estimate*
Total	\$1,445,641

* These are estimates only. The City may approve different budgeted amounts for the listed projects each year.

D. Strategic Growth and Development

By creating and designating the District, the City can achieve the appropriate level of programs, services and improvements described in this Development Program as well as a fair and appropriate financial contribution from each party benefitting from such activities. Establishing the public private partnership to fund our local tourism industry will pave the way for an engaged community that will be invested in efforts to stabilize and sustain a year-round balanced visitor demand, local workforce development and support, creating a new platform for Portland to elevate the accessibility to its diverse community, support residents and business development, and maintain and evolve experiences for visitors.

In addition, by providing additional services for assessed lodging properties in the City of Portland, the District will ease the burden on local government, which faces constrained budgets, while under obligation to provide equivalent levels of service throughout the entire community.

The City's designation of the District and pursuit of this Development Program constitute a good and valid public purpose described in Chapter 206 of Title 30-A of Maine Revised Statutes because it represents a substantial contribution to the economic well-being of both the City and the region, by supporting surrounding businesses which provide jobs and contribute to property taxes.

E. Improvements to the Public Infrastructure

As further set forth in Table 1, the City will undertake a variety of operations and maintenance activities, including potential public infrastructure improvements.

F. Operational Components

1. Public Facilities

As further set forth in Table 1, the City may undertake public capital improvement projects and maintenance activities.

2. Commercial Improvements Financed Through Development Program

No commercial improvements will be financed through the District or assessments.

3. Relocation of Displaced Persons

No persons will be displaced.

4. Transportation Improvements

No transportation improvements will be financed through the District or Assessments.

5. Environmental Controls

The improvements made under the proposed Development Program will meet or exceed all federal and state environmental regulations 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 designee will be responsible for all administrative matters within the purview of the City concerning the implementation and operation of the District, including the imposition and collection of implementation assessments.

Pursuant to the Development Districts Law, the City will enter into a contractual arrangement with the Development Program Manager to perform the Projects outlined in Table 1 above and all administrative matters associated with the Development Program other than those matters within the purview of the City. The Development Program Manager shall establish a corporate Board of Directors whose members fairly represent a cross section of assessed property owners or their designees in the District and include on the Board one (1) ex-officio Director seat for the Portland Housing and Economic Development Director or the City Manager's designee.

III. Physical Description

Municipal documents relating to the District's physical description attached as: City of Portland property map showing the District relative to City boundaries. **Exhibit A**

IV. Financial Plan

The District will encompass approximately 42.1269 acres of property and will begin for the 2026 fiscal year July 1, 2025 – June 30, 2026, with subsequent fiscal years with an indefinite term of years to be terminated only upon Council action.

A. Cost Estimate and Sources of Revenues

All non-seasonal lodging properties with forty (40) or more rooms within the boundaries of the City of Portland that meet the assessed property criteria shall be assessed. The assessment is based upon the benefits received from the district programming, derived from the business activity related to the parcel. The fiscal year method and assessment rate is based on short term room rental using the US Average, Average Daily Rate (ADR) multiplied by fifty-percent (50%) occupancy as reported by STR year or, when unavailable, as reported by the District Property, for the previous year, multiplied by one and one-half percent (1.5%) which is also equal to one and one-half percent (1.5%) of annual gross short-term room rental revenue.

With a July 1, 2025, District begin date, the budget is based on July 1, 2025, to June 30, 2026, business activity as reported by STR as outlined above, or when unavailable as reported by District Property owners. The subsequent annual assessment will be calculated in a similar manner to the initial assessment using the most recent available previous fiscal year data as reported by STR as outlined above, or when unavailable by District Property Owners.

Assuming a July 1, 2025 District begin date, the District is expected to have a budget (FY2026) of approximately \$1,445,641 based on the assessment rate described above and the cost of programs detailed in the attached budget and as described in Table 1.

B. Collections and Remittance

Pursuant to the Development Districts Law, assessments must be collected by the City at the same time and in the same manner as municipal taxes, following municipal procedures as outlined by the City of Portland. The City shall forward to the Development Program Manager all District assessment funds collected within thirty (30) days of collection, less a ten (10) percent City administrative fee as authorized in the District Development Program. The City tax collector has all the authority and powers by law to collect the assessments. If any District Property owner fails to pay any assessment or part of an assessment on or before the dates required, the City has all the authority and powers to collect the delinquent assessments vested in the City by law to collect delinquent municipal taxes. Penalties for nonpayment of assessments shall be equivalent to penalties for nonpayment of property taxes. Assessments may be remitted on a monthly basis in advance of the municipal tax billing. The City administrative fee may be used for any costs or expenses related to the administration, collection, enforcement, and reporting particular to the District. Any additional funds shall be spent in accordance with the Development Districts Law in a manner which uniformly benefits the assessed parcels in the district. The City may require reporting and conduct an audit without cause no more than once every year to verify remittance in accordance with the assessment formula.

C. Municipal Indebtedness

The City reserves the right to issue municipal bonds in order to pay for costs of maintenance and operations costs. Any municipal bond issued for such a project would require City Council approval and follow the Charter required process.

D. Related Contract, Agreements, and Obligations

There are no existing terms and conditions of any agreements, contracts, or other obligations related to this Program, other than the anticipated contract with the Development Program Manager to implement the Projects outlined in Table 1 above and all other administrative matters concerning the implementation and operation of the District, other than those matters within the purview of the City.

E. Rollover Funds

Any and all unused fee funds collected during a year may be rolled over to the subsequent year to be used for programs detailed in the Financial Plan. In the event of termination of the

District, any remaining revenues, after all outstanding debts are paid, derived from the charge of fees, or derived from the sale of assets acquired with the revenues, shall be appropriated for the purposes of this Development Program.

F. Reserve Policy

The District's Development Program Manager may develop a Reserve Policy to establish minimum levels for designated funds to ensure stable program and project execution, meet future needs, and protect against financial instability, subject to approval by the City.

V. Financial Data

Please find attached as **Exhibit E** the Statutory Requirements and Thresholds Form required by the Maine Department of Economic and Community Development.

VI. Municipal Approvals

A. Notice of Public Hearing

Attached as **Exhibit A** is a copy of the Notice of Public Hearing held on _____ in accordance with the requirements of 30-A M.R.S.A. § 5226(1). The notice was published in the Portland Press Herald, a newspaper of general circulation in the City _____ on a date at least ten (10) days prior to the public hearing.

B. Minutes of Public Hearing

Attached as **Exhibit C** is a certified copy of the minutes of the public hearing held on , at which time the proposed District was discussed by the public.

C. City Council Order

Attached as **Exhibit D** is an attested copy of the City Council Order adopted by the Portland City Council at a Council Meeting duly called and held on _____, 2024, designating the District and adopting the Development Program.

EXHIBIT A

CITY OF PORTLAND PROPERTY MAP SHOWING DISTRICT PROPERTY
RELATIVE TO CITY BOUNDARIES

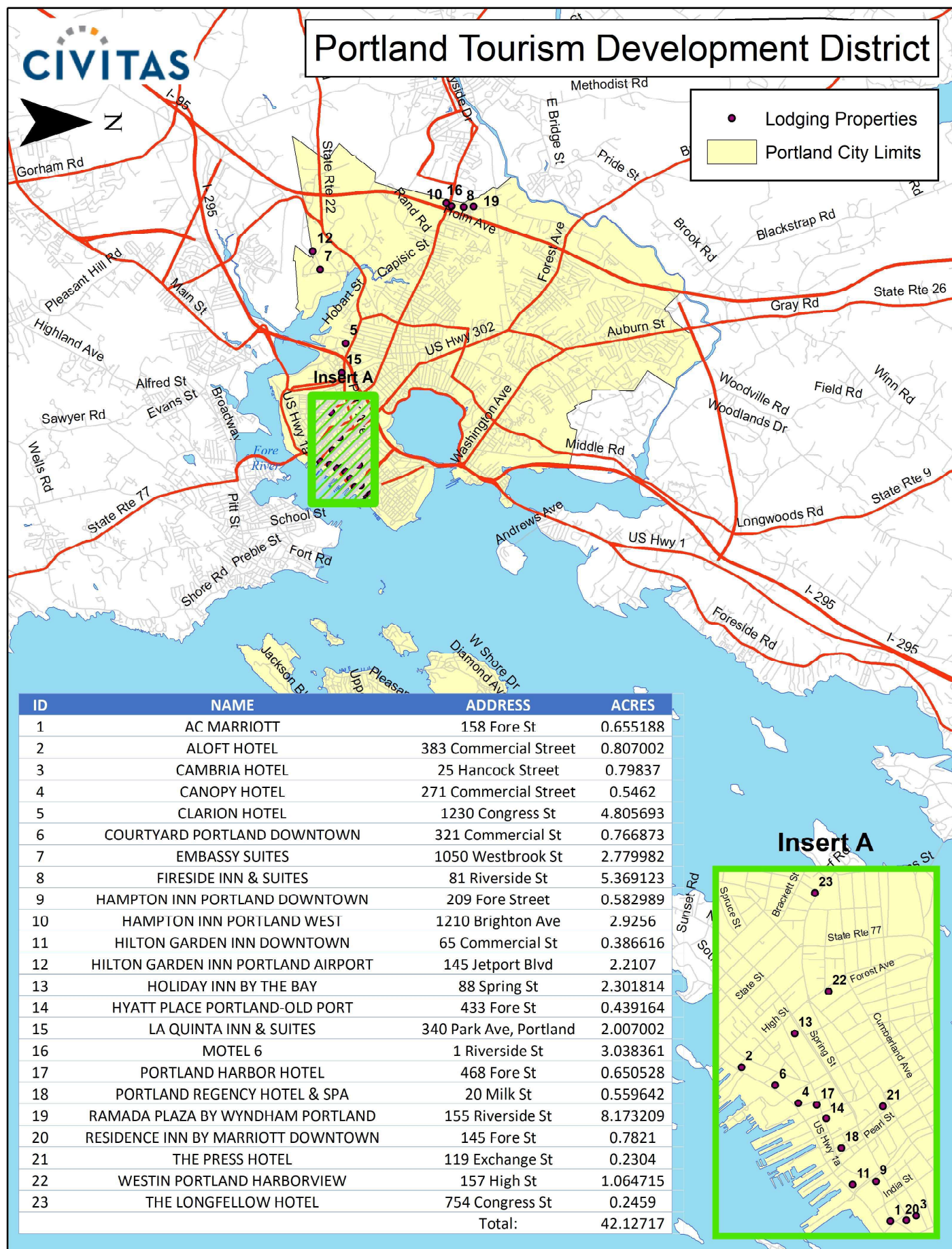


EXHIBIT B
NOTICE OF PUBLIC HEARING

EXHIBIT C
MINUTES OF PUBLIC HEARING

EXHIBIT D
CITY COUNCIL ORDER

EXHIBIT E
STATUTORY REQUIREMENTS AND THRESHOLDS FORM

EXHIBIT E
STATUTORY REQUIREMENTS AND THRESHOLDS
PORTLAND TOURISM MUNICIPAL DEVELOPMENT DISTRICT/FY2026

SECTION A. Acreage Caps		
1. Total municipal acreage;	13,785.6	
2. Acreage of proposed Municipal Development District;	42.1269	
3. Downtown-designation ¹ acres in proposed Municipal Development District;	0	
4. Transit-Oriented Development ² acres in proposed Municipal Development District;	0	
5. Total acreage [=A2-A3-A4] of proposed Municipal Development District counted toward 2% limit;	42.1269	
6. Percentage [=A5÷A1] of total acreage in proposed Municipal Development District (CANNOT EXCEED 2%).	.3056%	
7. Total acreage of all <u>existing/proposed</u> Municipal TIF districts in municipality including Municipal Affordable Housing Development districts: ³ SEE ATTACHED LISTING . District Name/Acreage District Name/Acreage District Name/Acreage District Name/Acreage District Name/Acreage District Name/Acreage	Existing	847.5118
	Proposed	42.1269
	Total:	889.6387
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: District Name/Acreage District Name/Acreage	30.00	
10. Acreage of all <u>existing/proposed</u> Community Wind Power Municipal TIF districts: District Name/Acreage District Name/Acreage	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: District Name/Acreage District Name/Acreage District Name/Acreage District Name/Acreage District Name/Acreage District Name/Acreage	0	
12. Total acreage [=A7-A8-A9-A10-A11] of all <u>existing/proposed</u> Municipal TIF districts counted toward 5% limit;	443.47	
13. Percentage of total acreage [=A12÷A1] of all <u>existing/proposed</u> Municipal TIF districts (CANNOT EXCEED 5%).	3.2169%	
14. Real property in proposed Municipal Development 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.	42.1269	100%
TOTAL (except for § 5223 (3) exemptions a., b. OR 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.

EXHIBIT E
STATUTORY REQUIREMENTS AND THRESHOLDS
PORTLAND TOURISM MUNICIPAL DEVELOPMENT DISTRICT/FY2026

SECTION B. Valuation Cap			
1.	Total TAXABLE municipal valuation—use most recent April 1;	N/A	
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;	N/A	
3.	Taxable OAV of all <u>existing/proposed</u> Municipal TIF districts in municipality excluding Municipal Affordable Housing Development districts:	Existing	N/A
	District Name/OAV District Name/OAV District Name/OAV	Proposed	N/A
	District Name/OAV District Name/OAV District Name/OAV	Total:	N/A
30-A § 5223(3) EXEMPTIONS			
4.	Taxable OAV of an <u>existing/proposed</u> Downtown Municipal TIF district;	N/A	
5.	Taxable OAV of all <u>existing/proposed</u> Transit-Oriented Development Municipal TIF districts: District Name/OAV District Name/OAV	N/A	
6.	Taxable OAV of all <u>existing/proposed</u> Community Wind Power Municipal TIF districts: District Name/OAV District Name/OAV	N/A	
7.	Taxable OAV of all <u>existing/proposed</u> Single Taxpayer/High Valuation ⁶ Municipal TIF districts: District Name/OAV District Name/OAV	N/A	
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: District Name/OAV District Name/OAV District Name/OAV District Name/OAV District Name/OAV District Name/OAV	N/A	
9.	Total taxable OAV [=B3-B4-B5-B6-B7-B8] of all <u>existing/proposed</u> Municipal TIF districts counted toward 5% limit;	N/A	
10.	Percentage of total taxable OAV [=B9÷B1] of all <u>existing/proposed</u> Municipal TIF districts (CANNOT EXCEED 5%).	N/A	

COMPLETED BY			
PRINT NAME	Lori Paulette		
SIGNATURE		DATE	4/11/2025
If this form has <u>not be completed by the municipal or plantation assessor</u> , the assessor must sign and date below, acknowledging he/she agrees with the information reported on this form, and understands the OAV stated in Section B, line 2, will be used to determine the IAV for this District.			
PRINT NAME	Elisa Marr		
SIGNATURE		DATE	

⁶ For this exemption see 30-A §5223(3)(C) sub-§§ 1-4.

Listing of Existing TIF Districts

4/11/2025

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
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
70 E. Oxford		\$0	0.560
Portland Tourism Dev. District	n/a	n/a	42.1269
Portland Downtown Munic. Dev. Dist.	n/a	n/a	130.9100
Sub-Total:		\$1,127,526,583	889.6387
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	443.470
FY2023 Aggregate Total Value:		\$14,872,866,446	
Total Acreage for Ptlid:			13,785.600
5% Allowed to be TIF'd:		\$743,643,322	689.280
Current Amounts TIF'd:		\$157,853,850	443.470
Amount Remaining that can be TIF'd:		\$585,789,472	245.810

ECONOMIC DEVELOPMENT PROJECT

CITY OF PORTLAND, MAINE

A Municipal Development District

**PORTLAND TOURISM MUNICIPAL DEVELOPMENT DISTRICT
DEVELOPMENT PROGRAM**

Presented to:

City Council

City of Portland

June __, 2025

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Exhibit List

Exhibit A	City of Portland Property Map Showing District Property Relative to City Boundaries
Exhibit B	Notice of Public Hearing
Exhibit C	Minutes of Public Hearing
Exhibit D	City Council Order
Exhibit E	Statutory Requirements and Thresholds Form

Development Program

I. Introduction

The City of Portland (the “City”) seeks to establish a Municipal Development District to be known as the “**Portland Tourism Municipal Development District**” (the “District”), located throughout the City of Portland.

The District includes 23 non-seasonal hotels with 40 rooms or more to be assessed for the District to provide programs, services and improvements as described in this Development Program.

In designating the proposed District and adopting this Development Program, the City can accomplish the following goals:

- Maintain and ideally expand the existing tax revenues flowing from the District properties;
- Enable the investment of assessment payments made by properties uniformly and proportionally benefitting from the Development Program in strategic sales, marketing, promotions, destination development and special events;
- Maintain and create long-term, stable employment opportunities for area residents; and
- Improve the overall economy of the City, the Cumberland County region, and the State of Maine.

II. Development Program Narrative

A. The Development District

The District will encompass approximately 42.1269 acres of real property, and includes the following\ City Tax Map/Lots/Blocks: 019-B020001 (0.6552 acres), 042-A001001 (0.807 acres), 20-C009001 (0.7983 acres), 038-G005001 (0.5462 acres), 054-G001001 (.2459 acres), 189-A014001 (4.8057 acres), 040-E00300H (0.767 acres), 210A-A005001 (2.78 acres), 266-A002001 (5.3691), 029-L00100H (0.5829 acres), 265-A001001 (2.9256 acres), 029-K003001 (0.3866 acres), 209A-A016002 (2.2107 acres), 039-E010001 (2.3018 acres), 032-I042001 (0.4392 acres), 065-A003001 (2.007 acres), 266-A001001 (3.0384 acres), 038-F009001 (0.6505 acres), 029-R001001 (0.5596 acres), 267-B001001 (8.173 acres), 020- C010001 (0.7821 acres), 032-C001001 (0.2304 acres), 037-E007001 (1.0647 acres) (each a “District Property”). The District is shown in **Exhibit A** attached hereto.

B. The Development Program

The City’s designation of the District and adoption of this Development Program allows for the City to fund activities and projects to be supported by the District Property owners, and also coordinate services to ensure effective delivery and proper support for tourism promotion while building on existing revitalization efforts and protection of public and private investment. The travel industry is a major economic driver for the City and Maine. Visitor spending not only

supports tourism-related businesses but also the local artists, lobster/fishing community, cultural institutions, food & beverage establishments, and small businesses that residents alone could not support year-round. Therefore, it is in the public interest of the City, and vital to the welfare of the City's economy, to facilitate and encourage cooperating public-private partnerships where lodging properties become partners with the City for the enhancement and expansion of the travel economy and to provide for increased business activity, tourism, economic development and job creation throughout the District.

The term of the District will commence when established by the City Council and continue indefinitely, subject to annual budget approvals by the City Council, until the Council takes action to terminate or amend the District. District Property owners may submit a petition to the City Council at any time requesting that the District be terminated, which the City will consider in accordance with applicable law.

Under this Development Program, projects as listed below in Table 1 will be executed through an agreement with a development program manager (the "Development Program Manager").

This Development Program is structured and proposed pursuant to Chapter 206 of Title 30-A of the Maine Revised Statutes, as amended (the "Statute"). The designation of the District and adoption of the Development Program are effective upon approval by the City Council, evidenced by Exhibit C and Exhibit D hereto.

C. Services and Programming

District Property owners will pay assessments on an annual basis to support the program. The formation of the District is intended to contribute to the economic growth and wellbeing of the City, and to the betterment of the health, welfare or safety of the inhabitants of the City. To accomplish this intention, the City desires to support the costs described below using District revenues. The City shall not reduce services to the District Properties because of the implementation of the District. Projects and services approved and executed by the District shall be in addition to and not in the place of municipal projects and services. Assessment revenues must be spent in accordance with the financial plan.

The annual project costs presented in the annual Financial Plan shall be approved by the City Council and must be contained within the project descriptions below and identified in the Order Establishing the Portland Tourism Development District. Please see Table 1 herein for a complete list of authorized projects and their respective cost estimates for the second half of the 2024 fiscal year. Future cost estimates for the projects will be approved on an annual basis and will serve as the basis for the assessment calculation.

TABLE 1
Municipal Projects

Services and Programming	FY 2026 Cost Estimate*
-------------------------------------	---------------------------------------

<u>A. Sales, Marketing, Promotions, Destination Development and Special Events.</u> Marketing efforts will reach markets such as Leisure Travelers, Meetings & Conferences, Sporting Events, Destination Weddings and Social Events, International Travelers, Motorcoaches, Cruise Passengers, and Media/Influencers. Marketing messaging will reach all ages of travelers and target all demographics including BIPOC and LGBTQ+. Ten percent (10%) of the Sales, Marketing, Promotions, Destination Development, and Special Events budget shall be allotted specifically to reach the BIPOC, LGBTQ+ markets, and community DEI efforts. Projects may include: • Promoting and marketing tourism in different periods (for example out of season or shoulder seasons); • Research & Development of a marketing plan designed to outline a strategy for attracting potential visitors and expand programs to attract diverse visitors at the right time with the right message; • Regional and national leisure marketing and convention trade marketing programs inclusive of broadcast, social, digital, audio, print, pay-per- click and out-of-home channels, designed to increase awareness of and drive overnight traffic to the destination – in turn, benefitting the assessed lodging properties through increased consumer demand and increased year-round room night bookings.; • Public Relations and media programs that enhance the profile of Portland as a visitor, meetings and event destination – in turn, benefitting the assessed lodging properties through increased consumer demanded increased room night bookings; • Dedicated funds to support incentives, hosting fees and other offsetting costs associated with securing strategic industry events, incremental group and convention business, and/or large-scale events for the destination that generate room nights for the assessed lodging properties; • Strategic partnerships, sponsorships, or other alliances that reinforce the City of Portland as a destination of choice within the travel marketplace for meetings, events and leisure travel – in turn, generating greater room night sales to the assessed lodging properties; • Attendance at tradeshow, conferences, and professional industry/partner events to promote the destination and the assessed lodging properties; • Sales missions, client events, site inspections, and familiarization tours showcasing the destination and the assessed lodging properties;	\$791,949
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- | | |
|--|--|
| <ul style="list-style-type: none">• Visitor services programs designed to extend stays at assessed lodging properties and increase visitor spending;• Preparation, production, mailing, and distribution of collateral promotional materials such as brochures, flyers, maps, and videos featuring assessed lodging properties;• Research on current and new markets that would result in additional room night sales to assessed lodging properties | |
|--|--|

Services and Programming	FY 2026 Cost Estimate*
B. Business Practices & Workforce Initiatives Work with lodging partners, attractions, restaurants, venues and other tourism-related entities to support programs that encourage sustainable visitation. Services may include: • Programs to combat congestion at specific locations and reduce pressure on infrastructure and resources that have a negative impact on the quality of life for residents; • Programming to sustain demand and undertaking activities that balance the livability of the destination in popular tourism periods and generating overnight stays from leisure travelers especially during need periods; • Infrastructure or capital improvements, including maintenance activities, that enhance Portland’s competitive position to attract desirable special events year around and attract overnight visitors including payment of debt service on such expenditures; • Funds shall be deployed to build programs to support a sustainable workforce. Programming may include destination-wide workforce assessment, apprenticeship or educational programming as seasonality requires, and worker-led roundtables and peer listening sessions designed to foster open dialogue among hospitality employees, as well as a community-facing workforce website that highlights worker contributions and connects them with professional resources.	\$100,000
C. <u>District Administration</u> The administration portion of the budget shall be utilized for administrative costs, office costs, and other general administrative costs such as insurance, legal, and accounting fees incurred by the City and the Development Program Manager. A portion of the budget will be allocated to a contingency fund. If there are contingency funds collected, they may be held in a reserve fund or utilized for other program or administration costs at the discretion of the Development Program Manager board. Policies relating to contributions to the reserve fund, the target amount of the reserve fund, and expenditure of monies from the reserve fund shall be set by the Board, subject to approval by the City.	\$533,692
D. <u>Return on Investment/ Quarterly and Annual Reporting</u> The Development Program Manager will account for the expenses and results of the district specific to the Services and Programming and the return on investment as it relates to benefiting the property owners in the district and community related impact such as workforce programs.	\$20,000

Services and Programming	FY 2026 Cost Estimate*
Total	\$1,445,641

* These are estimates only. The City may approve different budgeted amounts for the listed projects each year.

D. Strategic Growth and Development

By creating and designating the District, the City can achieve the appropriate level of programs, services and improvements described in this Development Program as well as a fair and appropriate financial contribution from each party benefitting from such activities. Establishing the public private partnership to fund our local tourism industry will pave the way for an engaged community that will be invested in efforts to stabilize and sustain a year-round balanced visitor demand, local workforce development and support, creating a new platform for Portland to elevate the accessibility to its diverse community, support residents and business development, and maintain and evolve experiences for visitors.

In addition, by providing additional services for assessed lodging properties in the City of Portland, the District will ease the burden on local government, which faces constrained budgets, while under obligation to provide equivalent levels of service throughout the entire community.

The City's designation of the District and pursuit of this Development Program constitute a good and valid public purpose described in Chapter 206 of Title 30-A of Maine Revised Statutes because it represents a substantial contribution to the economic well-being of both the City and the region, by supporting surrounding businesses which provide jobs and contribute to property taxes.

E. Improvements to the Public Infrastructure

As further set forth in Table 1, the City will undertake a variety of operations and maintenance activities, including potential public infrastructure improvements.

F. Operational Components

1. Public Facilities

As further set forth in Table 1, the City may undertake public capital improvement projects and maintenance activities.

2. Commercial Improvements Financed Through Development Program

No commercial improvements will be financed through the District or assessments.

3. Relocation of Displaced Persons

No persons will be displaced.

4. Transportation Improvements

No transportation improvements will be financed through the District or Assessments.

5. Environmental Controls

The improvements made under the proposed Development Program will meet or exceed all federal and state environmental regulations 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 designee will be responsible for all administrative matters within the purview of the City concerning the implementation and operation of the District, including the imposition and collection of implementation assessments.

Pursuant to the Development Districts Law, the City will enter into a contractual arrangement with the Development Program Manager to perform the Projects outlined in Table 1 above and all administrative matters associated with the Development Program other than those matters within the purview of the City. The Development Program Manager shall establish a corporate Board of Directors whose members fairly represent a cross section of assessed property owners or their designees in the District and include on the Board one (1) ex-officio Director seat for the Portland Housing and Economic Development Director or the City Manager's designee.

III. Physical Description

Municipal documents relating to the District's physical description attached as: City of Portland property map showing the District relative to City boundaries. **Exhibit A**

IV. Financial Plan

The District will encompass approximately 42.1269 acres of property and will begin for the 2026 fiscal year July 1, 2025 – June 30, 2026, with subsequent fiscal years with an indefinite term of years to be terminated only upon Council action.

A. Cost Estimate and Sources of Revenues

All non-seasonal lodging properties with forty (40) or more rooms within the boundaries of the City of Portland that meet the assessed property criteria shall be assessed. The assessment is based upon the benefits received from the district programming, derived from the business activity related to the parcel. The fiscal year method and assessment rate is based on short term room rental using the US Average, Average Daily Rate (ADR) multiplied by fifty-percent (50%) occupancy as reported by STR year or, when unavailable, as reported by the District Property, for the previous year, multiplied by one and one-half percent (1.5%) which is also equal to one and one-half percent (1.5%) of annual gross short-term room rental revenue.

With a July 1, 2025, District begin date, the budget is based on July 1, 2025, to June 30, 2026, business activity as reported by STR as outlined above, or when unavailable as reported by District Property owners. The subsequent annual assessment will be calculated in a similar manner to the initial assessment using the most recent available previous fiscal year data as reported by STR as outlined above, or when unavailable by District Property Owners.

Assuming a July 1, 2025 District begin date, the District is expected to have a budget (FY2026) of approximately \$1,445,641 based on the assessment rate described above and the cost of programs detailed in the attached budget and as described in Table 1.

B. Collections and Remittance

Pursuant to the Development Districts Law, assessments must be collected by the City at the same time and in the same manner as municipal taxes, following municipal procedures as outlined by the City of Portland. The City shall forward to the Development Program Manager all District assessment funds collected within thirty (30) days of collection, less a ten (10) percent City administrative fee as authorized in the District Development Program. The City tax collector has all the authority and powers by law to collect the assessments. If any District Property owner fails to pay any assessment or part of an assessment on or before the dates required, the City has all the authority and powers to collect the delinquent assessments vested in the City by law to collect delinquent municipal taxes. Penalties for nonpayment of assessments shall be equivalent to penalties for nonpayment of property taxes. Assessments may be remitted on a monthly basis in advance of the municipal tax billing. The City administrative fee may be used for any costs or expenses related to the administration, collection, enforcement, and reporting particular to the District. Any additional funds shall be spent in accordance with the Development Districts Law in a manner which uniformly benefits the assessed parcels in the district. The City may require reporting and conduct an audit without cause no more than once every year to verify remittance in accordance with the assessment formula.

C. Municipal Indebtedness

The City reserves the right to issue municipal bonds in order to pay for costs of maintenance and operations costs. Any municipal bond issued for such a project would require City Council approval and follow the Charter required process.

D. Related Contract, Agreements, and Obligations

There are no existing terms and conditions of any agreements, contracts, or other obligations related to this Program, other than the anticipated contract with the Development Program Manager to implement the Projects outlined in Table 1 above and all other administrative matters concerning the implementation and operation of the District, other than those matters within the purview of the City.

E. Rollover Funds

Any and all unused fee funds collected during a year may be rolled over to the subsequent year to be used for programs detailed in the Financial Plan. In the event of termination of the

District, any remaining revenues, after all outstanding debts are paid, derived from the charge of fees, or derived from the sale of assets acquired with the revenues, shall be appropriated for the purposes of this Development Program.

F. Reserve Policy

The District's Development Program Manager may develop a Reserve Policy to establish minimum levels for designated funds to ensure stable program and project execution, meet future needs, and protect against financial instability, subject to approval by the City.

V. Financial Data

Please find attached as **Exhibit E** the Statutory Requirements and Thresholds Form required by the Maine Department of Economic and Community Development.

VI. Municipal Approvals

A. Notice of Public Hearing

Attached as **Exhibit A** is a copy of the Notice of Public Hearing held on _____ in accordance with the requirements of 30-A M.R.S.A. § 5226(1). The notice was published in the Portland Press Herald, a newspaper of general circulation in the City _____ on a date at least ten (10) days prior to the public hearing.

B. Minutes of Public Hearing

Attached as **Exhibit C** is a certified copy of the minutes of the public hearing held on , at which time the proposed District was discussed by the public.

C. City Council Order

Attached as **Exhibit D** is an attested copy of the City Council Order adopted by the Portland City Council at a Council Meeting duly called and held on _____, 2024, designating the District and adopting the Development Program.

EXHIBIT A

CITY OF PORTLAND PROPERTY MAP SHOWING DISTRICT PROPERTY
RELATIVE TO CITY BOUNDARIES

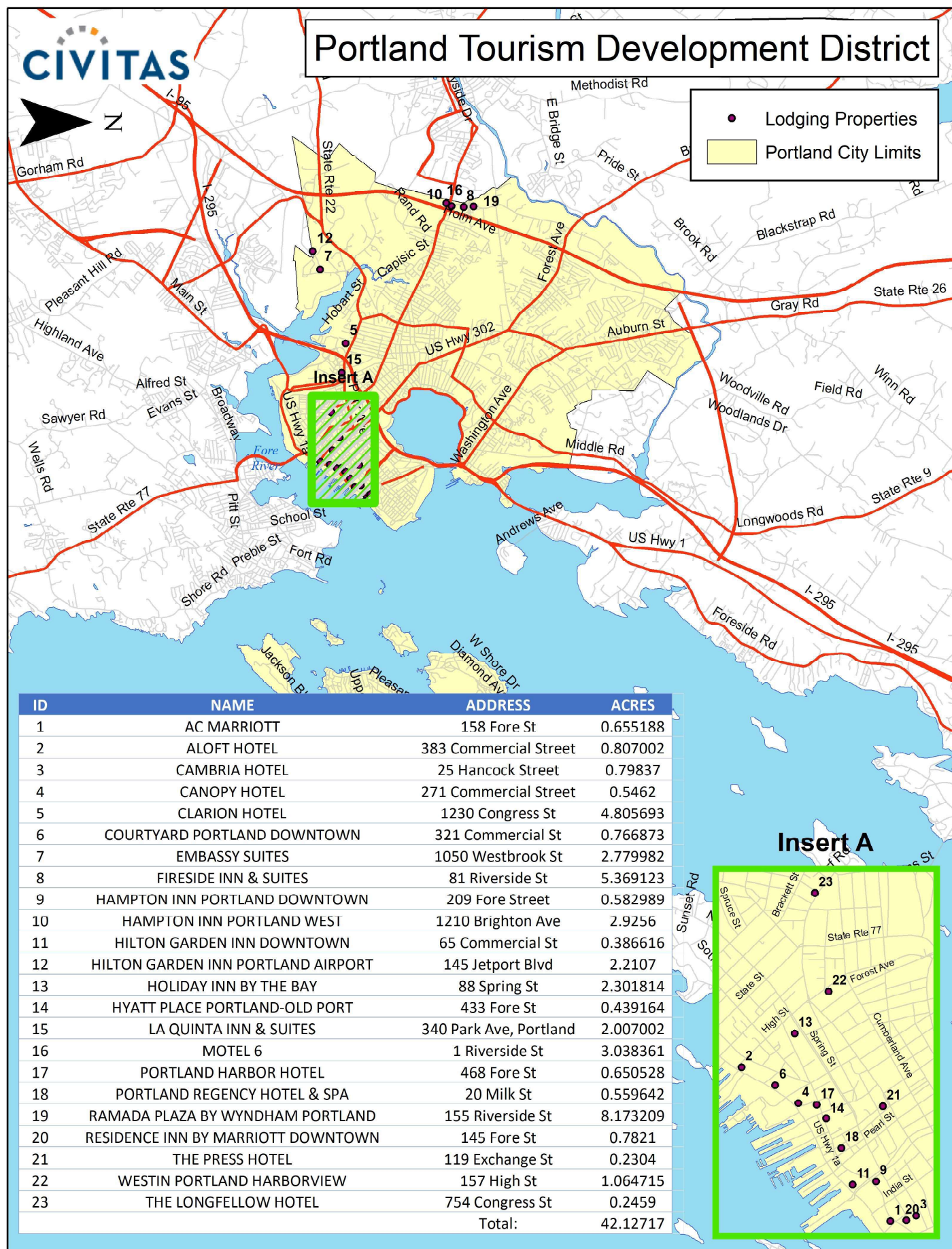


EXHIBIT B
NOTICE OF PUBLIC HEARING

EXHIBIT C
MINUTES OF PUBLIC HEARING

EXHIBIT D
CITY COUNCIL ORDER

EXHIBIT E
STATUTORY REQUIREMENTS AND THRESHOLDS FORM

EXHIBIT E
STATUTORY REQUIREMENTS AND THRESHOLDS
PORTLAND TOURISM MUNICIPAL DEVELOPMENT DISTRICT/FY2026

SECTION A. Acreage Caps		
1. Total municipal acreage;	13,785.6	
2. Acreage of proposed Municipal Development District;	42.1269	
3. Downtown-designation ¹ acres in proposed Municipal Development District;	0	
4. Transit-Oriented Development ² acres in proposed Municipal Development District;	0	
5. Total acreage [=A2-A3-A4] of proposed Municipal Development District counted toward 2% limit;	42.1269	
6. Percentage [=A5÷A1] of total acreage in proposed Municipal Development District (CANNOT EXCEED 2%).	.3056%	
7. Total acreage of all <u>existing/proposed</u> Municipal TIF districts in municipality including Municipal Affordable Housing Development districts: ³ SEE ATTACHED LISTING . District Name/Acreage District Name/Acreage District Name/Acreage District Name/Acreage District Name/Acreage District Name/Acreage	Existing	847.5118
	Proposed	42.1269
	Total:	889.6387
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: District Name/Acreage District Name/Acreage	30.00	
10. Acreage of all <u>existing/proposed</u> Community Wind Power Municipal TIF districts: District Name/Acreage District Name/Acreage	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: District Name/Acreage District Name/Acreage District Name/Acreage District Name/Acreage District Name/Acreage District Name/Acreage	0	
12. Total acreage [=A7-A8-A9-A10-A11] of all <u>existing/proposed</u> Municipal TIF districts counted toward 5% limit;	443.47	
13. Percentage of total acreage [=A12÷A1] of all <u>existing/proposed</u> Municipal TIF districts (CANNOT EXCEED 5%).	3.2169%	
14. Real property in proposed Municipal Development 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.	42.1269	100%
TOTAL (except for § 5223 (3) exemptions a., b. OR 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.

EXHIBIT E
STATUTORY REQUIREMENTS AND THRESHOLDS
PORTLAND TOURISM MUNICIPAL DEVELOPMENT DISTRICT/FY2026

SECTION B. Valuation Cap			
1.	Total TAXABLE municipal valuation—use most recent April 1;	N/A	
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;	N/A	
3.	Taxable OAV of all <u>existing/proposed</u> Municipal TIF districts in municipality excluding Municipal Affordable Housing Development districts: District Name/OAV District Name/OAV District Name/OAV District Name/OAV District Name/OAV District Name/OAV	Existing	N/A
		Proposed	N/A
		Total:	N/A
30-A § 5223(3) EXEMPTIONS			
4.	Taxable OAV of an <u>existing/proposed</u> Downtown Municipal TIF district;	N/A	
5.	Taxable OAV of all <u>existing/proposed</u> Transit-Oriented Development Municipal TIF districts: District Name/OAV District Name/OAV	N/A	
6.	Taxable OAV of all <u>existing/proposed</u> Community Wind Power Municipal TIF districts: District Name/OAV District Name/OAV	N/A	
7.	Taxable OAV of all <u>existing/proposed</u> Single Taxpayer/High Valuation ⁶ Municipal TIF districts: District Name/OAV District Name/OAV	N/A	
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: District Name/OAV District Name/OAV District Name/OAV District Name/OAV District Name/OAV District Name/OAV	N/A	
9.	Total taxable OAV [=B3-B4-B5-B6-B7-B8] of all <u>existing/proposed</u> Municipal TIF districts counted toward 5% limit;	N/A	
10.	Percentage of total taxable OAV [=B9÷B1] of all <u>existing/proposed</u> Municipal TIF districts (CANNOT EXCEED 5%).	N/A	

COMPLETED BY			
PRINT NAME	Lori Paulette		
SIGNATURE		DATE	4/11/2025
If this form has <u>not be completed by the municipal or plantation assessor</u> , the assessor must sign and date below, acknowledging he/she agrees with the information reported on this form, and understands the OAV stated in Section B, line 2, will be used to determine the IAV for this District.			
PRINT NAME	Elisa Marr		
SIGNATURE		DATE	

⁶ For this exemption see 30-A §5223(3)(C) sub-§§ 1-4.

Listing of Existing TIF Districts

4/11/2025

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
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
70 E. Oxford		\$0	0.560
Portland Tourism Dev. District	n/a	n/a	42.1269
Portland Downtown Munic. Dev. Dist.	n/a	n/a	130.9100
Sub-Total:		\$1,127,526,583	889.6387
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	443.470
FY2023 Aggregate Total Value:		\$14,872,866,446	
Total Acreage for Ptlid:			13,785.600
5% Allowed to be TIF'd:		\$743,643,322	689.280
Current Amounts TIF'd:		\$157,853,850	443.470
Amount Remaining that can be TIF'd:		\$585,789,472	245.810

MEMORANDUM
City Council Agenda Item

FROM:

DATE: June 27, 2025

SUBJECT: Order 5-25/26 Establishing Implementation Assessments for the Portland Tourism Municipal Development District for Fiscal Year 2025-2026 - Sponsored by the Housing & Economic Development Committee, Councilor Pious Ali, Chair

SPONSOR:

(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

Does this item involve a new contract with the City: No

PRESENTATION:

I. SUMMARY

II. AGENDA DESCRIPTION

This is a companion order to the order above.

This item must be read on two separate days. This is its first reading.

III. BACKGROUND

IV. INTENDED RESULT AND/OR COUNCIL GOAL ADDRESSED

V. FINANCIAL IMPACT

VI. STAFF ANALYSIS AND BACKGROUND

VII. RECOMMENDATION

VIII. LIST ATTACHMENTS

1. Order 5 - Establishing Implementation Assessments for the Portland Tourism Municipal Development District (2)
2. Listing of Hotels and Assessments

Prepared by:

Date: 06/27/2025

MARK DION (MAYOR)
PIOUS ALI (A/L)
APRIL D. FOURNIER (A/L)
BENJAMIN GRANT (A/L)

**CITY OF PORTLAND
IN THE CITY COUNCIL**

SARAH MICHNIEWICZ (1)
WESLEY PELLETIER (2)
REGINA L. PHILLIPS (3)
ANNA BULLETT (4)
KATE SYKES (5)

**ORDER ESTABLISHING IMPLEMENTATION ASSESSMENTS FOR THE
PORTLAND TOURISM MUNICIPAL DEVELOPMENT DISTRICT FOR FISCAL
YEAR 2025-2026**

ORDERED, pursuant to 30-A M.R.S. § 5228, after public hearing thereon, that the sum of \$1,445,641.80 be raised and appropriated from the special assessments on all real estate situated within the boundaries of the Portland Tourism Municipal Development District, to fund implementation costs for such district for the period beginning July 1, 2025 and ending on June 30, 2026; and

BE IT FURTHER ORDERED, that the said sum be assessed on all real estate within the Portland Tourism Municipal Development, which real estate listing is attached hereto as Exhibit A; and

BE IT FURTHER ORDERED, that the said assessments shall be due July 1, 2025 and payable to the City of Portland at the same time that taxes on other real estate are due; and

BE IT FURTHER ORDERED, that the interest on unpaid assessments shall be at the same rate as interest on other unpaid real estate taxes; and

BE IT FURTHER ORDERED, that the said assessments are hereby committed to the tax collector of the City of Portland for collection, pursuant to 30-A M.R.S. § 5228(5); and

BE IT FURTHER ORDERED, that the tax collector is hereby authorized and directed to take all necessary action for the collection of said assessment.

EXHIBIT A

NON-SEASONAL LODGING PROPERTIES OF 40 ROOMS OR MORE TO BE ASSESSED FOR PROPOSED PORTLAND TOURISM DEVELOPMENT DISTRICT- FY2026 - 4/11/2025	Address	Chart-Block-Lot	Acreage		Number of Rooms	Number of Rooms per year	Rooms Rented at Annual Average Rate of 50% Per Class	Est. Room Revenue Per Hotel Class Using US Average Daily Rate (ADR) (YEAR-TO-DATE JUNE 2024)	Estimated Assessment for FY2026, Based on 50% ADR * 1.5% Assessment	10% of Assesment Fee to City Adm.
Hotel Name										
- Economy Class							50.0%	\$78.49	1.50%	10%
Motel 6 Portland ME	1 Riverside St	266 A001001	3.0384		128	46,720	23,360	\$1,833,526.40	\$27,502.90	\$2,750.29
- Midscale Class							50.0%	\$100.39	1.50%	10%
Ramada Plaza By Wyndham Portland	155 Riverside St	267 B001001	8.173		119	43,435	21,718	\$2,180,219.83	\$32,703.30	\$3,270.33
Fireside Inn & Suites Portland	81 Riverside St	266 A002001	5.3691		200	73,000	36,500	\$3,664,235.00	\$54,963.53	\$5,496.35
- Upper Midscale Class							50.0%	\$134.21	1.50%	10%
La Quinta Inn & Suites by Wyndham Portland	340 Park Ave, Portland	065 A003001	2.007		105	38,325	19,163	\$2,571,799.13	\$38,576.99	\$3,857.70
Clarion Hotel Airport	1230 Congress St	189 A014001	4.8057		149	54,385	27,193	\$3,649,505.43	\$54,742.58	\$5,474.26
Hampton Inn Portland Downtown - Waterfront	209 Fore Street	029 L00100H	0.5829		125	45,625	22,813	\$3,061,665.63	\$45,924.98	\$4,592.50
Holiday Inn By The Bay	88 Spring St	039 E010001	2.3018		239	87,235	43,618	\$5,853,904.68	\$87,808.57	\$8,780.86
Hampton Inn & Suites Portland West	1210 Brighton Ave	265 A001001	2.9256		86	31,390	15,695	\$2,106,425.95	\$31,596.39	\$3,159.64
- Upscale Class							50%	\$165.25	1.5%	10%
Residence Inn By Marriott Portland Downtown/Waterfront	145 Fore St	020 C010001	0.7821		179	65,335	32,668	\$5,398,304.38	\$80,974.57	\$8,097.46
Hilton Garden Inn Portland Downtown Waterfront	65 Commercial St	029 K003001	0.3866		120	43,800	21,900	\$3,618,975.00	\$54,284.63	\$5,428.46
AC Hotel by Marriott Portland Downtown/Waterfront	158 Fore St	019 B020001	0.6552		178	64,970	32,485	\$5,368,146.25	\$80,522.19	\$8,052.22
Courtyard by Marriott Portland Downtown/Waterfront	321 Commercial St	040 E00300H	0.767		132	48,180	24,090	\$3,980,872.50	\$59,713.09	\$5,971.31
Hyatt Place Portland-Old Port	433 Fore St	032 I042001	0.4392		130	47,450	23,725	\$3,920,556.25	\$58,808.34	\$5,880.83
Cambria Hotel Portland Downtown / Old Port	25 Hancock Street	020 C009001	0.7983		102	37,230	18,615	\$3,076,128.75	\$46,141.93	\$4,614.19
Aloft Portland Maine	379 Commercial Street	042 A001001	0.807		157	57,305	28,653	\$4,734,825.63	\$71,022.38	\$7,102.24
Hilton Garden Inn Portland Airport	145 Jetport Blvd	209A A016002	2.2107		76	27,740	13,870	\$2,292,017.50	\$34,380.26	\$3,438.03
- Upper Upscale Class							50%	\$222.32	1.5%	10%
The Press Hotel, Autograph Collection	119 Exchange St	032 C001001	0.2304		110	40,150	20,075	\$4,463,074.00	\$66,946.11	\$6,694.61
Portland Regency Hotel & Spa	20 Milk St	029 R001001	0.5596		95	34,675	17,338	\$3,854,473.00	\$57,817.10	\$5,781.71
The Westin Portland Harborview	157 High St	037 E007001	1.0647		289	105,485	52,743	\$11,725,712.60	\$175,885.69	\$17,588.57
Canopy by Hilton Portland Waterfront	9 Center Street	038 G005001	0.5462		135	49,275	24,638	\$5,477,409.00	\$82,161.14	\$8,216.11
Embassy Suites by Hilton Portland Maine	1050 Westbrook St	210A A005001	2.78		120	43,800	21,900	\$4,868,808.00	\$73,032.12	\$7,303.21
The Longfellow Hotel	754 Congress St.	054 G001001	0.2459		48	17,520	8,760	\$1,947,523.20	\$29,212.85	\$2,921.28
- Luxury Class							50%	\$380.06	1.50%	10%
Portland Harbor Hotel	468 Fore St	038 F009001	0.6505		97	35,405	17,703	\$6,728,012.15	\$100,920.18	\$10,092.02
Totals:			42.1269					\$94,428,597.03	\$1,445,641.80	\$144,564.18

NON-SEASONAL LODGING PROPERTIES OF 40 ROOMS OR MORE TO BE ASSESSED FOR PROPOSED PORTLAND TOURISM DEVELOPMENT DISTRICT- FY2026 - 4/11/2025	Address	Chart-Block-Lot	Acreage		Number of Rooms	Number of Rooms per year	Rooms Rented at Annual Average Rate of 50% Per Class	Est. Room Revenue Per Hotel Class Using US Average Daily Rate (ADR) (YEAR-TO-DATE JUNE 2024)	Estimated Assessment for FY2026, Based on 50% ADR * 1.5% Assessment	10% of Assesment Fee to City Adm.
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Totals:			42.1269					\$94,428,597.03	\$1,445,641.80	\$144,564.18

MEMORANDUM
City Council Agenda Item

FROM:

DATE: June 27, 2025

SUBJECT: Order 6-25/26 Approving the Development Program Manager Agreement Between the City of Portland and Convention and Visitors' Bureau of Greater Portland, Doing Business as Visit Portland for Fiscal Year 2025-2026 - Sponsored by the Housing & Economic Development Committee, Councilor Pious Ali, Chair

SPONSOR:

(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

Does this item involve a new contract with the City: Yes, Corporation Counsel has reviewed and approved.

PRESENTATION:

I. SUMMARY

II. AGENDA DESCRIPTION

This is a companion order to the order above.

This item must be read on two separate days. This is its first reading.

III. BACKGROUND

IV. INTENDED RESULT AND/OR COUNCIL GOAL ADDRESSED

V. FINANCIAL IMPACT

VI. STAFF ANALYSIS AND BACKGROUND

VII. RECOMMENDATION

VIII. LIST ATTACHMENTS

1. Order 6 - Approving the Development Program Manager Agreement Between the City of Portland and Convention and Visitors' Bureau of Greater Portland
2. PTDD Redlined Agreement & Dev Plan 6-11-2025
3. PTDD Cln Agreement & Dev Plan 6-11-2025

Prepared by:

Date: 06/27/2025

MARK DION (MAYOR)
PIOUS ALI (A/L)
APRIL D. FOURNIER (A/L)
BENJAMIN GRANT (A/L)

**CITY OF PORTLAND
IN THE CITY COUNCIL**

SARAH MICHNIEWICZ (1)
WESLEY PELLETIER (2)
REGINA L. PHILLIPS (3)
ANNA BULLETT (4)
KATE SYKES (5)

**ORDER APPROVING THE DEVELOPMENT PROGRAM MANAGER AGREEMENT
BETWEEN THE CITY OF PORTLAND AND CONVENTION AND VISITORS'
BUREAU OF GREATER PORTLAND, DOING BUSINESS AS VISIT PORTLAND, FOR
FISCAL YEAR 2025-2026**

ORDERED, that the Agreement between the City of Portland and the Convention and Visitors' Bureau of Greater Portland, doing business as Visit Portland, is hereby approved; and

BE IT FURTHER ORDERED, that the City Manager or designee is hereby authorized to enter into said Agreement in substantially the form attached hereto, and any other documents necessary to effect the intent of this Order, to carry out the Development Plan for the Portland Tourism Municipal Development District for the period from and after its Effective Date and ending June 30, 2026.

**AGREEMENT
BETWEEN THE CITY
OF PORTLAND AND
VISIT PORTLAND**

This AGREEMENT made as of the 1st day of July, 2025, (the “Effective Date”) is by and between the CITY OF PORTLAND, a body politic and corporate with a mailing address of 389 Congress Street, Portland, Maine 04101 (the “City”) and the CONVENTION AND VISITORS’ BUREAU OF GREATER PORTLAND, doing business as VISIT PORTLAND, a Maine non-profit corporation with a mailing address of 1375 Congress Street, Portland, Maine 04102 (“Visit Portland”) (collectively referred to as (the “Parties”).

WHEREAS, by Council Orders _____, and dated _____, 2025, the City has approved a tourism economic development district designated as the ***Portland Tourism Municipal Development District*** (the “District”), the Development Program (defined below), including a map of the District, is attached hereto as Exhibit A and incorporated herein; and

WHEREAS, Visit Portland has been designated as the independent, non-profit corporation that shall manage the District as the Development Program Manager; and

NOW, THEREFORE, in consideration of the covenants herein contained, the Parties hereby mutually agree as follows:

ARTICLE I. Term

The term of this Agreement shall commence with the establishment of the District, and shall expire on June 30, 2026 (“the Term”).

ARTICLE II. Financial Considerations

- a. The City Council has approved the Portland Tourism Municipal Development District Development Program for the District (“the Development Program”) and the special assessment rate that provides funding to support the Development Program.
- b. The City shall make assessments (the “Assessments”) on all non-seasonal lodging properties with forty (40) rooms or more located within the boundaries of the District (each a “District Property”) in accordance with the Development Program as authorized by the City Council and permitted by law.

- c. The City shall remit the Assessments to Visit Portland within thirty (30) days of collection, less the administrative fee of ten percent (10%) of District revenue as described in the Development Program. The City administrative fee may be used for any costs or expenses related to the administration, collection, enforcement, and reporting particular to the District. Any additional funds shall be spent in accordance with the Development Districts Law in a manner which uniformly benefits the assessed parcels in the district.
- d. In addition to the foregoing, the City will pay in a lump sum, within thirty (30) days from the close of the fiscal year, any amount assessed in a prior year, but collected in a subsequent year. Said payment by City shall be subject to the City's administrative fee described in the Development Plan and less any amounts remaining to be reimbursed under a prior year Agreement with the City. City will provide Visit Portland with written detail as to any deductions taken from payments under this paragraph.
- e. Notwithstanding the foregoing, Visit Portland agrees that it will neither encumber funds that it anticipates receiving from the District Assessments nor incur expenditures in anticipation of receipt of such funds except in accordance with the Development Program.
- f. Visit Portland has approved Visit Portland's budget and Development Program, covering the period beginning on July 1, 2025, and ending on June 30, 2026, and the City Council has approved the assessment that provides funding to support Visit Portland's budget and Development Program.
- g. Any penalties and interest collected by the City for nonpayment of assessments shall be retained by the City. Such penalties and interest shall be equivalent to penalties and interest for nonpayment of property taxes.
- h. Visit Portland will provide the Director of Finance with an annual certified financial statement for expenses related to the District and the programs and services outlined in the Development Program. The statement shall list all income and expenses related to the District and shall be provided to the Finance Director within six (6) months after the fiscal year ends.
- i. Visit Portland will produce an annual report to be submitted to the City reflecting all projects, expenses, and returns on investments of the District. Any audits needed to verify collection assessment will be paid for by Visit Portland. The City may require reporting and conduct an audit without cause no more than once during the Term to verify remittance in accordance with the assessment formula.

Visit Portland shall have reasonable access to the City's assessment collection records, and the City shall have reasonable access to the Visit Portland's books and records particular to the District expenditures.

ARTICLE III. Services To Be Provided By Visit Portland

During the Term, Visit Portland shall:

- a. Provide the services described herein and in the Development Program.
- b. Provide staff and administrative services sufficient for the performance of the services described herein and in the Development Program.
- c. ~~Establish~~[Maintain](#) a corporate Board of Directors whose members fairly represent a cross section of District Property owners or their designees in the District, and include on the Board one (1) ex-officio Director seat for the Portland Housing and Economic Development Director or the City Manager's designee.
- d. ~~Establish~~[Maintain](#) a mechanism for resolving any dispute to the kind and level of services which may arise between Portland Downtown and persons subject to development district assessments regarding the kind and level of services provided by Visit Portland.
- e. Provide liaison between the City, the District property owners, civic groups, interested persons, and other groups and individuals, as necessary to carry out the mission of the District.
- f. Maintain all minutes and records of Visit Portland proceedings as may be required.
- g. [Post meeting minutes related to the District online.](#)

~~g.~~[h.](#) Nothing in this Agreement is intended to or shall be construed to limit Visit Portland's general powers, as set forth in the Maine Non-profit Corporation Act, Title 13-B of the Maine Revised Statutes Annotated.

ARTICLE IV. Termination

- a. The District will commence upon the date of its establishment by the City Council and continue indefinitely in accordance with applicable law until the Council takes action to terminate or amend the District. District Property owners may submit a petition to the City Council at any time requesting that the District be terminated, which the City will consider in accordance with applicable law. The City has and reserves the right to suspend, terminate or abandon the execution of any work by Visit Portland upon receipt of a petition dissolving the District.

- b. This Agreement may be terminated by either Party for good cause. If Visit Portland or the City should fail to perform any material covenant, obligation or agreement hereunder for a period of thirty (30) days after written notice of complaint from the City Manager or Visit Portland specifying such failure, either Party may provide the other with notice of failure to perform the Agreement as provided herein. Upon receipt of notice, Visit Portland or the City shall have a ninety (90) day period, computed from the date of delivery of the notice of failure to perform, within which the affected Party may provide a written plan to remedy the complaint. In the event that a determination is made at the expiration of the ninety (90) day period that the complaint is unresolved, either Party may declare their intent to terminate the Agreement and identify the specific date of termination with a written notice. Either Party shall have the right to appeal the decision to the other. Either Party shall file such appeal within seven (7) business days from the date the Party receives the notice of termination. If such appeal does not remedy the complaint, consideration for termination of this Agreement would be subject to a vote of the City Council.
- c. Nothing herein shall be construed as giving Visit Portland the right to perform the work contemplated under this Agreement beyond the time that the City Council terminates this Agreement. In case Visit Portland should be discharged before all the services contemplated in this Agreement have been completed, or the services for any reason should be stopped, either because of the expiration of the Term or because of the inability of Visit Portland to fulfill its obligations under this Agreement, Visit Portland shall be reimbursed for all services satisfactorily performed prior to the effective date of termination in accordance with Article II hereof, but only to the extent that sufficient Assessments have been received by the City to make such reimbursement. After termination of the Agreement, Visit Portland shall:
1. With respect to existing activities, take only such actions as the City Manager shall direct;
 2. Upon City's request, assign to the City in the manner, at the times and only to the extent the City, acting by and through its City Manager, may direct it to do so, all the rights, title and interest of Visit Portland in and to all existing orders and agreements.
 3. To the extent rights, title and interests of Visit Portland in and to existing orders and agreements may be assigned to the City and accepted by it; obligations incurred on or after such assignment will be assumed by the City. Otherwise, Visit Portland shall settle all outstanding liabilities and all claims arising out of any terminated orders or agreements.
 4. Deliver to the City, in the manner, at the times and to the extent directed by the City Manager, all documents and data produced by Visit Portland as part

of or in connection with the work.

5. In the event of termination of the District, any remaining revenues, after all outstanding debts are paid, derived from the charge of fees, or derived from the sale of assets acquired with the revenues, shall be returned to the City and appropriated for the purposes of the Development Program, subject to the approval of the City Council.

ARTICLE V. Assignment

Visit Portland covenants and agrees that it will neither assign nor transfer any rights here under, either in whole or in part, without first obtaining the prior written consent of the City.

ARTICLE VI. Performance of Services

All services performed by Visit Portland under this Agreement, or by third parties paid with funds provided under this Agreement, shall be performed in a good, workman like fashion and in accordance with all applicable professional and industry standards.

ARTICLE VII. Compliance with Law

Visit Portland will comply with all provisions of Federal, State, and local law, applicable to the services provided under this Agreement. Visit Portland further agrees to adhere to a policy of non-discrimination in all employment actions, practices, policies, procedures, phases, and conditions of employment. This shall include compliance with all applicable provisions of the Workforce Investment Act of 1998, as amended (WIA, 29 CFR part 37); the Nontraditional Employment for Women Act of 1991; title VI of the Civil Rights Act of 1964, as amended; section 504 of the Rehabilitation Act of 1973, as amended; the Age Discrimination Act of 1975, as amended; title IX of the Education Amendments of 1972, as amended; and with all applicable requirements imposed by or pursuant to regulations implementing those laws, including but not limited to 29 CFR part 37 and all other applicable laws, including the Maine Human Rights Act, ordinances and regulations regarding equal opportunity and equal treatment. Visit Portland specifically agrees that 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 Visit Portland where appropriate.

ARTICLE VIII. Indemnification

- a. Visit Portland shall, at its own cost and expense, defend, indemnify, and hold harmless the City, its officers, agents, and employees, from and against the following:
 1. To the fullest extent permitted by law, Visit Portland shall defend, indemnify and hold harmless the City, its officers and employees, from and against all claims, damages, losses, and expenses, just or unjust, including but not limited to costs of defense, including attorney's fees, arising out of or resulting from the performance of this Agreement, provided that any such claims, damage, loss or expense is (1) attributable to bodily injury, sickness, disease, or death, or injury to or destruction of tangible property, including the loss or use thereof; and (2) is caused in whole or in part by any negligent act or omission of Visit Portland, anyone directly or indirectly employed by it, or anyone for whose act it may be liable;
 2. All claims and liens of Visit Portland's consultants, subcontractors, and their laborers, mechanics, material men, and/or suppliers. Such obligation shall not be construed either to negate or abridge any other obligation of indemnification and shall not be limited by any provision for insurance contained in this Agreement.
- b. Notwithstanding the foregoing, nothing herein shall, nor is intended to, waive any defense, immunity or limitation of liability which may be available to the City or their respective officers, agents and employees, under the Maine Tort Claims Act or any other privileges and/or immunities provided by law.

ARTICLE IX. Insurance

- a. Neither Visit Portland nor any of its subcontractors shall commence work under this Agreement until they have provided the insurance coverage required by this Agreement and such coverage has been approved by the City.
- b. Prior to the execution of this Agreement, Visit Portland shall, at its own expense, procure and maintain:

- Occurrence-based Professional Liability Insurance for errors, omissions and negligence, in the amount of One Million Dollars (\$1,000,000.00) per claim.
- Occurrence based Commercial General Liability Insurance coverage in amounts of not less than One Million Dollars (\$1,000,000.00) per occurrence for bodily injury, death and property damage;
- Workers' Compensation Insurance coverage to the extent required by law, which shall include an endorsement waiving all rights of subrogation against the City of Portland, its officers or employees;

With respect to the Commercial General Liability, Visit Portland shall name the City as an additional insured for coverage for claims for which the City does not have governmental immunity, including, without limitation, those areas where government immunity has been expressly waived as set forth in 14 M.R.S. A. § 8104-A, as limited by § 8104-B, and § 8111. This provision shall not be deemed a waiver of any defenses, immunities or limitations of liability or damages available to the City under the Maine Tort Claims Act, other Maine statutory law, judicial precedent, common law, or any other defenses, immunities or limitations of liability available to the City. Prior to execution of this Agreement, Visit Portland shall furnish the City and thereafter maintain certificates evidencing all such coverages, which certificates shall guarantee thirty (30) days' notice to the City of termination of insurance from the insurance provider or agent. Visit Portland shall also provide a copy of any endorsement naming the City as additional insured. A certificate that merely has a box checked under "Addl Insr," or the like, or that merely states the City of Portland is named as an Additional Insured, will not be acceptable. The Workers' Compensation insurance shall include an endorsement waiving all rights of subrogation against the City of Portland, its officers or employees. Upon City's request, Visit Portland shall provide City with a complete copy of any of the above-referenced policies. Visit Portland shall be responsible for any and all deductibles and/or self-insured retentions (not to exceed \$10,000.00 without prior written approval of Corporation Counsel). City's acceptance or lack of acceptance of Visit Portland's Certificate of Insurance or other evidence of insurance shall not be construed as a waiver of the Visit Portland's obligation to obtain and maintain such insurance as required by this agreement.

Article X. No Joint Venture; Independent Contractors

- a. Nothing contained in this Agreement will constitute or be construed to be or create a partnership or joint venture between the parties or any of their respective officers, directors, employees, affiliates, successors or assigns. The parties understand and agree that this Agreement does not make either of them an agent or legal

representative of the other for any purpose whatsoever. No party is granted, by this Agreement or otherwise, any right or authority to assume or create any obligation or responsibilities, express or implied, on behalf of or in the name of any other party, or to bind any other party in any manner whatsoever.

- b. Each party will secure, at its own expense, all personnel, materials, and equipment required to perform its obligations under this Agreement. Each party, in accordance with its status as an independent contractor, covenants and agrees that its employees shall be regarded for all legal and tax purposes as its own employees during the term of this Agreement, and each party shall govern and supervise the work of its own employees. Each party shall discharge all applicable obligations imposed upon employers under the law, including without limitation payment of wages, social security taxes, withholding taxes, unemployment taxes and worker's compensation. Both parties' employees shall not be considered employees of the other party for any purpose and shall not be entitled to any retirement benefits, social security benefits, unemployment benefits, group health or life insurance, vacation, personal, or sick leave, worker's compensation, or any other similar benefits ("Employment Benefits") from the other party. Each party further covenants and agrees that its employees will conduct themselves consistent with such status, that they will neither hold themselves out as, nor claim to be, officers or employees of the other party by reason of this Agreement, and that its employees will not, by reason of this Agreement, make any claim, demand or application to or for any right or privilege applicable to an officer or employee of the other party, including but not limited to the Employment Benefits.
- c. Nothing in this Agreement is intended to or does prohibit Visit Portland or the City from entering into any other contractual relationship with each other or any third party.

Article XI. Miscellaneous Provisions

- a. This Agreement shall be construed in all respects in accordance with, and governed by, the laws of the State of Maine. All parties hereto hereby consent to the exclusive jurisdiction of the Superior Court for the County of Cumberland in the State of Maine, for all actions, proceedings and litigation arising from or relating directly or indirectly to this Agreement or any of the obligations hereunder, and any dispute not otherwise resolved as provided herein shall be litigated solely in said Court.

- b. This Agreement and its attachments represent the entire and complete agreement and understanding between the parties and supersedes any prior agreement or understanding, written or oral, between the parties with respect to the subject matter of this Agreement. This Agreement cannot be amended except by written instrument executed by the City and Visit Portland.
- c. Visit Portland warrants and represents that it has the full right and authority to enter into this Agreement, that there is no impediment that would inhibit its ability to perform their respective obligations under this Agreement, and that the person signing this Agreement on behalf of Visit Portland has the authority to do so.
- d. This Agreement may be executed in any number of counterparts and by different parties in separate counterparts. Each counterpart when so executed shall be deemed to be an original and all of which together shall constitute one and the same agreement. A signature in a pdf or electronic document shall be considered the equivalent of an original signature.

(Signature page follows)

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the _____ day of _____, 2025

WITNESS

CITY OF PORTLAND

By: _____
Danielle P. West
Its City Manager

WITNESS

**CONVENTION AND VISITORS'
BUREAU OF GREATER
PORTLAND**

By: _____
Print Name:
Its: _____

Approved as to Form:

City Corporation Counsel

Approved as to Funds:

City Finance Department

ECONOMIC DEVELOPMENT PROJECT

CITY OF PORTLAND, MAINE

A Municipal Development District

**PORTLAND TOURISM MUNICIPAL DEVELOPMENT DISTRICT
DEVELOPMENT PROGRAM**

Presented to:

City Council

City of Portland

June __, 2025

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Exhibit List

Exhibit A	City of Portland Property Map Showing District Property Relative to City Boundaries
Exhibit B	Notice of Public Hearing
Exhibit C	Minutes of Public Hearing
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Development Program

I. Introduction

The City of Portland (the “City”) seeks to establish a Municipal Development District to be known as the “**Portland Tourism Municipal Development District**” (the “District”), located throughout the City of Portland.

The District includes 23 non-seasonal hotels with 40 rooms or more to be assessed for the District to provide programs, services and improvements as described in this Development Program.

In designating the proposed District and adopting this Development Program, the City can accomplish the following goals:

- Maintain and ideally expand the existing tax revenues flowing from the District properties;
- Enable the investment of assessment payments made by properties uniformly and proportionally benefitting from the Development Program in strategic sales, marketing, promotions, destination development and special events;
- Maintain and create long-term, stable employment opportunities for area residents; and
- Improve the overall economy of the City, the Cumberland County region, and the State of Maine.

II. Development Program Narrative

A. The Development District

The District will encompass approximately 42.1269 acres of real property, and includes the following\ City Tax Map/Lots/Blocks: 019-B020001 (0.6552 acres), 042-A001001 (0.807 acres), 20-C009001 (0.7983 acres), 038-G005001 (0.5462 acres), 054-G001001 (.2459 acres), 189-A014001 (4.8057 acres), 040-E00300H (0.767 acres), 210A-A005001 (2.78 acres), 266-A002001 (5.3691), 029-L00100H (0.5829 acres), 265-A001001 (2.9256 acres), 029-K003001 (0.3866 acres), 209A-A016002 (2.2107 acres), 039-E010001 (2.3018 acres), 032-I042001 (0.4392 acres), 065-A003001 (2.007 acres), 266-A001001 (3.0384 acres), 038-F009001 (0.6505 acres), 029-R001001 (0.5596 acres), 267-B001001 (8.173 acres), 020- C010001 (0.7821 acres), 032-C001001 (0.2304 acres), 037-E007001 (1.0647 acres) (each a “District Property”). The District is shown in **Exhibit A** attached hereto.

B. The Development Program

The City’s designation of the District and adoption of this Development Program allows for the City to fund activities and projects to be supported by the District Property owners, and also coordinate services to ensure effective delivery and proper support for tourism promotion while building on existing revitalization efforts and protection of public and private investment. The travel industry is a major economic driver for the City and Maine. Visitor spending not only

supports tourism-related businesses but also the local artists, lobster/fishing community, cultural institutions, food & beverage establishments, and small businesses that residents alone could not support year-round. Therefore, it is in the public interest of the City, and vital to the welfare of the City's economy, to facilitate and encourage cooperating public-private partnerships where lodging properties become partners with the City for the enhancement and expansion of the travel economy and to provide for increased business activity, tourism, economic development and job creation throughout the District.

The term of the District will commence when established by the City Council and continue indefinitely, subject to annual budget approvals by the City Council, until the Council takes action to terminate or amend the District. District Property owners may submit a petition to the City Council at any time requesting that the District be terminated, which the City will consider in accordance with applicable law.

Under this Development Program, projects as listed below in Table 1 will be executed through an agreement with a development program manager (the "Development Program Manager").

This Development Program is structured and proposed pursuant to Chapter 206 of Title 30-A of the Maine Revised Statutes, as amended (the "Statute"). The designation of the District and adoption of the Development Program are effective upon approval by the City Council, evidenced by Exhibit C and Exhibit D hereto.

~~C. — The Projects~~

C. Services and Programming

District Property owners will pay assessments on an annual basis to support the program. The formation of the District is intended to contribute to the economic growth and wellbeing of the City, and to the betterment of the health, welfare or safety of the inhabitants of the City. To accomplish this intention, the City desires to support the costs described below using District revenues. The City shall not reduce services to the District Properties because of the implementation of the District. Projects and services approved and executed by the District shall be in addition to and not in the place of municipal projects and services. Assessment revenues must be spent in accordance with the financial plan.

The annual project costs presented in the annual Financial Plan shall be approved by the City Council and must be contained within the project descriptions below and identified in the Order Establishing the Portland Tourism Development District. Please see Table 1 herein for a complete list of authorized projects and their respective cost estimates for the second half of the 2024 fiscal year. Future cost estimates for the projects will be approved on an annual basis and will serve as the basis for the assessment calculation.

TABLE 1
Municipal Projects

<u>Project Services</u> <u>and</u> <u>Programming</u>	FY 2026 Cost Estimate*
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<u>A. Sales, Marketing, Promotions, Destination Development and Special Events.</u> Marketing efforts will reach markets such as Leisure Travelers, Meetings & Conferences, Sporting Events, Destination Weddings and Social Events, International Travelers, Motorcoaches, Cruise Passengers, and Media/Influencers. Marketing messaging will reach all ages of travelers and target all demographics including BIPOC and LGBTQ+. Ten percent (10%) of the Sales, Marketing, Promotions, Destination Development, and Special Events budget shall be allotted specifically to reach the BIPOC, LGBTQ+ markets, and community DEI efforts. Projects may include: • Promoting and marketing tourism in different periods (for example out of season or shoulder seasons); • Research & Development of a marketing plan designed to outline a strategy for attracting potential visitors and expand programs to attract diverse visitors at the right time with the right message; • Regional and national leisure marketing and convention trade marketing programs inclusive of broadcast, social, digital, audio, print, pay-per- click and out-of-home channels, designed to increase awareness of and drive overnight traffic to the destination – in turn, benefitting the assessed lodging properties through increased consumer demand and increased year-round room night bookings.; • Public Relations and media programs that enhance the profile of Portland as a visitor, meetings and event destination – in turn, benefitting the assessed lodging properties through increased consumer demanded increased room night bookings; • Dedicated funds to support incentives, hosting fees and other offsetting costs associated with securing strategic industry events, incremental group and convention business, and/or large-scale events for the destination that generate room nights for the assessed lodging properties; • Strategic partnerships, sponsorships, or other alliances that reinforce the City of Portland as a destination of choice within the travel marketplace for meetings, events and leisure travel – in turn, generating greater room night sales to the assessed lodging properties; • Attendance at tradeshow, conferences, and professional industry/partner events to promote the destination and the assessed lodging properties; • Sales missions, client events, site inspections, and familiarization tours showcasing the destination and the assessed lodging properties;	\$791,949
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| <ul style="list-style-type: none">• Visitor services programs designed to extend stays at assessed lodging properties and increase visitor spending;• Preparation, production, mailing, and distribution of collateral promotional materials such as brochures, flyers, maps, and videos featuring assessed lodging properties;• Research on current and new markets that would result in additional room night sales to assessed lodging properties | |
|--|--|

<u>Project Services</u> <u>and</u> <u>Programming</u>	FY 2026 Cost Estimate*
B. Business Practices & Workforce Initiatives Work with lodging partners, attractions, restaurants, venues and other tourism-related entities to support programs that encourage sustainable visitation. Services may include: • Programs to combat congestion at specific locations and reduce pressure on infrastructure and resources that have a negative impact on the quality of life for residents; • Programming to sustain demand and undertaking activities that balance the livability of the destination in popular tourism periods and generating overnight stays from leisure travelers especially during need periods; • Infrastructure or capital improvements, including maintenance activities, that enhance Portland’s competitive position to attract desirable special events year around and attract overnight visitors including payment of debt service on such expenditures; • Funds may shall be deployed to build programs to support a sustainable workforce. Programming may include destination-wide workforce assessment, cost analysis and investment strategy, and apprenticeship/ or educational programming as seasonality requires., and worker-led roundtables and peer listening sessions designed to foster open dialogue among hospitality employees, as well as a community-facing workforce website that highlights worker contributions and connects them with professional resources.	\$100,000
C. <u>District Administration</u> The administration portion of the budget shall be utilized for administrative costs, office costs, and other general administrative costs such as insurance, legal, and accounting fees incurred by the City and the Development Program Manager. A portion of the budget will be allocated to a contingency fund. If there are contingency funds collected, they may be held in a reserve fund or utilized for other program or administration costs at the discretion of the Development Program Manager board. Policies relating to contributions to the reserve fund, the target amount of the reserve fund, and expenditure of monies from the reserve fund shall be set by the Board, subject to approval by the City.	\$533,692
D. <u>Return on Investment/ Quarterly and Annual Reporting</u> The Development Program Manager will account for the expenses and results of the District district specific to the services Services and programming Programming and the return on investment as it relates to be recorded benefiting the property owners in room nights sold, lodging properties occupancy percentages, and revenues generated. the district and community related impact such as workforce programs.	\$20,000

<u>Project Services</u> <u>and</u> <u>Programming</u>	FY 2026 Cost Estimate*
Total	\$1,445,641

* These are estimates only. The City may approve different budgeted amounts for the listed projects each year.

D. Strategic Growth and Development

By creating and designating the District, the City can achieve the appropriate level of programs, services and improvements described in this Development Program as well as a fair and appropriate financial contribution from each party benefitting from such activities. Establishing the public private partnership to fund our local tourism industry will pave the way for an engaged community that will be invested in efforts to stabilize and sustain a year-round balanced visitor demand, local workforce development and support, creating a new platform for Portland to elevate the accessibility to its diverse community, support residents and business development, and maintain and evolve experiences for visitors.

In addition, by providing additional services for assessed lodging properties in the City of Portland, the District will ease the burden on local government, which faces constrained budgets, while under obligation to provide equivalent levels of service throughout the entire community.

The City's designation of the District and pursuit of this Development Program constitute a good and valid public purpose described in Chapter 206 of Title 30-A of Maine Revised Statutes because it represents a substantial contribution to the economic well-being of both the City and the region, by supporting surrounding businesses which provide jobs and contribute to property taxes.

E. Improvements to the Public Infrastructure

As further set forth in Table 1, the City will undertake a variety of operations and maintenance activities, including potential public infrastructure improvements.

F. Operational Components

1. Public Facilities

As further set forth in Table 1, the City may undertake public capital improvement projects and maintenance activities.

2. Commercial Improvements Financed Through Development Program

No commercial improvements will be financed through the District or assessments.

3. Relocation of Displaced Persons

No persons will be displaced.

4. Transportation Improvements

No transportation improvements will be financed through the District or Assessments.

5. Environmental Controls

The improvements made under the proposed Development Program will meet or exceed all federal and state environmental regulations 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 designee will be responsible for all administrative matters within the purview of the City concerning the implementation and operation of the District, including the imposition and collection of implementation assessments.

Pursuant to the Development Districts Law, the City will enter into a contractual arrangement with the Development Program Manager to perform the Projects outlined in Table 1 above and all administrative matters associated with the Development Program other than those matters within the purview of the City. The Development Program Manager shall establish a corporate Board of Directors whose members fairly represent a cross section of assessed property owners or their designees in the District and include on the Board one (1) ex-officio Director seat for the Portland Housing and Economic Development Director or the City Manager's designee.

III. Physical Description

Municipal documents relating to the District's physical description attached as: City of Portland property map showing the District relative to City boundaries. **Exhibit A**

IV. Financial Plan

The District will encompass approximately 42.1269 acres of property and will begin for the 2026 fiscal year July 1, 2025 – June 30, 2026, with subsequent fiscal years with an indefinite term of years to be terminated only upon Council action.

A. Cost Estimate and Sources of Revenues

All non-seasonal lodging properties with forty (40) or more rooms within the boundaries of the City of Portland that meet the assessed property criteria shall be assessed. The assessment is based upon the benefits received from the district programming, derived from the business activity related to the parcel. The fiscal year method and assessment rate is based on short term room rental using the US Average, Average Daily Rate (ADR) multiplied by fifty-percent (50%) occupancy as reported by STR year or, when unavailable, as reported by the District Property, for the previous year, multiplied by one and one-half percent (1.5%) which is also equal to one and one-half percent (1.5%) of annual gross short-term room rental revenue.

With a July 1, 2025, District begin date, the budget is based on July 1, 2025, to June 30, 2026, business activity as reported by STR as outlined above, or when unavailable as reported by District Property owners. The subsequent annual assessment will be calculated in a similar manner to the initial assessment using the most recent available previous fiscal year data as reported by STR as outlined above, or when unavailable by District Property Owners.

Assuming a July 1, 2025 District begin date, the District is expected to have a budget (FY2026) of approximately \$1,445,641 based on the assessment rate described above and the cost of programs detailed in the attached budget and as described in Table 1.

B. Collections and Remittance

Pursuant to the Development Districts Law, assessments must be collected by the City at the same time and in the same manner as municipal taxes, following municipal procedures as outlined by the City of Portland. The City shall forward to the Development Program Manager all District assessment funds collected within thirty (30) days of collection, less a ten (10) percent City administrative fee as authorized in the District Development Program. The City tax collector has all the authority and powers by law to collect the assessments. If any District Property owner fails to pay any assessment or part of an assessment on or before the dates required, the City has all the authority and powers to collect the delinquent assessments vested in the City by law to collect delinquent municipal taxes. Penalties for nonpayment of assessments shall be equivalent to penalties for nonpayment of property taxes. Assessments may be remitted on a monthly basis in advance of the municipal tax billing. The City administrative fee may be used for any costs or expenses related to the administration, collection, enforcement, and reporting particular to the District. Any additional funds shall be spent in accordance with the Development Districts Law in a manner which uniformly benefits the assessed parcels in the district. The City may require reporting and conduct an audit without cause no more than once every year to verify remittance in accordance with the assessment formula.

C. Municipal Indebtedness

The City reserves the right to issue municipal bonds in order to pay for costs of maintenance and operations costs. Any municipal bond issued for such a project would require City Council approval and follow the Charter required process.

D. Related Contract, Agreements, and Obligations

There are no existing terms and conditions of any agreements, contracts, or other obligations related to this Program, other than the anticipated contract with the Development Program Manager to implement the Projects outlined in Table 1 above and all other administrative matters concerning the implementation and operation of the District, other than those matters within the purview of the City.

E. Rollover Funds

Any and all unused fee funds collected during a year may be rolled over to the subsequent year to be used for programs detailed in the Financial Plan. In the event of termination of the

District, any remaining revenues, after all outstanding debts are paid, derived from the charge of fees, or derived from the sale of assets acquired with the revenues, shall be appropriated for the purposes of this Development Program.

F. Reserve Policy

The District's Development Program Manager may develop a Reserve Policy to establish minimum levels for designated funds to ensure stable program and project execution, meet future needs, and protect against financial instability, subject to approval by the City.

V. Financial Data

Please find attached as **Exhibit E** the Statutory Requirements and Thresholds Form required by the Maine Department of Economic and Community Development.

VI. Municipal Approvals

A. Notice of Public Hearing

Attached as **Exhibit A** is a copy of the Notice of Public Hearing held on _____ in accordance with the requirements of 30-A M.R.S.A. § 5226(1). The notice was published in the Portland Press Herald, a newspaper of general circulation in the City _____ on a date at least ten (10) days prior to the public hearing.

B. Minutes of Public Hearing

Attached as **Exhibit C** is a certified copy of the minutes of the public hearing held on , at which time the proposed District was discussed by the public.

C. City Council Order

Attached as **Exhibit D** is an attested copy of the City Council Order adopted by the Portland City Council at a Council Meeting duly called and held on _____, 2024, designating the District and adopting the Development Program.

EXHIBIT A

CITY OF PORTLAND PROPERTY MAP SHOWING DISTRICT PROPERTY
RELATIVE TO CITY BOUNDARIES

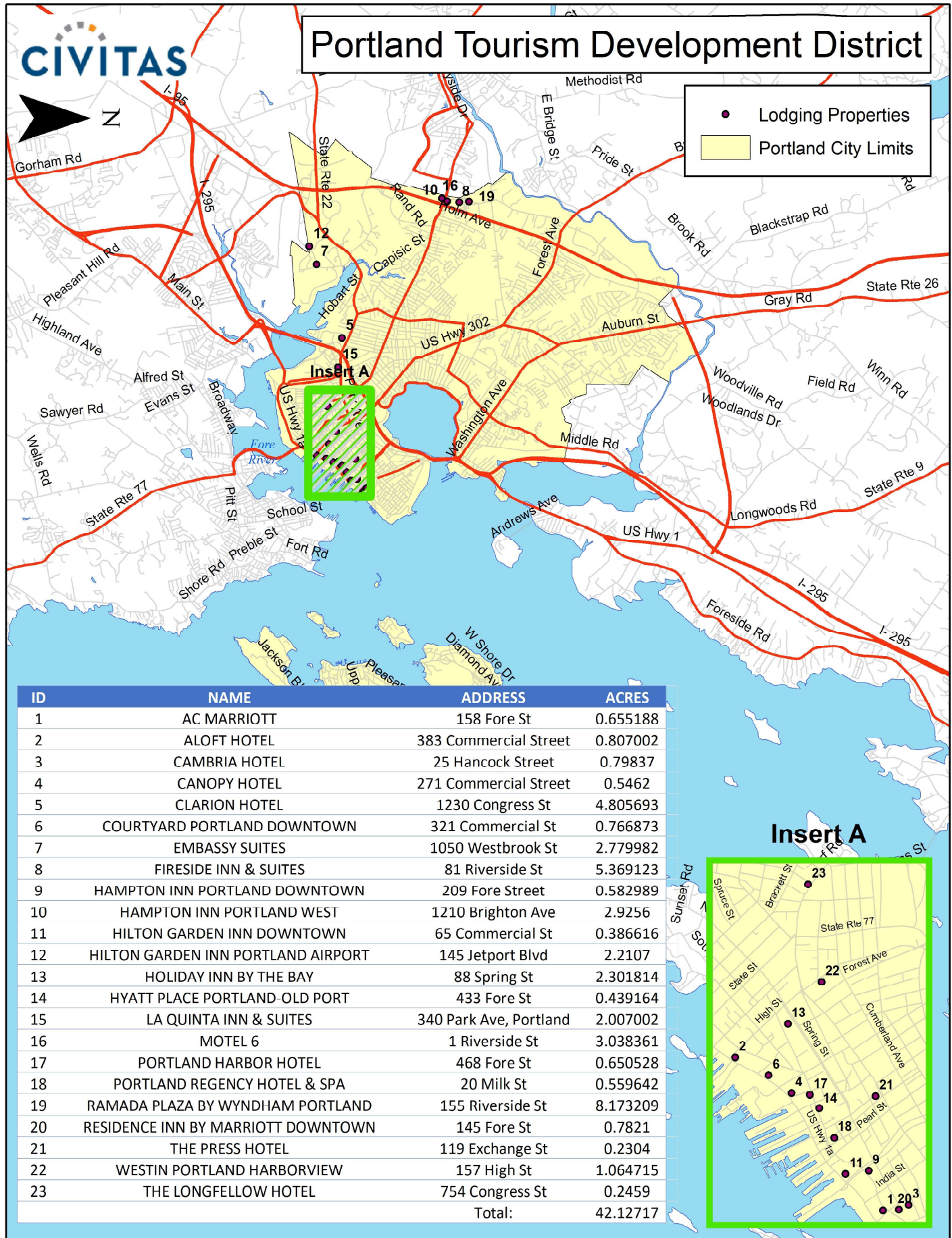


EXHIBIT B
NOTICE OF PUBLIC HEARING

EXHIBIT C
MINUTES OF PUBLIC HEARING

EXHIBIT D
CITY COUNCIL ORDER

EXHIBIT E
STATUTORY REQUIREMENTS AND THRESHOLDS FORM

EXHIBIT E
STATUTORY REQUIREMENTS AND THRESHOLDS
PORTLAND TOURISM MUNICIPAL DEVELOPMENT DISTRICT/FY2026

SECTION A. Acreage Caps		
1. Total municipal acreage;	13,785.6	
2. Acreage of proposed Municipal Development District;	42.1269	
3. Downtown-designation ¹ acres in proposed Municipal Development District;	0	
4. Transit-Oriented Development ² acres in proposed Municipal Development District;	0	
5. Total acreage [=A2-A3-A4] of proposed Municipal Development District counted toward 2% limit;	42.1269	
6. Percentage [=A5÷A1] of total acreage in proposed Municipal Development District (CANNOT EXCEED 2%).	.3056%	
7. Total acreage of all <u>existing/proposed</u> Municipal TIF districts in municipality including Municipal Affordable Housing Development districts: ³ SEE ATTACHED LISTING . District Name/Acreage District Name/Acreage District Name/Acreage District Name/Acreage District Name/Acreage District Name/Acreage	Existing	847.5118
	Proposed	42.1269
	Total:	889.6387
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: District Name/Acreage District Name/Acreage	30.00	
10. Acreage of all <u>existing/proposed</u> Community Wind Power Municipal TIF districts: District Name/Acreage District Name/Acreage	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: District Name/Acreage District Name/Acreage District Name/Acreage District Name/Acreage District Name/Acreage District Name/Acreage	0	
12. Total acreage [=A7-A8-A9-A10-A11] of all <u>existing/proposed</u> Municipal TIF districts counted toward 5% limit;	443.47	
13. Percentage of total acreage [=A12÷A1] of all <u>existing/proposed</u> Municipal TIF districts (CANNOT EXCEED 5%).	3.2169%	
14. Real property in proposed Municipal Development 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.	42.1269	100%
TOTAL (except for § 5223 (3) exemptions a., b. OR 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.

EXHIBIT E
STATUTORY REQUIREMENTS AND THRESHOLDS
PORTLAND TOURISM MUNICIPAL DEVELOPMENT DISTRICT/FY2026

SECTION B. Valuation Cap			
1.	Total TAXABLE municipal valuation—use most recent April 1;		N/A
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;		N/A
3.	Taxable OAV of all <u>existing/proposed</u> Municipal TIF districts in municipality excluding Municipal Affordable Housing Development districts:		Existing
	District Name/OAV	District Name/OAV	District Name/OAV
	District Name/OAV	District Name/OAV	District Name/OAV
			Proposed
			Total:
			N/A
30-A § 5223(3) EXEMPTIONS			
4.	Taxable OAV of an <u>existing/proposed</u> Downtown Municipal TIF district;		N/A
5.	Taxable OAV of all <u>existing/proposed</u> Transit-Oriented Development Municipal TIF districts:		N/A
	District Name/OAV	District Name/OAV	
6.	Taxable OAV of all <u>existing/proposed</u> Community Wind Power Municipal TIF districts:		N/A
	District Name/OAV	District Name/OAV	
7.	Taxable OAV of all <u>existing/proposed</u> Single Taxpayer/High Valuation ⁶ Municipal TIF districts:		N/A
	District Name/OAV	District Name/OAV	
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:		N/A
	District Name/OAV	District Name/OAV	District Name/OAV
	District Name/OAV	District Name/OAV	District Name/OAV
9.	Total taxable OAV [=B3-B4-B5-B6-B7-B8] of all <u>existing/proposed</u> Municipal TIF districts counted toward 5% limit;		N/A
10.	Percentage of total taxable OAV [=B9÷B1] of all <u>existing/proposed</u> Municipal TIF districts (CANNOT EXCEED 5%).		N/A

COMPLETED BY			
PRINT NAME	Lori Paulette		
SIGNATURE		DATE	4/11/2025
If this form has <u>not be completed by the municipal or plantation assessor</u> , the assessor must sign and date below, acknowledging he/she agrees with the information reported on this form, and understands the OAV stated in Section B, line 2, will be used to determine the IAV for this District.			
PRINT NAME	Elisa Marr		
SIGNATURE		DATE	

⁶ For this exemption see 30-A §5223(3)(C) sub-§§ 1-4.

Listing of Existing TIF Districts

4/11/2025

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
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
70 E. Oxford		\$0	0.560
Portland Tourism Dev. District	n/a	n/a	42.1269
Portland Downtown Munic. Dev. Dist.	n/a	n/a	130.9100
Sub-Total:		\$1,127,526,583	889.6387
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	443.470
FY2023 Aggregate Total Value:		\$14,872,866,446	
Total Acreage for Ptd:			13,785.600
5% Allowed to be TIF'd:		\$743,643,322	689.280
Current Amounts TIF'd:		\$157,853,850	443.470
Amount Remaining that can be TIF'd:		\$585,789,472	245.810

**AGREEMENT
BETWEEN THE CITY
OF PORTLAND AND
VISIT PORTLAND**

This AGREEMENT made as of the 1st day of July, 2025, (the “Effective Date”) is by and between the CITY OF PORTLAND, a body politic and corporate with a mailing address of 389 Congress Street, Portland, Maine 04101 (the “City”) and the CONVENTION AND VISITORS’ BUREAU OF GREATER PORTLAND, doing business as VISIT PORTLAND, a Maine non-profit corporation with a mailing address of 1375 Congress Street, Portland, Maine 04102 (“Visit Portland”) (collectively referred to as (the “Parties”).

WHEREAS, by Council Orders _____, and dated _____, 2025, the City has approved a tourism economic development district designated as the ***Portland Tourism Municipal Development District*** (the “District”), the Development Program (defined below), including a map of the District, is attached hereto as Exhibit A and incorporated herein; and

WHEREAS, Visit Portland has been designated as the independent, non-profit corporation that shall manage the District as the Development Program Manager; and

NOW, THEREFORE, in consideration of the covenants herein contained, the Parties hereby mutually agree as follows:

ARTICLE I. Term

The term of this Agreement shall commence with the establishment of the District, and shall expire on June 30, 2026 (“the Term”).

ARTICLE II. Financial Considerations

- a. The City Council has approved the Portland Tourism Municipal Development District Development Program for the District (“the Development Program”) and the special assessment rate that provides funding to support the Development Program.
- b. The City shall make assessments (the “Assessments”) on all non-seasonal lodging properties with forty (40) rooms or more located within the boundaries of the District (each a “District Property”) in accordance with the Development Program as authorized by the City Council and permitted by law.

- c. The City shall remit the Assessments to Visit Portland within thirty (30) days of collection, less the administrative fee of ten percent (10%) of District revenue as described in the Development Program. The City administrative fee may be used for any costs or expenses related to the administration, collection, enforcement, and reporting particular to the District. Any additional funds shall be spent in accordance with the Development Districts Law in a manner which uniformly benefits the assessed parcels in the district.
- d. In addition to the foregoing, the City will pay in a lump sum, within thirty (30) days from the close of the fiscal year, any amount assessed in a prior year, but collected in a subsequent year. Said payment by City shall be subject to the City's administrative fee described in the Development Plan and less any amounts remaining to be reimbursed under a prior year Agreement with the City. City will provide Visit Portland with written detail as to any deductions taken from payments under this paragraph.
- e. Notwithstanding the foregoing, Visit Portland agrees that it will neither encumber funds that it anticipates receiving from the District Assessments nor incur expenditures in anticipation of receipt of such funds except in accordance with the Development Program.
- f. Visit Portland has approved Visit Portland's budget and Development Program, covering the period beginning on July 1, 2025, and ending on June 30, 2026, and the City Council has approved the assessment that provides funding to support Visit Portland's budget and Development Program.
- g. Any penalties and interest collected by the City for nonpayment of assessments shall be retained by the City. Such penalties and interest shall be equivalent to penalties and interest for nonpayment of property taxes.
- h. Visit Portland will provide the Director of Finance with an annual certified financial statement for expenses related to the District and the programs and services outlined in the Development Program. The statement shall list all income and expenses related to the District and shall be provided to the Finance Director within six (6) months after the fiscal year ends.
- i. Visit Portland will produce an annual report to be submitted to the City reflecting all projects expenses, and returns on investments of the District. Any audits needed to verify collection assessment will be paid for by Visit Portland. The City may require reporting and conduct an audit without cause no more than once during the Term to verify remittance in accordance with the assessment formula.

Visit Portland shall have reasonable access to the City's assessment collection records, and the City shall have reasonable access to the Visit Portland's books and records particular to the District expenditures.

ARTICLE III. Services To Be Provided By Visit Portland

During the Term, Visit Portland shall:

- a. Provide the services described herein and in the Development Program.
- b. Provide staff and administrative services sufficient for the performance of the services described herein and in the Development Program.
- c. Maintain a corporate Board of Directors whose members fairly represent a cross section of District Property owners or their designees in the District, and include on the Board one (1) ex-officio Director seat for the Portland Housing and Economic Development Director or the City Manager's designee.
- d. Maintain a mechanism for resolving any dispute to the kind and level of services which may arise between Portland Downtown and persons subject to development district assessments regarding the kind and level of services provided by Visit Portland.
- e. Provide liaison between the City, the District property owners, civic groups, interested persons, and other groups and individuals, as necessary to carry out the mission of the District.
- f. Maintain all minutes and records of Visit Portland proceedings as may be required.
- g. Post meeting minutes related to the District online.
- h. Nothing in this Agreement is intended to or shall be construed to limit Visit Portland's general powers, as set forth in the Maine Non-profit Corporation Act, Title 13-B of the Maine Revised Statutes Annotated.

ARTICLE IV. Termination

- a. The District will commence upon the date of its establishment by the City Council and continue indefinitely in accordance with applicable law until the Council takes action to terminate or amend the District. District Property owners may submit a petition to the City Council at any time requesting that the District be terminated, which the City will consider in accordance with applicable law. The City has and reserves the right to suspend, terminate or abandon the execution of any work by Visit Portland upon receipt of a petition dissolving the District.

- b. This Agreement may be terminated by either Party for good cause. If Visit Portland or the City should fail to perform any material covenant, obligation or agreement hereunder for a period of thirty (30) days after written notice of complaint from the City Manager or Visit Portland specifying such failure, either Party may provide the other with notice of failure to perform the Agreement as provided herein. Upon receipt of notice, Visit Portland or the City shall have a ninety (90) day period, computed from the date of delivery of the notice of failure to perform, within which the affected Party may provide a written plan to remedy the complaint. In the event that a determination is made at the expiration of the ninety (90) day period that the complaint is unresolved, either Party may declare their intent to terminate the Agreement and identify the specific date of termination with a written notice. Either Party shall have the right to appeal the decision to the other. Either Party shall file such appeal within seven (7) business days from the date the Party receives the notice of termination. If such appeal does not remedy the complaint, consideration for termination of this Agreement would be subject to a vote of the City Council.
- c. Nothing herein shall be construed as giving Visit Portland the right to perform the work contemplated under this Agreement beyond the time that the City Council terminates this Agreement. In case Visit Portland should be discharged before all the services contemplated in this Agreement have been completed, or the services for any reason should be stopped, either because of the expiration of the Term or because of the inability of Visit Portland to fulfill its obligations under this Agreement, Visit Portland shall be reimbursed for all services satisfactorily performed prior to the effective date of termination in accordance with Article II hereof, but only to the extent that sufficient Assessments have been received by the City to make such reimbursement. After termination of the Agreement, Visit Portland shall:
 - 1. With respect to existing activities, take only such actions as the City Manager shall direct;
 - 2. Upon City's request, assign to the City in the manner, at the times and only to the extent the City, acting by and through its City Manager, may direct it to do so, all the rights, title and interest of Visit Portland in and to all existing orders and agreements.
 - 3. To the extent rights, title and interests of Visit Portland in and to existing orders and agreements may be assigned to the City and accepted by it; obligations incurred on or after such assignment will be assumed by the City. Otherwise, Visit Portland shall settle all outstanding liabilities and all claims arising out of any terminated orders or agreements.
 - 4. Deliver to the City, in the manner, at the times and to the extent directed by the City Manager, all documents and data produced by Visit Portland as part

of or in connection with the work.

5. In the event of termination of the District, any remaining revenues, after all outstanding debts are paid, derived from the charge of fees, or derived from the sale of assets acquired with the revenues, shall be returned to the City and appropriated for the purposes of the Development Program, subject to the approval of the City Council.

ARTICLE V. Assignment

Visit Portland covenants and agrees that it will neither assign nor transfer any rights here under, either in whole or in part, without first obtaining the prior written consent of the City.

ARTICLE VI. Performance of Services

All services performed by Visit Portland under this Agreement, or by third parties paid with funds provided under this Agreement, shall be performed in a good, workman like fashion and in accordance with all applicable professional and industry standards.

ARTICLE VII. Compliance with Law

Visit Portland will comply with all provisions of Federal, State, and local law, applicable to the services provided under this Agreement. Visit Portland further agrees to adhere to a policy of non-discrimination in all employment actions, practices, policies, procedures, phases, and conditions of employment. This shall include compliance with all applicable provisions of the Workforce Investment Act of 1998, as amended (WIA, 29 CFR part 37); the Nontraditional Employment for Women Act of 1991; title VI of the Civil Rights Act of 1964, as amended; section 504 of the Rehabilitation Act of 1973, as amended; the Age Discrimination Act of 1975, as amended; title IX of the Education Amendments of 1972, as amended; and with all applicable requirements imposed by or pursuant to regulations implementing those laws, including but not limited to 29 CFR part 37 and all other applicable laws, including the Maine Human Rights Act, ordinances and regulations regarding equal opportunity and equal treatment. Visit Portland specifically agrees that 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 Visit Portland where appropriate.

ARTICLE VIII. Indemnification

- a. Visit Portland shall, at its own cost and expense, defend, indemnify, and hold harmless the City, its officers, agents, and employees, from and against the following:
 1. To the fullest extent permitted by law, Visit Portland shall defend, indemnify and hold harmless the City, its officers and employees, from and against all claims, damages, losses, and expenses, just or unjust, including but not limited to costs of defense, including attorney's fees, arising out of or resulting from the performance of this Agreement, provided that any such claims, damage, loss or expense is (1) attributable to bodily injury, sickness, disease, or death, or injury to or destruction of tangible property, including the loss or use thereof; and (2) is caused in whole or in part by any negligent act or omission of Visit Portland, anyone directly or indirectly employed by it, or anyone for whose act it may be liable;
 2. All claims and liens of Visit Portland's consultants, subcontractors, and their laborers, mechanics, material men, and/or suppliers. Such obligation shall not be construed either to negate or abridge any other obligation of indemnification and shall not be limited by any provision for insurance contained in this Agreement.
- b. Notwithstanding the foregoing, nothing herein shall, nor is intended to, waive any defense, immunity or limitation of liability which may be available to the City or their respective officers, agents and employees, under the Maine Tort Claims Act or any other privileges and/or immunities provided by law.

ARTICLE IX. Insurance

- a. Neither Visit Portland nor any of its subcontractors shall commence work under this Agreement until they have provided the insurance coverage required by this Agreement and such coverage has been approved by the City.
- b. Prior to the execution of this Agreement, Visit Portland shall, at its own expense, procure and maintain:

- Occurrence-based Professional Liability Insurance for errors, omissions and negligence, in the amount of One Million Dollars (\$1,000,000.00) per claim.
- Occurrence based Commercial General Liability Insurance coverage in amounts of not less than One Million Dollars (\$1,000,000.00) per occurrence for bodily injury, death and property damage;
- Workers' Compensation Insurance coverage to the extent required by law, which shall include an endorsement waiving all rights of subrogation against the City of Portland, its officers or employees;

With respect to the Commercial General Liability, Visit Portland shall name the City as an additional insured for coverage for claims for which the City does not have governmental immunity, including, without limitation, those areas where government immunity has been expressly waived as set forth in 14 M.R.S. A. § 8104-A, as limited by § 8104-B, and § 8111. This provision shall not be deemed a waiver of any defenses, immunities or limitations of liability or damages available to the City under the Maine Tort Claims Act, other Maine statutory law, judicial precedent, common law, or any other defenses, immunities or limitations of liability available to the City. Prior to execution of this Agreement, Visit Portland shall furnish the City and thereafter maintain certificates evidencing all such coverages, which certificates shall guarantee thirty (30) days' notice to the City of termination of insurance from the insurance provider or agent. Visit Portland shall also provide a copy of any endorsement naming the City as additional insured. A certificate that merely has a box checked under "Addl Insr," or the like, or that merely states the City of Portland is named as an Additional Insured, will not be acceptable. The Workers' Compensation insurance shall include an endorsement waiving all rights of subrogation against the City of Portland, its officers or employees. Upon City's request, Visit Portland shall provide City with a complete copy of any of the above-referenced policies. Visit Portland shall be responsible for any and all deductibles and/or self-insured retentions (not to exceed \$10,000.00 without prior written approval of Corporation Counsel). City's acceptance or lack of acceptance of Visit Portland's Certificate of Insurance or other evidence of insurance shall not be construed as a waiver of the Visit Portland's obligation to obtain and maintain such insurance as required by this agreement.

Article X. No Joint Venture; Independent Contractors

- a. Nothing contained in this Agreement will constitute or be construed to be or create a partnership or joint venture between the parties or any of their respective officers, directors, employees, affiliates, successors or assigns. The parties understand and agree that this Agreement does not make either of them an agent or legal

representative of the other for any purpose whatsoever. No party is granted, by this Agreement or otherwise, any right or authority to assume or create any obligation or responsibilities, express or implied, on behalf of or in the name of any other party, or to bind any other party in any manner whatsoever.

- b. Each party will secure, at its own expense, all personnel, materials, and equipment required to perform its obligations under this Agreement. Each party, in accordance with its status as an independent contractor, covenants and agrees that its employees shall be regarded for all legal and tax purposes as its own employees during the term of this Agreement, and each party shall govern and supervise the work of its own employees. Each party shall discharge all applicable obligations imposed upon employers under the law, including without limitation payment of wages, social security taxes, withholding taxes, unemployment taxes and worker's compensation. Both parties' employees shall not be considered employees of the other party for any purpose and shall not be entitled to any retirement benefits, social security benefits, unemployment benefits, group health or life insurance, vacation, personal, or sick leave, worker's compensation, or any other similar benefits ("Employment Benefits") from the other party. Each party further covenants and agrees that its employees will conduct themselves consistent with such status, that they will neither hold themselves out as, nor claim to be, officers or employees of the other party by reason of this Agreement, and that its employees will not, by reason of this Agreement, make any claim, demand or application to or for any right or privilege applicable to an officer or employee of the other party, including but not limited to the Employment Benefits.
- c. Nothing in this Agreement is intended to or does prohibit Visit Portland or the City from entering into any other contractual relationship with each other or any third party.

Article XI. Miscellaneous Provisions

- a. This Agreement shall be construed in all respects in accordance with, and governed by, the laws of the State of Maine. All parties hereto hereby consent to the exclusive jurisdiction of the Superior Court for the County of Cumberland in the State of Maine, for all actions, proceedings and litigation arising from or relating directly or indirectly to this Agreement or any of the obligations hereunder, and any dispute not otherwise resolved as provided herein shall be litigated solely in said Court.

- b. This Agreement and its attachments represent the entire and complete agreement and understanding between the parties and supersedes any prior agreement or understanding, written or oral, between the parties with respect to the subject matter of this Agreement. This Agreement cannot be amended except by written instrument executed by the City and Visit Portland.
- c. Visit Portland warrants and represents that it has the full right and authority to enter into this Agreement, that there is no impediment that would inhibit its ability to perform their respective obligations under this Agreement, and that the person signing this Agreement on behalf of Visit Portland has the authority to do so.
- d. This Agreement may be executed in any number of counterparts and by different parties in separate counterparts. Each counterpart when so executed shall be deemed to be an original and all of which together shall constitute one and the same agreement. A signature in a pdf or electronic document shall be considered the equivalent of an original signature.

(Signature page follows)

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the _____ day of _____, 2025

WITNESS

CITY OF PORTLAND

By: _____
Danielle P. West
Its City Manager

WITNESS

**CONVENTION AND VISITORS'
BUREAU OF GREATER
PORTLAND**

By: _____
Print Name:
Its: _____

Approved as to Form:

City Corporation Counsel

Approved as to Funds:

City Finance Department

ECONOMIC DEVELOPMENT PROJECT

CITY OF PORTLAND, MAINE

A Municipal Development District

**PORTLAND TOURISM MUNICIPAL DEVELOPMENT DISTRICT
DEVELOPMENT PROGRAM**

Presented to:

City Council

City of Portland

June __, 2025

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Exhibit List

Exhibit A	City of Portland Property Map Showing District Property Relative to City Boundaries
Exhibit B	Notice of Public Hearing
Exhibit C	Minutes of Public Hearing
Exhibit D	City Council Order
Exhibit E	Statutory Requirements and Thresholds Form

Development Program

I. Introduction

The City of Portland (the “City”) seeks to establish a Municipal Development District to be known as the “**Portland Tourism Municipal Development District**” (the “District”), located throughout the City of Portland.

The District includes 23 non-seasonal hotels with 40 rooms or more to be assessed for the District to provide programs, services and improvements as described in this Development Program.

In designating the proposed District and adopting this Development Program, the City can accomplish the following goals:

- Maintain and ideally expand the existing tax revenues flowing from the District properties;
- Enable the investment of assessment payments made by properties uniformly and proportionally benefitting from the Development Program in strategic sales, marketing, promotions, destination development and special events;
- Maintain and create long-term, stable employment opportunities for area residents; and
- Improve the overall economy of the City, the Cumberland County region, and the State of Maine.

II. Development Program Narrative

A. The Development District

The District will encompass approximately 42.1269 acres of real property, and includes the following\ City Tax Map/Lots/Blocks: 019-B020001 (0.6552 acres), 042-A001001 (0.807 acres), 20-C009001 (0.7983 acres), 038-G005001 (0.5462 acres), 054-G001001 (.2459 acres), 189-A014001 (4.8057 acres), 040-E00300H (0.767 acres), 210A-A005001 (2.78 acres), 266-A002001 (5.3691), 029-L00100H (0.5829 acres), 265-A001001 (2.9256 acres), 029-K003001 (0.3866 acres), 209A-A016002 (2.2107 acres), 039-E010001 (2.3018 acres), 032-I042001 (0.4392 acres), 065-A003001 (2.007 acres), 266-A001001 (3.0384 acres), 038-F009001 (0.6505 acres), 029-R001001 (0.5596 acres), 267-B001001 (8.173 acres), 020- C010001 (0.7821 acres), 032-C001001 (0.2304 acres), 037-E007001 (1.0647 acres) (each a “District Property”). The District is shown in **Exhibit A** attached hereto.

B. The Development Program

The City’s designation of the District and adoption of this Development Program allows for the City to fund activities and projects to be supported by the District Property owners, and also coordinate services to ensure effective delivery and proper support for tourism promotion while building on existing revitalization efforts and protection of public and private investment. The travel industry is a major economic driver for the City and Maine. Visitor spending not only

supports tourism-related businesses but also the local artists, lobster/fishing community, cultural institutions, food & beverage establishments, and small businesses that residents alone could not support year-round. Therefore, it is in the public interest of the City, and vital to the welfare of the City's economy, to facilitate and encourage cooperating public-private partnerships where lodging properties become partners with the City for the enhancement and expansion of the travel economy and to provide for increased business activity, tourism, economic development and job creation throughout the District.

The term of the District will commence when established by the City Council and continue indefinitely, subject to annual budget approvals by the City Council, until the Council takes action to terminate or amend the District. District Property owners may submit a petition to the City Council at any time requesting that the District be terminated, which the City will consider in accordance with applicable law.

Under this Development Program, projects as listed below in Table 1 will be executed through an agreement with a development program manager (the "Development Program Manager").

This Development Program is structured and proposed pursuant to Chapter 206 of Title 30-A of the Maine Revised Statutes, as amended (the "Statute"). The designation of the District and adoption of the Development Program are effective upon approval by the City Council, evidenced by Exhibit C and Exhibit D hereto.

C. Services and Programming

District Property owners will pay assessments on an annual basis to support the program. The formation of the District is intended to contribute to the economic growth and wellbeing of the City, and to the betterment of the health, welfare or safety of the inhabitants of the City. To accomplish this intention, the City desires to support the costs described below using District revenues. The City shall not reduce services to the District Properties because of the implementation of the District. Projects and services approved and executed by the District shall be in addition to and not in the place of municipal projects and services. Assessment revenues must be spent in accordance with the financial plan.

The annual project costs presented in the annual Financial Plan shall be approved by the City Council and must be contained within the project descriptions below and identified in the Order Establishing the Portland Tourism Development District. Please see Table 1 herein for a complete list of authorized projects and their respective cost estimates for the second half of the 2024 fiscal year. Future cost estimates for the projects will be approved on an annual basis and will serve as the basis for the assessment calculation.

TABLE 1
Municipal Projects

Services and Programming	FY 2026 Cost Estimate*
-------------------------------------	---------------------------------------

<u>A. Sales, Marketing, Promotions, Destination Development and Special Events.</u> Marketing efforts will reach markets such as Leisure Travelers, Meetings & Conferences, Sporting Events, Destination Weddings and Social Events, International Travelers, Motorcoaches, Cruise Passengers, and Media/Influencers. Marketing messaging will reach all ages of travelers and target all demographics including BIPOC and LGBTQ+. Ten percent (10%) of the Sales, Marketing, Promotions, Destination Development, and Special Events budget shall be allotted specifically to reach the BIPOC, LGBTQ+ markets, and community DEI efforts. Projects may include: • Promoting and marketing tourism in different periods (for example out of season or shoulder seasons); • Research & Development of a marketing plan designed to outline a strategy for attracting potential visitors and expand programs to attract diverse visitors at the right time with the right message; • Regional and national leisure marketing and convention trade marketing programs inclusive of broadcast, social, digital, audio, print, pay-per- click and out-of-home channels, designed to increase awareness of and drive overnight traffic to the destination – in turn, benefitting the assessed lodging properties through increased consumer demand and increased year-round room night bookings.; • Public Relations and media programs that enhance the profile of Portland as a visitor, meetings and event destination – in turn, benefitting the assessed lodging properties through increased consumer demanded increased room night bookings; • Dedicated funds to support incentives, hosting fees and other offsetting costs associated with securing strategic industry events, incremental group and convention business, and/or large-scale events for the destination that generate room nights for the assessed lodging properties; • Strategic partnerships, sponsorships, or other alliances that reinforce the City of Portland as a destination of choice within the travel marketplace for meetings, events and leisure travel – in turn, generating greater room night sales to the assessed lodging properties; • Attendance at tradeshow, conferences, and professional industry/partner events to promote the destination and the assessed lodging properties; • Sales missions, client events, site inspections, and familiarization tours showcasing the destination and the assessed lodging properties;	\$791,949
--	------------------

- | | |
|--|--|
| <ul style="list-style-type: none">• Visitor services programs designed to extend stays at assessed lodging properties and increase visitor spending;• Preparation, production, mailing, and distribution of collateral promotional materials such as brochures, flyers, maps, and videos featuring assessed lodging properties;• Research on current and new markets that would result in additional room night sales to assessed lodging properties | |
|--|--|

Services and Programming	FY 2026 Cost Estimate*
B. Business Practices & Workforce Initiatives Work with lodging partners, attractions, restaurants, venues and other tourism-related entities to support programs that encourage sustainable visitation. Services may include: • Programs to combat congestion at specific locations and reduce pressure on infrastructure and resources that have a negative impact on the quality of life for residents; • Programming to sustain demand and undertaking activities that balance the livability of the destination in popular tourism periods and generating overnight stays from leisure travelers especially during need periods; • Infrastructure or capital improvements, including maintenance activities, that enhance Portland’s competitive position to attract desirable special events year around and attract overnight visitors including payment of debt service on such expenditures; • Funds shall be deployed to build programs to support a sustainable workforce. Programming may include destination-wide workforce assessment, apprenticeship or educational programming as seasonality requires, and worker-led roundtables and peer listening sessions designed to foster open dialogue among hospitality employees, as well as a community-facing workforce website that highlights worker contributions and connects them with professional resources.	\$100,000
C. <u>District Administration</u> The administration portion of the budget shall be utilized for administrative costs, office costs, and other general administrative costs such as insurance, legal, and accounting fees incurred by the City and the Development Program Manager. A portion of the budget will be allocated to a contingency fund. If there are contingency funds collected, they may be held in a reserve fund or utilized for other program or administration costs at the discretion of the Development Program Manager board. Policies relating to contributions to the reserve fund, the target amount of the reserve fund, and expenditure of monies from the reserve fund shall be set by the Board, subject to approval by the City.	\$533,692
D. <u>Return on Investment/ Quarterly and Annual Reporting</u> The Development Program Manager will account for the expenses and results of the district specific to the Services and Programming and the return on investment as it relates to benefiting the property owners in the district and community related impact such as workforce programs.	\$20,000

Services and Programming	FY 2026 Cost Estimate*
Total	\$1,445,641

* These are estimates only. The City may approve different budgeted amounts for the listed projects each year.

D. Strategic Growth and Development

By creating and designating the District, the City can achieve the appropriate level of programs, services and improvements described in this Development Program as well as a fair and appropriate financial contribution from each party benefitting from such activities. Establishing the public private partnership to fund our local tourism industry will pave the way for an engaged community that will be invested in efforts to stabilize and sustain a year-round balanced visitor demand, local workforce development and support, creating a new platform for Portland to elevate the accessibility to its diverse community, support residents and business development, and maintain and evolve experiences for visitors.

In addition, by providing additional services for assessed lodging properties in the City of Portland, the District will ease the burden on local government, which faces constrained budgets, while under obligation to provide equivalent levels of service throughout the entire community.

The City's designation of the District and pursuit of this Development Program constitute a good and valid public purpose described in Chapter 206 of Title 30-A of Maine Revised Statutes because it represents a substantial contribution to the economic well-being of both the City and the region, by supporting surrounding businesses which provide jobs and contribute to property taxes.

E. Improvements to the Public Infrastructure

As further set forth in Table 1, the City will undertake a variety of operations and maintenance activities, including potential public infrastructure improvements.

F. Operational Components

1. Public Facilities

As further set forth in Table 1, the City may undertake public capital improvement projects and maintenance activities.

2. Commercial Improvements Financed Through Development Program

No commercial improvements will be financed through the District or assessments.

3. Relocation of Displaced Persons

No persons will be displaced.

4. Transportation Improvements

No transportation improvements will be financed through the District or Assessments.

5. Environmental Controls

The improvements made under the proposed Development Program will meet or exceed all federal and state environmental regulations 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 designee will be responsible for all administrative matters within the purview of the City concerning the implementation and operation of the District, including the imposition and collection of implementation assessments.

Pursuant to the Development Districts Law, the City will enter into a contractual arrangement with the Development Program Manager to perform the Projects outlined in Table 1 above and all administrative matters associated with the Development Program other than those matters within the purview of the City. The Development Program Manager shall establish a corporate Board of Directors whose members fairly represent a cross section of assessed property owners or their designees in the District and include on the Board one (1) ex-officio Director seat for the Portland Housing and Economic Development Director or the City Manager's designee.

III. Physical Description

Municipal documents relating to the District's physical description attached as: City of Portland property map showing the District relative to City boundaries. **Exhibit A**

IV. Financial Plan

The District will encompass approximately 42.1269 acres of property and will begin for the 2026 fiscal year July 1, 2025 – June 30, 2026, with subsequent fiscal years with an indefinite term of years to be terminated only upon Council action.

A. Cost Estimate and Sources of Revenues

All non-seasonal lodging properties with forty (40) or more rooms within the boundaries of the City of Portland that meet the assessed property criteria shall be assessed. The assessment is based upon the benefits received from the district programming, derived from the business activity related to the parcel. The fiscal year method and assessment rate is based on short term room rental using the US Average, Average Daily Rate (ADR) multiplied by fifty-percent (50%) occupancy as reported by STR year or, when unavailable, as reported by the District Property, for the previous year, multiplied by one and one-half percent (1.5%) which is also equal to one and one-half percent (1.5%) of annual gross short-term room rental revenue.

With a July 1, 2025, District begin date, the budget is based on July 1, 2025, to June 30, 2026, business activity as reported by STR as outlined above, or when unavailable as reported by District Property owners. The subsequent annual assessment will be calculated in a similar manner to the initial assessment using the most recent available previous fiscal year data as reported by STR as outlined above, or when unavailable by District Property Owners.

Assuming a July 1, 2025 District begin date, the District is expected to have a budget (FY2026) of approximately \$1,445,641 based on the assessment rate described above and the cost of programs detailed in the attached budget and as described in Table 1.

B. Collections and Remittance

Pursuant to the Development Districts Law, assessments must be collected by the City at the same time and in the same manner as municipal taxes, following municipal procedures as outlined by the City of Portland. The City shall forward to the Development Program Manager all District assessment funds collected within thirty (30) days of collection, less a ten (10) percent City administrative fee as authorized in the District Development Program. The City tax collector has all the authority and powers by law to collect the assessments. If any District Property owner fails to pay any assessment or part of an assessment on or before the dates required, the City has all the authority and powers to collect the delinquent assessments vested in the City by law to collect delinquent municipal taxes. Penalties for nonpayment of assessments shall be equivalent to penalties for nonpayment of property taxes. Assessments may be remitted on a monthly basis in advance of the municipal tax billing. The City administrative fee may be used for any costs or expenses related to the administration, collection, enforcement, and reporting particular to the District. Any additional funds shall be spent in accordance with the Development Districts Law in a manner which uniformly benefits the assessed parcels in the district. The City may require reporting and conduct an audit without cause no more than once every year to verify remittance in accordance with the assessment formula.

C. Municipal Indebtedness

The City reserves the right to issue municipal bonds in order to pay for costs of maintenance and operations costs. Any municipal bond issued for such a project would require City Council approval and follow the Charter required process.

D. Related Contract, Agreements, and Obligations

There are no existing terms and conditions of any agreements, contracts, or other obligations related to this Program, other than the anticipated contract with the Development Program Manager to implement the Projects outlined in Table 1 above and all other administrative matters concerning the implementation and operation of the District, other than those matters within the purview of the City.

E. Rollover Funds

Any and all unused fee funds collected during a year may be rolled over to the subsequent year to be used for programs detailed in the Financial Plan. In the event of termination of the

District, any remaining revenues, after all outstanding debts are paid, derived from the charge of fees, or derived from the sale of assets acquired with the revenues, shall be appropriated for the purposes of this Development Program.

F. Reserve Policy

The District's Development Program Manager may develop a Reserve Policy to establish minimum levels for designated funds to ensure stable program and project execution, meet future needs, and protect against financial instability, subject to approval by the City.

V. Financial Data

Please find attached as **Exhibit E** the Statutory Requirements and Thresholds Form required by the Maine Department of Economic and Community Development.

VI. Municipal Approvals

A. Notice of Public Hearing

Attached as **Exhibit A** is a copy of the Notice of Public Hearing held on _____ in accordance with the requirements of 30-A M.R.S.A. § 5226(1). The notice was published in the Portland Press Herald, a newspaper of general circulation in the City _____ on a date at least ten (10) days prior to the public hearing.

B. Minutes of Public Hearing

Attached as **Exhibit C** is a certified copy of the minutes of the public hearing held on , at which time the proposed District was discussed by the public.

C. City Council Order

Attached as **Exhibit D** is an attested copy of the City Council Order adopted by the Portland City Council at a Council Meeting duly called and held on _____, 2024, designating the District and adopting the Development Program.

EXHIBIT A

CITY OF PORTLAND PROPERTY MAP SHOWING DISTRICT PROPERTY
RELATIVE TO CITY BOUNDARIES

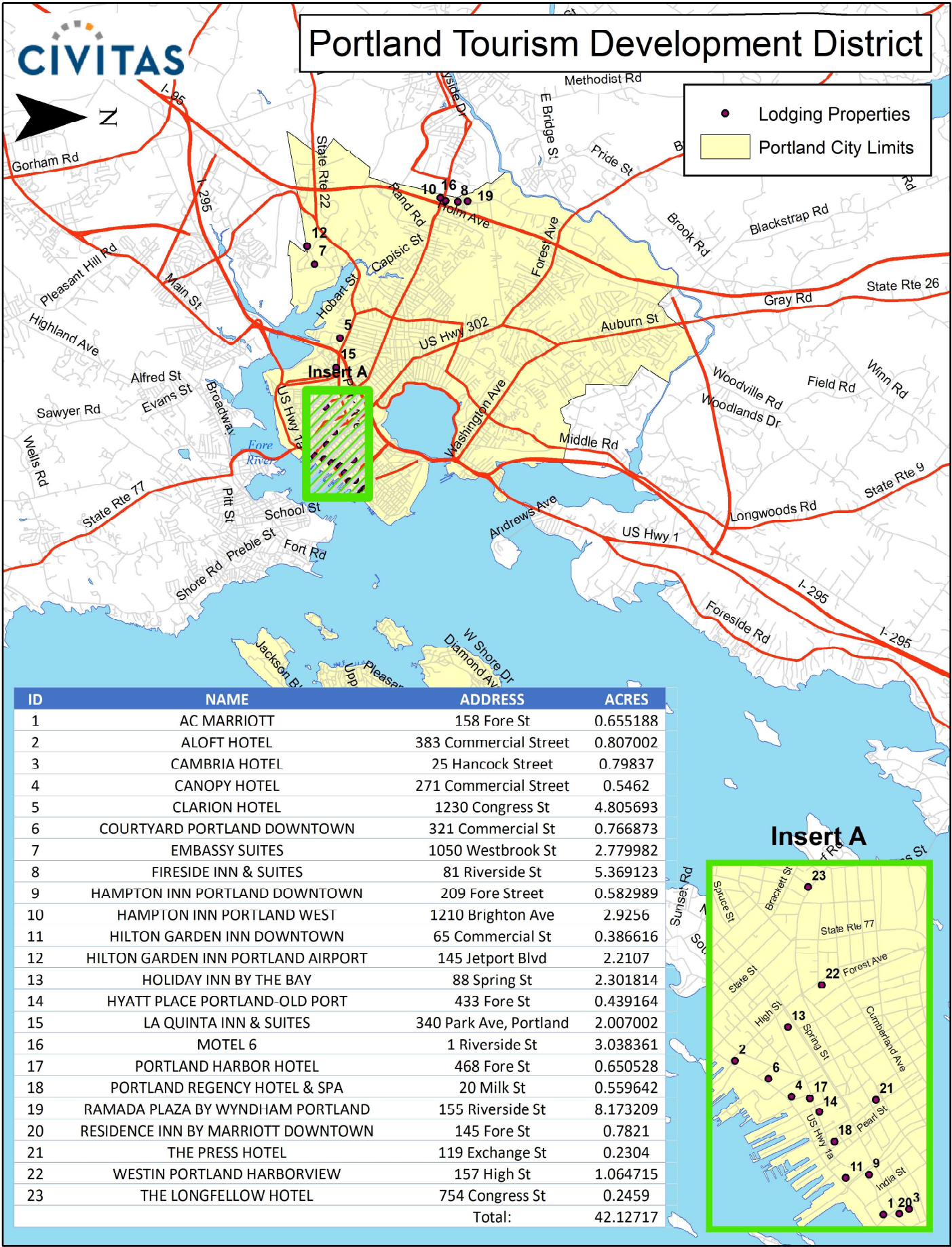


EXHIBIT B
NOTICE OF PUBLIC HEARING

EXHIBIT C
MINUTES OF PUBLIC HEARING

EXHIBIT D
CITY COUNCIL ORDER

EXHIBIT E
STATUTORY REQUIREMENTS AND THRESHOLDS FORM

EXHIBIT E
STATUTORY REQUIREMENTS AND THRESHOLDS
PORTLAND TOURISM MUNICIPAL DEVELOPMENT DISTRICT/FY2026

SECTION A. Acreage Caps		
1. Total municipal acreage;	13,785.6	
2. Acreage of proposed Municipal Development District;	42.1269	
3. Downtown-designation ¹ acres in proposed Municipal Development District;	0	
4. Transit-Oriented Development ² acres in proposed Municipal Development District;	0	
5. Total acreage [=A2-A3-A4] of proposed Municipal Development District counted toward 2% limit;	42.1269	
6. Percentage [=A5÷A1] of total acreage in proposed Municipal Development District (CANNOT EXCEED 2%).	.3056%	
7. Total acreage of all <u>existing/proposed</u> Municipal TIF districts in municipality including Municipal Affordable Housing Development districts: ³ SEE ATTACHED LISTING . District Name/Acreage District Name/Acreage District Name/Acreage District Name/Acreage District Name/Acreage District Name/Acreage	Existing	847.5118
	Proposed	42.1269
	Total:	889.6387
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: District Name/Acreage District Name/Acreage	30.00	
10. Acreage of all <u>existing/proposed</u> Community Wind Power Municipal TIF districts: District Name/Acreage District Name/Acreage	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: District Name/Acreage District Name/Acreage District Name/Acreage District Name/Acreage District Name/Acreage District Name/Acreage	0	
12. Total acreage [=A7-A8-A9-A10-A11] of all <u>existing/proposed</u> Municipal TIF districts counted toward 5% limit;	443.47	
13. Percentage of total acreage [=A12÷A1] of all <u>existing/proposed</u> Municipal TIF districts (CANNOT EXCEED 5%).	3.2169%	
14. Real property in proposed Municipal Development 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.	42.1269	100%
TOTAL (except for § 5223 (3) exemptions a., b. OR 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.

EXHIBIT E
STATUTORY REQUIREMENTS AND THRESHOLDS
PORTLAND TOURISM MUNICIPAL DEVELOPMENT DISTRICT/FY2026

SECTION B. Valuation Cap			
1.	Total TAXABLE municipal valuation—use most recent April 1;	N/A	
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;	N/A	
3.	Taxable OAV of all <u>existing/proposed</u> Municipal TIF districts in municipality excluding Municipal Affordable Housing Development districts: District Name/OAV District Name/OAV District Name/OAV District Name/OAV District Name/OAV District Name/OAV	Existing	N/A
		Proposed	N/A
		Total:	N/A
30-A § 5223(3) EXEMPTIONS			
4.	Taxable OAV of an <u>existing/proposed</u> Downtown Municipal TIF district;	N/A	
5.	Taxable OAV of all <u>existing/proposed</u> Transit-Oriented Development Municipal TIF districts: District Name/OAV District Name/OAV	N/A	
6.	Taxable OAV of all <u>existing/proposed</u> Community Wind Power Municipal TIF districts: District Name/OAV District Name/OAV	N/A	
7.	Taxable OAV of all <u>existing/proposed</u> Single Taxpayer/High Valuation ⁶ Municipal TIF districts: District Name/OAV District Name/OAV	N/A	
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: District Name/OAV District Name/OAV District Name/OAV District Name/OAV District Name/OAV District Name/OAV	N/A	
9.	Total taxable OAV [=B3-B4-B5-B6-B7-B8] of all <u>existing/proposed</u> Municipal TIF districts counted toward 5% limit;	N/A	
10.	Percentage of total taxable OAV [=B9÷B1] of all <u>existing/proposed</u> Municipal TIF districts (CANNOT EXCEED 5%).	N/A	

COMPLETED BY			
PRINT NAME	Lori Paulette		
SIGNATURE		DATE	4/11/2025
If this form has <u>not be completed by the municipal or plantation assessor</u> , the assessor must sign and date below, acknowledging he/she agrees with the information reported on this form, and understands the OAV stated in Section B, line 2, will be used to determine the IAV for this District.			
PRINT NAME	Elisa Marr		
SIGNATURE		DATE	

⁶ For this exemption see 30-A §5223(3)(C) sub-§§ 1-4.

Listing of Existing TIF Districts

4/11/2025

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
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
70 E. Oxford		\$0	0.560
Portland Tourism Dev. District	n/a	n/a	42.1269
Portland Downtown Munic. Dev. Dist.	n/a	n/a	130.9100
Sub-Total:		\$1,127,526,583	889.6387
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	443.470
FY2023 Aggregate Total Value:		\$14,872,866,446	
Total Acreage for Ptd:			13,785.600
5% Allowed to be TIF'd:		\$743,643,322	689.280
Current Amounts TIF'd:		\$157,853,850	443.470
Amount Remaining that can be TIF'd:		\$585,789,472	245.810

MEMORANDUM
City Council Agenda Item

FROM:

DATE: July 2, 2025

SUBJECT: Order 7-25/26 Approving the Settlement Agreement and Mutual General Release Between FEDEQ DV004, LLC and FEDEQ DV005, LLC and the City of Portland - Sponsored by Michael Goldman, Corporation Counsel

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 approves the Settlement Agreement and Mutual General Release between FEDEQ DV004, LLC and FEDEQ DV005, LLC and the City of Portland. The agreement resolves all disputes and litigation between the parties concerning the Federated/MiDTOWN Development project and associated agreements. As part of the settlement, the City will acquire Lots 1, 3, and 7 from Federated for \$15,000,000, and all pending litigation will be dismissed with prejudice.

This item must be read at two separate meetings. This is its first reading.

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 7 - Federated Litigation Settlement Agreement
2. Dion Amendment 1 to Order 7, Federated
3. Settlement Agreement with Exhibits - 7-9-25
4. MEMORANDUM to Council from Russ Pierce 7-11-2025
5. Federated Fiscal Impact Note

Prepared by:

Date: 07/02/2025

MARK DION (MAYOR)
PIOUS ALI (A/L)
APRIL D. FOURNIER (A/L)
BENJAMIN GRANT (A/L)

**CITY OF PORTLAND
IN THE CITY COUNCIL**

SARAH MICHNIEWICZ (1)
WESLEY PELLETIER (2)
REGINA L. PHILLIPS (3)
ANNA BULLETT (4)
KATE SYKES (5)

**ORDER APPROVING THE SETTLEMENT AGREEMENT AND MUTUAL GENERAL
RELEASE BETWEEN FEDEQ DV004, LLC and FEDEQ DV005, LLC AND
THE CITY OF PORTLAND**

ORDERED, that the Settlement Agreement And Mutual General Release between FEDEQ DV004, LLC and FEDEQ DV005, LLC is hereby approved in substantially the form attached hereto; and

BE IT FURTHER ORDERED, that the City Council hereby authorizes the City Manager or designee to execute said Agreement and any other related documents necessary or convenient to carry out the intent of said Agreement;

BE IT FURTHER ORDERED, that this order is enacted as an Emergency, pursuant to Article II, Section 11 of the Portland City Charter, in order to make it effective immediately.

**AMENDMENT TO ORDER 7-25/26
PREPARED BY CORPORATION COUNSEL
FOR MAYOR MARK DION
RE: FUND APPROPRIATION**

ORDERED, that the Settlement Agreement And Mutual General Release between FEDEQ DV004, LLC and FEDEQ DV005, LLC is hereby approved in substantially the form attached hereto; and

BE IT FURTHER ORDERED, that \$15,000,000 is hereby appropriated from the City's unassigned fund balance to pay amounts due under said Agreement; and

BE IT FURTHER ORDERED, that the City Council hereby authorizes the City Manager or designee to execute said Agreement and any other related documents necessary or convenient to carry out the intent of said Agreement;

SETTLEMENT AGREEMENT AND MUTUAL GENERAL RELEASE

This Settlement Agreement and Release ("Settlement Agreement") is entered into by and between, on the one hand, **FEDEQ DV004, LLC** and **FEDEQ DV005, LLC** (hereinafter collectively referred to as "Federated"), and, on the other hand, the **City of Portland**. Federated and the City of Portland shall jointly be referred to herein as "the Parties."

RECITALS

WHEREAS, FEDEQ DV004, LLC took title to Lot 6 as depicted on the Amended Subdivision Plan for the MiDTOWN development recorded in the Cumberland County Registry of Deeds at Plan Book 216, Page 217 (the "Plan") by way of deed dated June 16, 2016, recorded in the Cumberland County Registry of Deeds in Book 33201, Page 247.

WHEREAS, FEDEQ DV005, LLC took title to Lots 1, 3, and 7 of the Plan by deed dated June 16, 2016, recorded in the Cumberland County Registry of Deeds in Book 33201, Page 233.

WHEREAS, the City of Portland exercised eminent domain to take Lot 6, by City Council order of condemnation adopted September 8, 2021 (City Council Order 44-21/22) and effective September 18, 2021, recorded in the Cumberland County Registry of Deeds (Doc. 68614; Bk. 38692, Page 8).

WHEREAS, various disputes between the Parties have resulted in prior or pending litigation in the United States District Court for the District of Maine, USDC Case Nos.: 2:19-cv-00382-JHR (dismissed); 2:21-cv-00327-JAW (pending); 2:22-cv-00187-JAW (pending); 2:24-cv-00132-JAW (pending), the latter case having been removed from Maine state court, where it was pending as Maine Superior Court, Business & Consumer Docket No. BCD-CIV-2024-00005 and Maine Supreme Judicial Court (Law Court) Docket No. BCD-24-156(hereafter "the Litigation").

WHEREAS, the Parties have agreed to resolve any and all disputes between them, and to waive, settle, discharge and forever terminate all prior claims, pending claims and potential claims and controversies between them which now exist or which may arise in the future from those facts and circumstances occurring prior to the Effective Date, whether now known or unknown, including but not limited to all claims which were or could have been asserted by any party or parties in the Litigation, and thus completely resolving all claims arising between the Parties and to effectuate a full, complete and final separation and resolution of all claims and issues between Federated and its affiliates, predecessors and assignors, and successors and assigns, on the one hand and the City of Portland on the other hand.

WHEREAS, the Parties, without admitting any liability or fault, and expressly denying the same, have determined that settlement of all matters between them is in their mutual best interests and will avoid further costs, expenses, and uncertainties of litigation.

AGREEMENTS

NOW THEREFORE, in consideration of the Recitals stated above, which are hereby incorporated into this Settlement Agreement and made a part hereof, and in consideration of the mutual promises, covenants, agreements, and representations contained herein, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. **Effective Date of This Instrument.** As used herein, the term "Effective Date" shall mean the date which all Parties have executed this Settlement Agreement.

2. **Settlement.** By executing this Settlement Agreement, the Parties expressly agree, declare, and acknowledge that it is their intention to resolve, by way of the full performance of those duties and obligations prescribed herein, all disputes and potential disputes among the Parties which may now exist in their favor or on their behalf, or which may arise in the future, whether known or unknown, in any way arising out of or in any way related to the claims and Litigation referenced above ("Settlement").

3. **Settlement Date.** As used herein, the term "Settlement Date" shall mean the date on which the Parties perform those duties and obligations outlined herein and in full performance hereunder, but unless mutually agreed to by the Parties, in no event shall the Settlement Date be after July 15 2025.

4. **Duties and Obligations.** The duties and obligations of the Parties as outlined below shall include, without limitation, any other general or specific duty or obligation prescribed by this Settlement Agreement and, unless specifically waived or amended in whole or in part, the individual party's duties and obligations shall not be deemed to have been met unless satisfied in the entirety on or before the Settlement Date.

a. As to Federated. In consideration of the mutual covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged:

1. FEDEQ DV005, LLC a Florida limited liability company ("Grantor") agrees to convey to the CITY OF PORTLAND, a municipal corporation organized and existing under the laws of the State of Maine and located within the County of Cumberland and State of Maine ("Grantee"), on the terms and conditions hereinafter set forth, those certain parcels of land depicted as Lots 1, 3, and 7 on the Plan, which lots are more particularly described in Exhibit A annexed hereto and incorporated herein by reference (the "Premises").

2. FEDEQ DV004, LLC, a Florida limited liability company, shall execute and deliver a confirmatory deed or other instrument discharging or waiving any right, title or interest in and to Lot 6. That instrument, in a form agreed to by the Parties, is attached hereto as Exhibit B.

b. As to the City of Portland. In consideration of the mutual covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged:

1. The City of Portland shall pay to Federated the sum of Fifteen Million Dollars (\$15,000,000.00 USD) in immediately available funds by wire transfer to an account designated in writing by Federated no later than 2:00 PM Eastern Time on the Settlement Date. Such payment shall be made without any setoff, counterclaim, deduction, or withholding of any kind other than those adjustments and prorations contained in Section 5(h) and the withholding, if any, prescribed in Section 5(c) of the Settlement Agreement. It is the intention of the parties that this amount paid by the City of Portland to Federated shall be the only money to be paid by the City of Portland to any Federated party or entity on account of any liability which may be adjudged in any forum against the City of Portland as described in the above Recitals.

5. Terms and Conditions Governing the Conveyance of the Premises.

a. Title. Grantor shall convey the Premises to Grantee, in fee simple, by way of the Quitclaim Deed with Covenants attached hereto as Exhibit C. Good and marketable title, acceptable to Grantee and to Grantee's title insurance carrier (which acceptance shall not be unreasonably withheld, conditioned, or delayed), is evidenced in Exhibit D. All mortgages, collateral assignments, rights of third parties (including tenants), financial liens, and other encumbrances unacceptable to Grantee are evidenced therein and shall specify the obligation, if any, of Grantor with respect thereto. Except as expressly stated in this Settlement Agreement, Grantor agrees that it will not further encumber or permit to be encumbered the Premises by any liens, mortgages, attachments, covenants, restrictions, easements, or any other matters adverse to title after the Effective Date.

b. Condition of Premises. The Parties acknowledge and agree that the Premises are being conveyed in their "AS IS, WHERE IS" condition, with all faults and without any representations or warranties, express or implied, as to the physical condition of the Premises. Grantee acknowledges that it has had sufficient opportunity to inspect the Premises, and that it is not relying on any representations made by Grantor as to the physical condition of the Premises.

c. Additional Documents. Grantor agrees to execute and deliver to Grantee on or before the Settlement Date the following documents collectively attached hereto as Exhibit E: (i) a Certificate of Non-Foreign Status; (ii) a title insurance "Grantor's Affidavit" regarding mechanics liens and persons in possession; (iii) an affidavit regarding underground storage tanks (as required by Maine law); (iv) an REW-3 form stating that Grantor is a Maine resident, or in the alternative, a Certificate of Exemption, Certificate of Reduction, or REW-1 withholding form promulgated by Maine Revenue Services under 36 M.R. S. § 5250-A providing for tax withholding as required by Maine law; and (v) such other normal and customary documents attached hereto as Exhibit C including but not limited to the Maine Real Estate Transfer Tax Declaration ("RETTD") for Lots 1, 3, and 7.

d. Risk of Loss. All risk of loss to the Premises prior to the Settlement Date shall be borne by Grantor, except and unless the loss was caused by Grantee or Grantee's employees, agents, or contractors. Grantor shall keep the Premises insured against liability and other extended coverage risks up to and including the Settlement Date.

e. Inspection. Grantee may enter into any part of the Premises at all reasonable times upon twenty-four (24) hours written notice, which may be by email, prior to the Settlement Date, in order to inspect the Premises, conduct surveys, building studies, inspections and assessments and to do such things as are reasonably necessary with respect to the conveyance and Grantee's intended use of the Premises.

f. Possession of the Premises. Full possession of the Premises shall be delivered by Grantor to Grantee on the Settlement Date.

g. Brokerage. Grantor and Grantee represent and warrant to each other that neither party has engaged the services of any real estate broker with respect to this transaction. Grantor agrees to indemnify and hold harmless Grantee for any claim made against it by a broker or real estate sales agent claiming a commission or other form of compensation due from Grantor arising from the conveyance contemplated by this Settlement Agreement. Grantee agrees to indemnify and hold harmless Grantor for any claim made against it by a broker or real estate sales agent claiming a commission or other form of compensation due from Grantee arising from the conveyance contemplated by this Settlement Agreement. The foregoing indemnity provisions shall include all legal fees and costs incurred in defending any claim therefor.

h. Adjustments and Prorations.

(i) Real estate taxes shall be prorated as of the Settlement Date.

(ii) Grantor's share of the Maine real estate transfer tax shall be calculated on the adjusted assessed values for the Premises and shall be paid by Grantor at the time of conveyance in accordance with 36 M.R.S. § 4641-A.

(iii) The recording fee for the Deed will be paid by Grantee.

i. Further Assurances. In addition to those duties and obligations contained herein and contemplated to be performed, executed, and delivered by each party, each party shall perform, execute and deliver or cause to be performed, executed and delivered in conjunction with the conveyance any and all further acts, deeds and assurances as the other party may reasonably require consummating or evidencing the conveyance contemplated herein.

6. Litigation Dismissals.

Upon Settlement, and as an explicit condition of Settlement, the Parties, including or on behalf of all parties in the pending Litigation will authorize their counsel of record to file a Stipulation of Dismissal dismissing all claims in the Litigation with prejudice and without costs or attorney's fees to any party under Rules 41(a)(1)(A)(ii) of the Federal Rules of Civil Procedure and/or Rule 41(a)(1)(B) of the Maine Rules of Civil Procedure, and any and all other such documents as may be required by the respective courts for final docket entries reflecting final dismissal with prejudice and without costs or attorney's fees to any party.

The Parties, including or on behalf of all parties in the pending Litigation, shall execute dismissals of the following actions presently pending in the United States District Court for the District of Maine, by executing stipulations of dismissal of the actions styled as *FEDEQ DV004, LLC, et al. v. City of Portland*, Case No. 2:21-cv- 00327, *FEDEQ DV004, LLC, et al. v. City of Portland*, Case No. 2:22-cv-00187, and *City of Portland v. The Federated Companies, et al.*, Case No. 2:24-cv-00132. To the extent a notice or correspondence to the Maine Supreme Judicial Court, sitting as the Law Court, in Docket No. BCD- 24-156, and Maine Superior Court, Business & Consumer Docket No. BCD-CIV-2024-00005, are also necessary, the Parties will authorize their counsel to execute such notice or correspondence, or any such other documents necessary to stipulate to the dismissal or withdrawal of the Litigation.

7. General Release by Federated; Stipulation of Dismissal; and Third-Party Claim and Lien Indemnification. In consideration of the mutual promises and covenants herein, and for other good and valuable consideration, the receipt and sufficiency whereof is hereby acknowledged, Federated does hereby release, acquit, forever discharge, remise and covenant not to sue, and does so covenant on behalf of Redwood Development Consulting, LLC and FEDEQ Sponsor Entity V, LLC and on behalf of Federated's respective predecessors, successors, partnerships, related entities, assignors, assignees, nominators, nominees, members, owners, managers, agents, servants, employees (and to the extent applicable to any of these persons as individuals, each of their heirs, executors, administrators, trustees, estate personal representatives, and assigns) (for purposes of this Section 7, collectively referred to as "Federated"), the City of Portland together with its respective predecessors, successors, assignees, agents, servants, employees (and to the extent applicable to any of these persons as individuals, each of their heirs, executors, administrators, trustees, estate personal representatives, and assigns), and including but not limited to insurers (e.g., insurance procured through Maine Municipal Association), agents and contractors, such as brokers, appraisers, or consultants (for purposes of this Section 7, herein referred to collectively as "City of Portland"), from, of, and for any and all claims which Federated now has or ever had, from the beginning of time to the Effective Date of this Settlement Agreement, whether known or unknown, suspected or unsuspected, accrued or unaccrued, asserted or unasserted, whether or not raised in pleadings in the Litigation. This release specifically includes any and all present or future claims arising under 1 M.R.S. § 815 – any right or claim arising thereunder is hereby explicitly released pursuant to 1 M.R.S. § 815(3) – and any claims against the City of Portland arising at law, in equity, under state or federal constitutions, statutes, regulations or otherwise and whether sounding in tort, contract, statute, regulation, constitutions, or common law, whether in any court, administrative tribunal, or demand for arbitration, and including but not limited to, each and every manner of acts and actions, cause and causes of actions, suits, arbitrations, mediations, conciliations, debts, dues, sums of money, accounts, reckonings, bonds, bills, specialties, covenants, contracts, controversies,

agreements, promises, variances, trespasses, damages, judgments, executions, claims, complaints, grievances and demands whatsoever, which Federated now has or ever had, from the beginning of time to the Effective Date of this Settlement Agreement.

Notwithstanding anything herein to the contrary, excepted from and expressly excluded from this General Release are:

- (a) Claims arising out of the duties and obligations of the Parties under this Settlement Agreement; and
- (b) Claims arising from any breach of this Settlement Agreement by the City of Portland.

In no event shall any claim within the scope of subsection exceptions (a) or (b) include, incorporate, rely upon, or re-raise any other claims otherwise specifically released under this general release.

Further, Federated agrees to indemnify, defend and hold harmless the City of Portland from any claims, demands, or actions by any person or person not a party to this Settlement Agreement to the extent that such claim, demand or action asserts any right or entitlement to any portion of the Settlement proceeds received by Federated.

Federated agrees to indemnify, defend and hold harmless the City of Portland from any claim by any person or person not a party to this Settlement Agreement to the extent that such claim arises directly and specifically out of any contribution action wherein Federated seeks to recover from those parties some or all of any claimed losses or payments on subject matter within the scope of this Settlement Agreement. Should Federated decline, fail or refuse to indemnify, defend and hold harmless the City of Portland, Federated agrees to immediately withdraw or dismiss the Federated claim giving rise to the contribution action.

Further, in the event a lien or claim is asserted, after the Settlement Date, on the Premises or any portion of it, arising out of Maine Real Estate Transfer Tax liabilities or tax withholding liabilities under Maine Revenue Services, 36 M.R. S. § 5250-A, arising from the conveyance of the Premises provided herein, Federated agrees to effectuate the immediate discharge or release of said lien or claim, failing which Federated shall immediately procure a bond in favor of the City of Portland or its assignee in sufficient amount to immediately clear title to the Premises of said lien or claim.

8. General Release by City of Portland; Stipulation of Dismissal; and Third-Party Claim and Lien Indemnification. In consideration of the mutual promises and covenants herein, and for other good and valuable consideration, the receipt and sufficiency whereof is hereby acknowledged, the City of Portland does hereby release, acquit and forever discharge, remise and covenant not to sue, and does so covenant for its respective predecessors, successors, assignees, agents, servants, employees (and to the extent applicable to any of these persons as individuals, each of their heirs, executors, administrators, trustees, estate personal representatives, and assigns), and including but not limited to insurers (e.g., insurance procured through Maine Municipal Association), agents and contractors, such as brokers, appraisers, or consultants (for the purposes of this Section 8, herein referred to collectively as “City of Portland”) Federated and its respective predecessors, successors, partnerships, related entities, assignors, assignees, nominators, nominees, members, owners, managers, agents, servants, employees (and to the extent applicable to any of these persons as individuals, each of their heirs, executors, administrators, trustees, estate personal representatives, and assigns) (for the purposes of this Section 8, herein referred to collectively as “Federated”) from, of, and for any and all claims, of whatsoever kind or nature, known or unknown, suspected or unsuspected, accrued or unaccrued, asserted or unasserted, whether or not raised in pleadings in the Litigation, whether arising at law, in equity, under state or federal constitutions, statutes, regulations or otherwise, and whether sounding in tort, contract, statute, regulation, constitutions, or common law, whether in any court, administrative tribunal, governmental agency, or demand for arbitration, and including but not limited to, each and every manner of acts and actions, cause and causes of actions, suits, arbitrations, mediations, conciliations, debts, dues, sums of money, accounts, reckonings, bonds, bills, specialties, covenants, contracts, controversies, agreements, promises, variances, trespasses, damages, judgments, executions, claims, complaints, grievances and demands whatsoever, which the City of Portland now has or ever had, from the beginning of time to the Effective Date of this Settlement Agreement. Excepted from this general release are claims arising out of the duties and obligations of the Parties under this Settlement Agreement, but in no event shall any such claim include, incorporate, rely upon, or re-raise any other claim otherwise within the scope of this general release.

Further, the City of Portland agrees to indemnify, defend and hold harmless Federated and its agents and insurers, for and from any liens, obligations, or subrogation interests or from any claims, demands, or actions by any person or person not a party to this Settlement Agreement to the extent that such claims arise out of any action wherein the City of Portland seeks or has sought to recover some or all of any claimed losses or payments on subject matter within the scope of the Settlement Agreement.

9. Costs and Attorney’s Fees. Each party hereto shall bear their own costs and attorney’s fees incurred in connection with the litigation, including, but not limited to, those incurred in connection with the Settlement, including the matters and documents referred to herein, the filing of a Notice or Stipulation of Dismissal with Prejudice, and all related matters.

10. Assumption of Risk. The Parties acknowledge that they each assume the risk for any mistake of fact or law, whether through ignorance, oversight, error, negligence, or otherwise and which, if later known or discovered to have been

different than believed at the time this agreement was executed, would have impacted their decision to enter into this Settlement Agreement. In entering into this Settlement Agreement, the Parties expressly agree that they: (a) are not relying on any representations, statements, actions, disclosures of information, or failures to disclose information by any other party to this Agreement, their representatives, insurers, or their attorneys; and (b) have taken those steps necessary to satisfy themselves that the terms of this Settlement Agreement are fair to them. The Parties assume all risk, possibility, or hazard that any injuries or damages claimed and released herein may become permanent, more severe, or more extensive than is now known or anticipated, or that claims presently unknown or damages presently unknown or unanticipated may arise in the future. Upon Settlement, this Settlement Agreement shall not be set aside or rendered void for any reason.

11. Representation of Comprehension of Document. The Parties represent and warrant that they enter into this Settlement Agreement knowingly, voluntarily, and intentionally, and that they were represented by counsel during the negotiation of this Settlement Agreement, and that they executed this Settlement Agreement with the benefit of the advice of counsel. The Parties acknowledge that each has been represented by independent counsel in connection with this Settlement Agreement. This Settlement Agreement shall not be construed as drafted by any Party. In no event will resort be had to any presumption or other rule of law requiring construction against the Party who drafted or caused this instrument to be drafted.

12. Capacity and Authority to Execute the Settlement Agreement. The Parties acknowledge that they have executed this Settlement Agreement freely and without compulsion. The undersigned represent that they have the power and authority to enter into this Settlement Agreement, and that they have the power and authority to perform their obligations set forth herein. The Parties further warrant that they are under no political, statutory, contractual, judicial or other restraint, which impairs their right or legal ability to enter into this Settlement Agreement and to carry out their duties and responsibilities hereunder. Each Party further warrants that it has not sold, assigned, transferred, conveyed or otherwise disposed of any of the claims, demands, obligations or causes of action referred to in, or encompassed by, this Settlement Agreement.

13. Applicable Law. The Parties agree that any question or controversy arising from, related or pertaining to this Settlement Agreement, including, by way of example and not limitation, the formation, construction, interpretation, validity and enforcement of the Settlement Agreement, and the rights or obligations of the Parties hereto, shall be governed by and construed in accordance with the laws of the State of Maine. The United States District Court for Maine shall retain jurisdiction to enforce the terms of this Settlement Agreement through the date of the Parties' full performance hereunder.

14. Modification. This Settlement Agreement constitutes the entire agreement between the Parties hereto regarding settlement of the matters set forth herein and shall not be modified except upon written and executed agreement of the Parties.

15. Severability. No provision of this Settlement Agreement shall be construed as prohibited by law or otherwise invalid or unenforceable if such provision is capable of being construed in any manner so as to make such provision valid or enforceable. In the event that one or more sections or subsections of the Settlement Agreement are determined to be illegal, void, or unenforceable, it is the Parties' intent that the validity of the remaining portions or provisions shall not be affected and the rights and obligations of the parties shall be construed and enforced as if the Settlement Agreement did not contain the particular invalid part, term, provision, section or subsection. It is hereby agreed that any and all provisions, representations, or performances set forth in this Settlement Agreement shall survive the Settlement to the extent necessary for them to maintain their fully intended force and effect.

16. Cooperation. The Parties agree to cooperate fully and execute any and all supplementary documents and to take any and all additional action that may be necessary or appropriate to give full force and effect to the terms and intent of this Settlement Agreement and which are not inconsistent with the terms set forth herein.

17. Successors-In-Interest. This Settlement Agreement shall be binding upon and inure to the benefit of the executors, administrators, personal representatives, heirs, successors and assigns of each of the Parties.

18. Time. Time is of the essence of this Settlement Agreement.

19. No Admission of Liability. The Parties acknowledge and agree that this is a final settlement and disposition of all disputes both as to legal liability and as to the nature and extent of any damages or claims, as articulated above, that any of the Parties may have sustained or believes they will sustain. The Parties entered into this Settlement for the purposes of avoiding the expense and uncertainty of litigation. Nothing in this Settlement Agreement constitutes an admission of liability by any of the Parties hereto, which liability is expressly denied by each of them.

20. Waiver. Failure by any one of the Parties to enforce any term of this Settlement Agreement shall not be construed as a waiver by that Party of any right to enforce that term in the future.

21. **Counterparts.** The Parties hereby agree that this document may be executed in one or more counterparts, including through digital signature platforms such as DocuSign, and any executed copy, when taken together with another executed counterpart copy, shall be considered an original of this Settlement Agreement. Executed counterparts of this Settlement Agreement delivered by facsimile machine or electronically shall be deemed original documents for all purposes.

22. **Entire Agreement.** This Settlement Agreement, and the separate written documents executed by and between the Parties pursuant to this Settlement Agreement, including but not limited to the documents attached hereto as Exhibits B, C, D and E and incorporated herein by reference, constitute the entire integrated agreement and understanding among them with respect to the subject matter hereof, and they supersede all prior agreements and understandings, both written and oral, concerning such matters.

THIS IS A FULL AND FINAL RELEASE OF ALL CLAIMS AND MUST BE CAREFULLY READ AND FULLY UNDERSTOOD BEFORE SIGNING. BY EXECUTING THIS SETTLEMENT AGREEMENT, EACH PARTY ACKNOWLEDGES THAT HE/SHE HAS CAREFULLY READ AND FULLY UNDERSTANDS ALL OF ITS PROVISIONS. BY EXECUTING THIS SETTLEMENT AGREEMENT, EACH PERSON WHO SIGNS ON BEHALF OF A PARTY ACKNOWLEDGES THAT HE/SHE HAS VALID AUTHORITY TO SIGN.

Dated:

On Behalf of Federated

Name: Jonathan J Cox, Duly Authorized

STATE OF _____

May ____, 2025

_____, ss.

Personally appeared the above-named _____ and swore that he/she has read the within Settlement Agreement and Mutual General Release, that he/she understands the contents thereof, and that he/she acknowledges the foregoing Settlement Agreement and Mutual General Release to be his/her free act and deed, and the free act and deed of every entity on whose behalf he/she signs.

Before me,

Notary Public/Attorney at Law
My commission expires:

Dated:

On Behalf of FEDEQ DV004, LLC

Print Name: _____

Capacity: _____

STATE OF _____

May ____, 2025

_____, ss.

Personally appeared the above-named _____ and swore that he/she has read the within Settlement Agreement and Mutual General Release, that he/she understands the contents thereof, and that he/she acknowledges the foregoing Settlement Agreement and Mutual General Release to be his/her free act and deed, and the free act and deed of every entity on whose behalf he/she signs.

Before me,

Notary Public/Attorney at Law
My commission expires:

Dated:

On Behalf of FEDEQ DV005, LLC

Print Name: _____

Capacity: _____

STATE OF _____

May ____, 2025

_____, ss.

Personally appeared the above-named _____ and swore that he/she has read the within Settlement Agreement and Mutual General Release, that he/she understands the contents thereof, and that he/she acknowledges the foregoing Settlement Agreement and Mutual General Release to be his/her free act and deed, and the free act and deed of every entity on whose behalf he/she signs.

Before me,

Notary Public/Attorney at Law
My commission expires:

Dated:

On Behalf of The City of Portland

Print Name: _____

Capacity: _____

STATE OF _____

May ____, 2025

_____, ss.

Personally appeared the above-named _____ and swore that he/she has read the within Settlement Agreement and Mutual General Release, that he/she understands the contents thereof, and that he/she acknowledges the foregoing Settlement Agreement and Mutual General Release to be his/her free act and deed, and the free act and deed of every entity on whose behalf he/she signs.

Before me,

Notary Public/Attorney at Law
My commission expires:

EXHIBIT A

PROJECT LOCATION

INSET 'B'

INSET 'A'

INSET 'C'

INSET 'D'

INSET 'E'

INSET 'F'

INSET 'G'

INSET 'H'

INSET 'I'

INSET 'J'

INSET 'K'

INSET 'L'

INSET 'M'

INSET 'N'

INSET 'O'

INSET 'P'

INSET 'Q'

INSET 'R'

INSET 'S'

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EXHIBIT B

CONFIRMATORY RELEASE DEED

DLN: _____

FEDEQ DV004, LLC, a Florida limited liability company with a place of business in Miami, County of Dade, State of Florida, **FEDEQ SPONSOR ENTITY V, LLC**, a Florida limited liability company with a place of business in Miami, County of Dade, State of Florida, and **REDWOOD DEVELOPMENT CONSULTING, LLC**, a Florida limited liability company with a place of business in Miami, County of Dade, State of Florida (collectively, “Grantors”), for valuable consideration, release to **CITY OF PORTLAND**, a body corporate and politic organized and existing under the laws of the State of Maine and located in Portland, Count of Cumberland State of Maine, having a mailing address of City Hall, 389 Congress Street, Portland, ME 04101, any and all right, title, and interest it holds in and to the land, buildings, improvements, and appurtenances thereof and thereon in **Portland**, Cumberland County, Maine, described as follows:

A certain lot or parcel of land depicted as Lot 6 on a certain “Amended Subdivision Recording Plat for MiDTOWN Development Plan Sheet 1 of 2 on Somerset Street, Portland, Maine made for FEDEQ DV001, LLC” dated April 10, 2013, as revised through, and approved by the City of Portland Planning Board, on May 10, 2016 by Owen Haskell, Inc. Falmouth, Maine, recorded at the Cumberland County Registry of Deeds, Plan Book 216, Page 217 (the “Amended Subdivision Recording Plat”), which lots are more particularly described as follows:

A certain lot or parcel of land located along the northerly sideline of Somerset Street in the City of Portland, Cumberland County, State of Maine, more particularly bounded and described as follows:

BEGINNING at the northerly sideline corner of Chestnut Street and Somerset Street as shown on a plan titled “Amended Subdivision Recording Plat for Midtown Development Plan Sheet 1 of 2 on Somerset Street, Portland, Maine made for FEDEQ DV001, LLC” dated April 10, 2013 as revised through May 10, 2016 by Owen Haskell, Inc. Falmouth, Maine, to be recorded at the Cumberland County Registry of Deeds;

THENCE N 40° 59’ 38” W 126.00 feet along the northeasterly line of Chestnut Street to a point;

THENCE N 49° 00’ 22” E 360.00 feet along land now or formerly of the City of Portland to a point;

THENCE S 40° 59’ 38” E 126.00 feet along Lot 7 to a point along the northwesterly line of Somerset Street;

THENCE S 49° 00' 22" W 360.00 feet along Somerset Street to the POINT OF BEGINNING.

Said lot or parcel of land contains 45,360 square feet, more or less, and is Lot 6 as shown on said Amended Recording Plat.

Meaning and intending to RELEASE, and HEREBY RELEASING, all and the same premises described in the Order Condemning Property Rights of FEDEQ DV004, LLC et al., Pursuant to 30-A M.R.S. §§ 5401 et seq. (INCLUDING § 5403(6)), 30-A M.R.S. §3101, and 23 M.R.S.A. § 3023, passed September 8, 2021, effective September 18, 2021, and recorded on September 23, 2021 in the Cumberland County Registry of Deeds in Book 38692, Page 8.

Further RELEASING and WAIVING any rights of the Grantors herein under 1 M.R.S. § 815, pursuant to 1 M.R.S. § 815(3).

[Signature appears on following page.]

FEDEQ DV005, LLC

Page 566

EXHIBIT C

QUITCLAIM DEED WITH COVENANT

DLN: _____

FEDEQ DV005, LLC, a Florida limited liability company with a place of business in Miami, County of Dade, State of Florida, for valuable consideration, grants to **CITY OF PORTLAND**, a body corporate and politic organized and existing under the laws of the State of Maine and located in Portland, Count of Cumberland State of Maine, having a mailing address of City Hall, 389 Congress Street, Portland, ME 04101, with Quitclaim Covenant, the land, buildings, improvements, and appurtenances thereof and thereon in **Portland**, Cumberland County, Maine, described as follows:

PARCEL ONE

Lot 1 as shown on a certain “Amended Subdivision Recording Plat for MiDTOWN Development Plan Sheet 1 of 2 on Somerset Street, Portland, Maine for FEDEQ DV0001, LLC” dated April 10, 2013, as revised through, and approved by the City of Portland Planning Board, on May 10, 2016 by Owen Haskell, Inc., Falmouth, Maine, recorded at the Cumberland County Registry of Deeds in Plan Book 216, Page 217 (the “Amended Subdivision Recording Plat”).

Lot 1 is more particularly described as follows:

A certain lot or parcel of land located along the northerly sideline of Elm Street in the City of Portland, Cumberland County, State of Maine, more particularly bounded and described as follows:

COMMENCING at the northerly sideline corner of Elm Street and Somerset Street as shown on a plan titled “Amended Subdivision Recording Plat for Midtown Development Plan Sheet 1 of 2 on Somerset Street, Portland, Maine made for FEDEQ DV001, LLC” dated April 10, 2013 as revised through May 10, 2016 by Owen Haskell, Inc. Falmouth, Maine, to be recorded at the Cumberland County Registry of Deeds;

THENCE running northwesterly 176.95 feet along Elm Street on a curve to the left with a radius of 438.26 feet and a chord bearing and distance of N 69° 50’ 41” W 175.75 feet to a point;

THENCE N 81° 24’ 41” W 4.19 feet along Elm Street to the POINT OF BEGINNING.

THENCE N 81 ° 24’ 41” W 33.19 feet along Elm Street to a point of curvature;

THENCE running northwesterly 135.72 feet along Elm Street on a curve to the right with a radius of 380.26 feet and a chord bearing and distance of N 71° 11’ 16” W 135.02 feet to a point;

THENCE S 29° 02’ 19” W 8.00 feet along Elm Street to a point;

THENCE running northwesterly 44.45 feet along Elm Street on a curve to the right with a radius of 388.26 feet and a chord bearing and distance of N 57° 40' 54" W 44.42 feet to a point at the southerly corner of land now or formerly of Marginal Way, LLC;

THENCE N 69° 26' 06" E 165.34 feet along said Marginal Way, LLC to a point;

THENCE N 62° 32' 28" E 77.74 feet along said Marginal Way, LLC to a point;

THENCE S 05° 59' 38" E 130.44 feet along land now or formerly of the City of Portland to a point;

THENCE S 50° 11' 34" W 46.00 feet along said City of Portland to the POINT OF BEGINNING.

Said lot or parcel of land contains 19,990 square feet, more or less, and is Lot 1 as shown on said Amended Subdivision Recording Plat.

PARCEL TWO

Lot 3 as shown on the said Amended Subdivision Recording Plat.

Lot 3 is more particularly described as follows:

A certain lot or parcel of land located along the northerly sideline of Somerset Street in the City of Portland, Cumberland County, State of Maine, more particularly bounded and described as follows:

COMMENCING at the northerly sideline corner of Elm Street and Somerset Street as shown on a plan titled "Amended Subdivision Recording Plat for Midtown Development Plan Sheet 1 of 2 on Somerset Street, Portland, Maine made for FEDEQ DV001, LLC" dated April 10, 2013 as revised through May 10, 2016 by Owen Haskell, Inc. Falmouth, Maine, recorded at the Cumberland County Registry of Deeds recorded in Plan Book 216, Page 217;

THENCE N 49° 00' 22" E 16.27 feet along the northwesterly line of Somerset Street to the POINT OF BEGINNING;

THENCE N 63° 10' 10" W 95.66 feet to a point;

THENCE N 05° 59' 38" W 62.77 feet to a point;

THENCE N 49° 00' 22" E 437.82 feet to a point along the southwesterly line of Chestnut Street as shown on said Amended Recording Plat;

THENCE S 40° 59' 38" E 140.00 feet along Chestnut Street to a point along the northwesterly line of Somerset Street;

THENCE S 49° 00' 22" W 437.72 feet to the POINT OF BEGINNING.

Said lot or parcel of land contains 63,811 square feet, more or less, and is Lot 3 as shown on said Amended Subdivision Recording Plat.

PARCEL THREE

Lot 7 as shown on said Amended Subdivision Recording Plat.

Lot 7 is more particularly described as follows:

A certain lot or parcel of land located along the northerly sideline of Somerset Street in the City of Portland, Cumberland County, State of Maine, more particularly bounded and described as follows:

BEGINNING at the westerly sideline corner of the Possible Extension of Pearl Street, and Somerset Street as shown on a plan titled "Amended Subdivision Recording Plat for Midtown Development Plan Sheet 1 of 2 on Somerset Street, Portland, Maine made for FEDEQ DV001, LLC" dated April 10, 2013 as revised through May 10, 2016 by Owen Haskell, Inc. Falmouth, Maine, recorded at the Cumberland County Registry of Deeds recorded in Plan Book 216, Page 217;

THENCE S 49° 00' 22" W 151.00 feet along Somerset Street to a point;

THENCE N 40° 59' 38" W 130.00 feet along Lot 6 and land now or formerly of the City of Portland to a point;

THENCE N 49° 00' 22" E 78.00 feet along the City of Portland to a point;

THENCE N 40° 59' 38" W 21.00 feet along the City of Portland to a point;

THENCE N 49° 00' 22" E 73.00 feet along the City of Portland to a point at the northwesterly end of the Possible Extension of Pearl Street;

THENCE S 40° 59' 38" E 151.00 feet along the Possible Extension of Pearl Street to the POINT OF BEGINNING.

Said lot or parcel of land contains 21,163 square feet, more or less, and is Lot 7 as shown on said Amended Subdivision Recording Plat.

Meaning and intending to convey, and hereby conveying, all and the same premises described in the Quitclaim Deed with Covenant from the City of Portland to FEDEQ DV005, LLC dated June 16, 2016 and recorded in the Cumberland County Registry of Deeds in Book 33201, Page 233.

FEDEQ DV005, LLC

**ALTA COMMITMENT FOR TITLE INSURANCE**
issued by
FIRST AMERICAN TITLE INSURANCE COMPANY**NOTICE**

IMPORTANT—READ CAREFULLY: THIS COMMITMENT IS AN OFFER TO ISSUE ONE OR MORE TITLE INSURANCE POLICIES. ALL CLAIMS OR REMEDIES SOUGHT AGAINST THE COMPANY INVOLVING THE CONTENT OF THIS COMMITMENT OR THE POLICY MUST BE BASED SOLELY IN CONTRACT.

THIS COMMITMENT IS NOT AN ABSTRACT OF TITLE, REPORT OF THE CONDITION OF TITLE, LEGAL OPINION, OPINION OF TITLE, OR OTHER REPRESENTATION OF THE STATUS OF TITLE. THE PROCEDURES USED BY THE COMPANY TO DETERMINE INSURABILITY OF THE TITLE, INCLUDING ANY SEARCH AND EXAMINATION, ARE PROPRIETARY TO THE COMPANY, WERE PERFORMED SOLELY FOR THE BENEFIT OF THE COMPANY, AND CREATE NO EXTRACTIONAL LIABILITY TO ANY PERSON, INCLUDING A PROPOSED INSURED.

THE COMPANY'S OBLIGATION UNDER THIS COMMITMENT IS TO ISSUE A POLICY TO A PROPOSED INSURED IDENTIFIED IN SCHEDULE A IN ACCORDANCE WITH THE TERMS AND PROVISIONS OF THIS COMMITMENT. THE COMPANY HAS NO LIABILITY OR OBLIGATION INVOLVING THE CONTENT OF THIS COMMITMENT TO ANY OTHER PERSON.

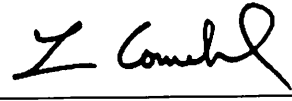
COMMITMENT TO ISSUE POLICY

Subject to the Notice; Schedule B, Part I—Requirements; Schedule B, Part II—Exceptions; and the Commitment Conditions, First American Title Insurance Company, a Nebraska Corporation (the "Company"), commits to issue the Policy according to the terms and provisions of this Commitment. This Commitment is effective as of the Commitment Date shown in Schedule A for each Policy described in Schedule A, only when the Company has entered in Schedule A both the specified dollar amount as the Proposed Amount of Insurance and the name of the Proposed Insured.

If all of the Schedule B, Part I—Requirements have not been met within six months after the Commitment Date, this Commitment terminates and the Company's liability and obligation end.

FIRST AMERICAN TITLE INSURANCE COMPANY

By: 
Kenneth D. DeGiorgio, President

By: 
Lisa W. Cornehl, Secretary

This page is only a part of a 2021 ALTA Commitment for Title Insurance issued by Allagash Title Services, LLC. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I—Requirements; [and] Schedule B, Part II—Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form.

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Form 50165923 (8-24-22)





COMMITMENT CONDITIONS

1. DEFINITIONS

- a. "Discriminatory Covenant": Any covenant, condition, restriction, or limitation that is unenforceable under applicable law because it illegally discriminates against a class of individuals based on personal characteristics such as race, color, religion, sex, sexual orientation, gender identity, familial status, disability, national origin, or other legally protected class.
- b. "Knowledge" or "Known": Actual knowledge or actual notice, but not constructive notice imparted by the Public Records.
- c. "Land": The land described in Item 5 of Schedule A and improvements located on that land that by State law constitute real property. The term "Land" does not include any property beyond that described in Schedule A, nor any right, title, interest, estate, or easement in any abutting street, road, avenue, alley, lane, right-of-way, body of water, or waterway, but does not modify or limit the extent that a right of access to and from the Land is to be insured by the Policy.
- d. "Mortgage": A mortgage, deed of trust, trust deed, security deed, or other real property security instrument, including one evidenced by electronic means authorized by law.
- e. "Policy": Each contract of title insurance, in a form adopted by the American Land Title Association, issued or to be issued by the Company pursuant to this Commitment.
- f. "Proposed Amount of Insurance": Each dollar amount specified in Schedule A as the Proposed Amount of Insurance of each Policy to be issued pursuant to this Commitment.
- g. "Proposed Insured": Each person identified in Schedule A as the Proposed Insured of each Policy to be issued pursuant to this Commitment.
- h. "Public Records": The recording or filing system established under State statutes in effect at the Commitment Date under which a document must be recorded or filed to impart constructive notice of matters relating to the Title to a purchaser for value without Knowledge. The term "Public Records" does not include any other recording or filing system, including any pertaining to environmental remediation or protection, planning, permitting, zoning, licensing, building, health, public safety, or national security matters.
- i. "State": The state or commonwealth of the United States within whose exterior boundaries the Land is located. The term "State" also includes the District of Columbia, the Commonwealth of Puerto Rico, the U.S. Virgin Islands, and Guam.
- j. "Title": The estate or interest in the Land identified in Item 3 of Schedule A.

2. If all of the Schedule B, Part I—Requirements have not been met within the time period specified in the Commitment to Issue Policy, this Commitment terminates and the Company's liability and obligation end.

3. The Company's liability and obligation is limited by and this Commitment is not valid without:
 - a. the Notice;
 - b. the Commitment to Issue Policy;
 - c. the Commitment Conditions;
 - d. Schedule A;
 - e. Schedule B, Part I—Requirements; and
 - f. Schedule B, Part II—Exceptions and
 - g. a counter-signature by the Company or its issuing agent that may be in electronic form.

4. COMPANY'S RIGHT TO AMEND

The Company may amend this Commitment at any time. If the Company amends this Commitment to add a defect, lien, encumbrance, adverse claim, or other matter recorded in the Public Records prior to the Commitment Date, any liability of the Company is limited by Commitment Condition 5. The Company is not liable for any other amendment to this Commitment.

This page is only a part of a 2021 ALTA Commitment for Title Insurance issued by Allagash Title Services, LLC. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I—Requirements; [and] Schedule B, Part II—Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form].



5. LIMITATIONS OF LIABILITY

- a. The Company's liability under Commitment Condition 4 is limited to the Proposed Insured's actual expense incurred in the interval between the Company's delivery to the Proposed Insured of the Commitment and the delivery of the amended Commitment, resulting from the Proposed Insured's good faith reliance to:
 - i. comply with the Schedule B, Part I—Requirements;
 - ii. eliminate, with the Company's written consent, any Schedule B, Part II—Exceptions; or
 - iii. acquire the Title or create the Mortgage covered by this Commitment.
- b. The Company is not liable under Commitment Condition 5.a. if the Proposed Insured requested the amendment or had Knowledge of the matter and did not notify the Company about it in writing.
- c. The Company is only liable under Commitment Condition 4 if the Proposed Insured would not have incurred the expense had the Commitment included the added matter when the Commitment was first delivered to the Proposed Insured.
- d. The Company's liability does not exceed the lesser of the Proposed Insured's actual expense incurred in good faith and described in Commitment Condition 5.a. or the Proposed Amount of Insurance.
- e. The Company is not liable for the content of the Transaction Identification Data, if any.
- f. The Company is not obligated to issue the Policy referred to in this Commitment unless all of the Schedule B, Part I—Requirements have been met to the satisfaction of the Company.
- g. The Company's liability is further limited by the terms and provisions of the Policy to be issued to the Proposed Insured.

6. LIABILITY OF THE COMPANY MUST BE BASED ON THIS COMMITMENT; CHOICE OF LAW AND CHOICE OF FORUM

- a. Only a Proposed Insured identified in Schedule A, and no other person, may make a claim under this Commitment.
- b. Any claim must be based in contract under the State law of the State where the Land is located and is restricted to the terms and provisions of this Commitment. Any litigation or other proceeding brought by the Proposed Insured against the Company must be filed only in a State or federal court having jurisdiction.
- c. This Commitment, as last revised, is the exclusive and entire agreement between the parties with respect to the subject matter of this Commitment and supersedes all prior commitment negotiations, representations, and proposals of any kind, whether written or oral, express or implied, relating to the subject matter of this Commitment.
- d. The deletion or modification of any Schedule B, Part II—Exception does not constitute an agreement or obligation to provide coverage beyond the terms and provisions of this Commitment or the Policy.
- e. Any amendment or endorsement to this Commitment must be in writing.
- f. When the Policy is issued, all liability and obligation under this Commitment will end and the Company's only liability will be under the Policy.

7. IF THIS COMMITMENT IS ISSUED BY AN ISSUING AGENT

The issuing agent is the Company's agent only for the limited purpose of issuing title insurance commitments and policies. The issuing agent is not the Company's agent for closing, settlement, escrow, or any other purpose.

8. PRO-FORMA POLICY

The Company may provide, at the request of a Proposed Insured, a pro-forma policy illustrating the coverage that the Company may provide. A pro-forma policy neither reflects the status of Title at the time that the pro-forma policy is delivered to a Proposed Insured, nor is it a commitment to insure.

This page is only a part of a 2021 ALTA Commitment for Title Insurance issued by Allagash Title Services, LLC. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I—Requirements; [and] Schedule B, Part II—Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form}.

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Form 50165923 (8-24-22)





9. CLAIMS PROCEDURES

This Commitment incorporates by reference all Conditions for making a claim in the Policy to be issued to the Proposed Insured. Commitment Condition 9 does not modify the limitations of liability in Commitment Conditions 5 and 6.

10. CLASS ACTION

ALL CLAIMS AND DISPUTES ARISING OUT OF OR RELATING TO THIS COMMITMENT, INCLUDING ANY SERVICE OR OTHER MATTER IN CONNECTION WITH ISSUING THIS COMMITMENT, ANY BREACH OF A COMMITMENT PROVISION, OR ANY OTHER CLAIM OR DISPUTE ARISING OUT OF OR RELATING TO THE TRANSACTION GIVING RISE TO THIS COMMITMENT, MUST BE BROUGHT IN AN INDIVIDUAL CAPACITY. NO PARTY MAY SERVE AS PLAINTIFF, CLASS MEMBER, OR PARTICIPANT IN ANY CLASS OR REPRESENTATIVE PROCEEDING. ANY POLICY ISSUED PURSUANT TO THIS COMMITMENT WILL CONTAIN A CLASS ACTION CONDITION.

11. ARBITRATION

The Policy contains an arbitration clause. All arbitrable matters when the Proposed Amount of Insurance is \$2,000,000 or less may be arbitrated at the election of either the Company or the Proposed Insured as the exclusive remedy of the parties. A Proposed Insured may review a copy of the arbitration rules at <http://www.alta.org/arbitration>.

This page is only a part of a 2021 ALTA Commitment for Title Insurance issued by Allagash Title Services, LLC. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I—Requirements; [and] Schedule B, Part II—Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form].

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Form 50165923 (8-24-22)





Transaction Identification Data, for which the Company assumes no liability as set forth in Commitment Condition 5.e.:

Issuing Agent: Shane T. Wright

Issuing Office: Allagash Title Services, LLC

Issuing Office's ALTA® Registry ID:

Loan ID Number:

Commitment Number:

Issuing Office File Number: **48964**

Property Address: **0 Elm Street, 75 Somerset Street and 25 Somerset Street (also identified as Lot 1, Lot 3 and Lot 7 on the Amended Subdivision Recording Plat for MiDTOWN Development Plan, dated April 10, 2013), Portland, Maine**

Revision Number:

SCHEDULE A

1. Commitment Date: **May 1, 2025**
2. Policy to be issued:
 - a. ALTA® Loan Policy
Proposed Insured:
Proposed Amount of Insurance:
The estate or interest to be insured: Mortgage
 - b. ALTA® Owner Policy
Proposed Insured: **City of Portland**
Proposed Amount of Insurance: **\$15,000,000.00**
The estate or interest to be insured: Fee
3. The estate or interest in the Land at the Commitment Date is: Fee interest
4. The Title is, at the Commitment Date, vested in: **FEDEQ DV005, LLC**
5. The Land is described as follows: 0 Elm Street, 75 Somerset Street and 25 Somerset Street (also identified as Lot 1, Lot 3 and Lot 7 on the Amended Subdivision Recording Plat for MiDTOWN Development Plan, dated April 10, 2013), Portland, Cumberland County, Maine, as more fully set forth in Exhibit "A" attached hereto and made a part hereof.

Allagash Title Services, LLC

By: _____

Authorized Signatory

This page is only a part of a 2021 ALTA Commitment for Title Insurance issued by Allagash Title Services, LLC. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I—Requirements; [and] Schedule B, Part II—Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form].

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SCHEDULE B, PART I—Requirements

All of the following Requirements must be met:

1. The Proposed Insured must notify the Company in writing of the name of any party not referred to in this Commitment who will obtain an interest in the Land or who will make a loan on the Land. The Company may then make additional Requirements or Exceptions.
2. Pay the agreed amount for the estate or interest to be insured.
3. Pay the premiums, fees, and charges for the Policy to the Company.
4. Documents satisfactory to the Company that convey the Title or create the Mortgage to be insured, or both, must be properly authorized, executed, delivered, and recorded in the Public Records.
5. Deed from FEDEQ DV005, LLC to the City of Portland must be duly executed and recorded.
6. Satisfactory evidence of authority of FEDEQ DV005, LLC to make the required conveyance referenced in item 5, above, and identification of individual(s), by name, to sign on its behalf.
7. Discharge of the Mortgage from FEDEQ DV005, LLC to FEDEQ Sponsor Entity V, LLC, dated June 16, 2016 and recorded in the Cumberland County Registry of Deeds in Book 34721, Page 159, must be duly executed and recorded.

SCHEDULE B, PART II—Exceptions

Some historical land records contain Discriminatory Covenants that are illegal and unenforceable by law. This Commitment and the Policy treat any Discriminatory Covenant in a document referenced in Schedule B as if each Discriminatory Covenant is redacted, repudiated, removed, and not republished or recirculated. Only the remaining provisions of the document will be excepted from coverage.

The Policy will not insure against loss or damage resulting from the terms and conditions of any lease or easement identified in Schedule A, and will include the following Exceptions unless cleared to the satisfaction of the Company:

1. Any facts, rights, interests, or claims that are not shown in the Public Records but that could be ascertained by an inspection of the Land or by making inquiry of persons in possession of the Land.
2. Any encroachment, encumbrance, violation, variation, or adverse circumstances affecting the title, including discrepancies, conflicts in boundary lines, shortages in area, or any other facts that would be disclosed by an accurate and complete land survey of the Land, and that are not shown in the Public Records.
3. Any lien, or right to a lien, for services, labor or material heretofore or hereafter furnished, imposed by law and not shown in the Public Records.
4. Any defect, lien, encumbrance, adverse claim, or other matter that appears for the first time in the Public Records or is created, attaches, or is disclosed between the Commitment Date and the date on which all of the Schedule B, Part I—Requirements are met.

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5. Real estate taxes and municipal charges.
6. IF THE INSURED PREMISES IS A CONDOMINIUM UNIT: Covenants, conditions, restrictions, reservations, easements, liens for assessments, options, powers of attorney, and limitations on title, created by the laws of the State of the insured premises or set forth in the Master Deed or Declaration of Condominium, in the related By-Laws, in the Declaration of Trust, or Site Plans and Floor Plans as duly recorded in the appropriate land records office and as the same may have been lawfully amended, and in any instrument creating the estate or interest insured by this policy.
7. Any exception, reservation, restriction, easement or condition set out in the attached Exhibit A.
8. Rights and easements granted to the City of Portland for a sewer pipe and manhole by Portland Terminal Company in an instrument dated September 18, 1962 and recorded in Book 2706, Page 292.
9. Notes, rights of way, rights, easements, restrictions, covenants, conditions and other matters depicted on a Plan recorded in the Cumberland County Registry of Deeds in Plan Book 112, Page 62, Plan Book 112, Page 68, Plan Book 112, Page 71, Plan Book 129, Page 11, Plan Book 134, Page 18, Plan Book 134, Page 19, Plan Book 134, Page 20, Plan Book 209, Page 36, and in Plan Book 216, Page 43-46.
10. Reversionary rights or rights to terminate the title which are contained in the easement deed from N. L. Woodbury to The Portland and Rochester Railroad Company dated February 19, 1872 and recorded in Book 392, Page 253.
11. Reversionary rights or rights to terminate the title which are contained in the easement deeds from Lucile Johnston and Fred L. Johnston, Inc. to Portland Terminal Company dated February 6, 1970 and recorded in Book 3117, Pages 780 and 783 respectively.
12. Notice of Layout and Taking from Multiple Parties to the State of Maine dated August 8, 1979 and recorded in Book 4540, Page 291.
13. Use Restrictions, reservations, conditions, covenants and agreements contained in the Release deed from Portland Terminal Company to the State of Maine dated September 4, 2002 and recorded in Book 16707, Page 206.
14. Fiber Optic Easement Agreement by and between Portland Terminal Company and American Telephone & Telegraph Company, dated July 29, 1986, as described in Exhibit C in the Release deed from Portland Terminal Company to the State of Maine dated September 4, 2002 and recorded in Book 16707, Page 206.
15. Rights and easements in a ten foot wide Telecommunications Easement and access thereto as reserved by Portland Terminal Company in the Release Deed to the State of Maine, dated September 4, 2002 and recorded in Book 16707, Page 206.
16. Such state of facts as shown on an unrecorded Plan entitled "Bayside Survey, Formerly Portland Terminal Co. Rail Yard, Somerset St., Portland, Maine," dated May 2002, revised through August 28, 2002, prepared by OEST Associates, Inc.
17. Use restrictions, easements, reservations, conditions, covenants and agreements as set forth in a Governor's Deed from the State of Maine, acting by and through its Governor, to the City of Portland, dated March 12, 2003 and recorded in Book 19057, Page 107.

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18. Rights of the following tenants under unrecorded leases: 1. H. Finkelman & Co., 2. Central Maine Power Company.
19. Terms and conditions of an unrecorded License Agreement dated March 21, 2003 by and between the State of Maine, acting by and through its Department of Transportation, and the City of Portland.
20. Use restrictions, reservations, conditions, covenants, as set forth in a Governor's Deed from the State of Maine to the City of Portland dated September 26, 2005 and recorded in Book 23202, Page 38.
21. Subdivision Waiver Approval from the City of Portland to the City of Portland & Federated Companies, LLC dated April 11, 2014 and recorded in Book 31441, Page 39.
22. License Agreement from the City of Portland to FEDEQ DV001, LLC dated January 20, 2016 and recorded in Book 32953, Page 146.
23. Subject to a Limited Open Space Use Easement of variable width Benefitting the City of Portland over a portion of Lot 1 along Elm Street as shown on said Amended Subdivision Recording Plat recorded in the Cumberland County Registry of Deeds in Plan Book 216, Page 217 and as set forth in a Quitclaim Deed with Covenant dated June 16, 2016 and recorded in the Cumberland County Registry of Deeds in Book 33201, Page 233.
24. Terms and Conditions of a certain Revocable License for Installation and Maintenance of Utilities and a Revocable License for Grading and Drainage as set forth in a Quitclaim Deed with Covenant dated June 16, 2016 and recorded in the Cumberland County Registry of Deeds in Book 33201, Page 233, on land now or formerly of the City of Portland along the northerly line of Elm Street and northwesterly line of Somerset Street of variable width as shown on said Amended Subdivision Recording Plat recorded in the Cumberland County Registry of Deeds in Plan Book 216, Page 217.
25. Terms and Conditions of a certain Revocable License for Maintenance of Canopy as referenced in a Quitclaim Deed with Covenant dated June 16, 2016 and recorded in the Cumberland County Registry of Deeds on in Book 33201, Page 233, on land now or formerly of the City of Portland 7.89 feet wide as shown on said Amended Subdivision Recording Plat recorded in the Cumberland County Registry of Deeds in Plan Book 216, Page 217.
26. Lot 3 is subject to Terms and Conditions of a Limited Open Space Use Easement Benefitting The City of Portland ten (10.00') feet in width running along the northwesterly line of Somerset Street and six (6.00') feet in width running along the southwesterly line of Chestnut Street as referenced in a Quitclaim Deed with Covenant dated June 16, 2016 and recorded in the Cumberland County Registry of Deeds on in Book 33201, Page 233, and as shown on said Amended Subdivision Recording Plat recorded in the Cumberland County Registry of Deeds in Plan Book 216, Page 217.
27. Lot 3 is also subject to Terms and Conditions of a certain Public Pedestrian Access Easement to the City of Portland from Grantee dated June 16, 2016 and recorded in the Cumberland County Registry of Deeds in Book 33201, Page 289.
28. Terms and Conditions of a certain Revocable License for Installation and Maintenance of Utilities and a Revocable License for Grading and Drainage of near or even date as referenced on a Quitclaim Deed with Covenant dated June 16, 2016 and recorded in the Cumberland County Registry of Deeds on in Book 33201, Page 233, on land now or formerly of the City of Portland along the northerly line of Elm Street and

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northwesterly line of Somerset Street of variable width as shown on said Amended Subdivision Recording Plat recorded in the Cumberland County Registry of Deeds in Plan Book 216, Page 217.

29. Terms and Conditions of a certain Revocable License for Grading and Drainage as referenced in a Quitclaim Deed with Covenant dated June 16, 2016 and recorded in the Cumberland County Registry of Deeds on in Book 33201, Page 233, on land now or formerly of the City of Portland fifteen (15.00') feet over a parcel of land containing 639 sf, more or less, in width as shown on said Amended Subdivision Recording Plat recorded in the Cumberland County Registry of Deeds in Plan Book 216, Page 217.
30. Terms and Conditions of a certain Revocable License for Installation and Maintenance of Utilities of near or even date as referenced in a Quitclaim Deed with Covenant dated June 16, 2016 and recorded in the Cumberland County Registry of Deeds on in Book 33201, Page 233, on land now or formerly of the City of Portland twelve (12.00') feet in width as shown on said Amended Subdivision Recording Plat recorded in the Cumberland County Registry of Deeds in Plan Book 216, Page 217.
31. Lot 7 is subject to Terms and Conditions of a certain Public Pedestrian Access Easement to the City of Portland of varying width running along the northwesterly line of Somerset Street and the southwesterly line of the Possible Extension of Pearl Street as referenced in instrument dated June 16, 2016 and recorded in the Cumberland County Registry of Deeds on in Book 33201, Page 289, and as shown on said Amended Subdivision Recording Plat recorded in the Cumberland County Registry of Deeds in Plan Book 216, Page 217.
32. Lot 7 is subject to Terms and Conditions of a Limited Open Space Use Easement Benefitting The City of Portland of variable width as referenced in a Quitclaim Deed with Covenant dated June 16, 2016 and recorded in the Cumberland County Registry of Deeds in Book 33201, Page 233, and as shown on said Amended Subdivision Recording Plat recorded in the Cumberland County Registry of Deeds in Plan Book 216, Page 217.
33. Terms and Conditions of a certain Revocable License for Installation and Maintenance of Utilities and a Revocable License for Grading and Drainage of near or even date as referenced on a Quitclaim Deed with Covenant dated June 16, 2016 and recorded in the Cumberland County Registry of Deeds in Book 33201, Page 233, on land now or formerly of the City of Portland of variable width as shown on said Amended Subdivision Recording Plat recorded in the Cumberland County Registry of Deeds in Plan Book 216, Page 217.
34. Terms and Conditions of a certain Revocable License for Installation and Maintenance of Utilities and a Revocable License for Grading and Drainage as referenced in a Quitclaim Deed with Covenant dated June 16, 2016 and recorded in the Cumberland County Registry of Deeds on in Book 33201, Page 233, on land now or formerly of the City of Portland of variable width, located within The Possible Extension of Pearl Street as shown on said Amended Subdivision Recording Plat recorded in the Cumberland County Registry of Deeds in Plan Book 216, Page 217.
35. Notes, rights of way, rights, easements, restrictions, covenants, conditions and other matters depicted on a Plan entitled Amended Subdivision Recording Plat for MIDTOWN Development Plan Sheet 1 of 2 on Somerset Street, Portland, Maine made for FEDEQ DV001, LLC" dated April 10, 2013, as revised through, and approved by the City of Portland Planning Board, on May 10, 2016 by Owen Haskell, Inc. Falmouth, Maine, recorded at the Cumberland County Registry of Deeds in Plan Book 216, Page 217.
36. The following such matters and state of facts as shown on ALTA/NSPS Survey, Lots 1, 3 & 7 - Midtown Development on Somerset Street, Portland, Maine made for FEDEQ DV001, LLC, prepared by Owen Haskell, Inc. dated June 21, 2016 as Job No. 2012-180-P:

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- a. Limited open space use easement benefiting the City of Portland – width varies (Lots 1 & 7)
 - b. Chestnut Street was built on City property by not accepted by the City of Portland from Somerset Street to Marginal Way as of the date of said drawing
 - c. Limited open space use easement on Lot 7 benefiting the City of Portland
 - d. Portion of proposed ROW not controlled by the City of Portland, if Pearl Street is extended the City of Portland will need to acquire it
 - e. Mews-30' Access Easement benefiting the City of Portland, excepting the reservation for storefront "bays" of Midtown to extend up to 2'-0" into either side of the Mews for up to 30% of the linear footage of the Mews and common boundary of Lot 6 and 7
 - f. Existing 50' ROW to be expanded to 54', four foot strip of land to be retained by the City of Portland to be added to the Somerset Street ROW
 - g. 15' wide temporary grading & construction easement to be granted to the City of Portland by Noyes
 - h. 6'-0" wide limited open space use easement on Lots 3 and 6 benefiting the City of Portland
 - i. Limited open space use easement benefiting the City of Portland - 10' wide (Lot 3).
37. Covenants and Agreements regarding taxes as set forth in a Quitclaim Deed with Covenant dated June 16, 2016 and recorded in the Cumberland County Registry of Deeds on in Book 33201, Page 289.
38. Terms and Conditions of a certain Revocable License for Grading and Drainage of near or even date as referenced on a Quitclaim Deed with Covenant dated June 16, 2016 and recorded in the Cumberland County Registry of Deeds in Book 33201, Page 233, on land now or formerly of the City of Portland fifteen (15.00') feet over a parcel of land containing 775 sf, more or less, in width as shown on said Amended Subdivision Recording Plat recorded in the Cumberland County Registry of Deeds in Plan Book 216, Page 217.

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EXHIBIT A

Lot 1

A certain lot or parcel of land located along the northerly sideline of Elm Street in the City of Portland, Cumberland County, State of Maine, more particularly bounded and described as follows:

COMMENCING at the northerly sideline corner of Elm Street and Somerset Street as shown on a plan titled "Amended Subdivision Recording Plat for Midtown Development Plan Sheet 1 of 2 on Somerset Street, Portland, Maine made for FEDEQ DV001, LLC" dated April 10, 2013 as revised through May 10, 2016 by Owen Haskell, Inc., Falmouth, Maine, recorded at the Cumberland County Registry of Deeds in Plan Book 216, Page 217;

THENCE running northwesterly 176.95 feet along Elm Street on a curve to the left with a radius of 438.26 feet and a chord bearing and distance of N 69° 50' 41" W 175.75 feet to a point;

THENCE N 81° 24' 41" W 4.19 feet along Elm Street to the POINT OF BEGINNING.

THENCE N 81 ° 24' 41" W 33.19 feet along Elm Street to a point of curvature;

THENCE running northwesterly 135.72 feet along Elm Street on a curve to the right with a radius of 380.26 feet and a chord bearing and distance of N 71° 11' 16" W 135.02 feet to a point;

THENCE S 29° 02' 19" W 8.00 feet along Elm Street to a point;

THENCE running northwesterly 44.45 feet along Elm Street on a curve to the right with a radius of 388.26 feet and a chord bearing and distance of N 57° 40' 54" W 44.42 feet to a point at the southerly corner of land now or formerly of Marginal Way, LLC;

THENCE N 69° 26' 06" E 165.34 feet along said Marginal Way, LLC to a point;

THENCE N 62° 32' 28" E 77.74 feet along said Marginal Way, LLC to a point;

THENCE S 05° 59' 38" E 130.44 feet along land now or formerly of the City of Portland to a point;

THENCE S 50° 1P 34" W 46.00 feet along said City of Portland to the POINT OF BEGINNING.

Lot 1 as shown on said Amended Subdivision Recording Plat.

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Lot 3

A certain lot or parcel of land located along the northerly sideline of Somerset Street in the City of Portland, Cumberland County, State of Maine, more particularly bounded and described as follows:

COMMENCING at the northerly sideline corner of Elm Street and Somerset Street as shown on a plan titled "Amended Subdivision Recording Plat for Midtown Development Plan Sheet 1 of 2 on Somerset Street, Portland, Maine made for FEDEQ DV001, LLC" dated April 10, 2013 as revised through May 10, 2016, by Owen Haskell, Inc., Falmouth, Maine, recorded at the Cumberland County Registry of Deeds in Plan Book 216, Page 217;

THENCE N 49° 00' 22" E 16.27 feet along the northwesterly line of Somerset Street to the POINT OF BEGINNING.

THENCE N 63° 10' 10" W 95.66 feet to a point;

THENCE N 05° 59' 38" W 62.77 feet to a point;

THENCE N 49° 00' 22" E 437.82 feet to a point along the southwesterly line of Chestnut Street as shown on said Amended Recording Plat;

THENCE S 40° 59' 38" E 140.00 feet along Chestnut Street to a point along the northwesterly line of Somerset Street;

THENCE S 49° 00' 22" W 437.72 feet to the POINT OF BEGINNING.

Said lot or parcel of land is Lot 3 as shown on said Amended Recording Plat.

Lot 7

A certain lot or parcel of land located along the northerly sideline of Somerset Street in the City of Portland, Cumberland County, State of Maine, more particularly bounded and described as follows:

BEGINNING at the westerly sideline corner of the Possible Extension of Pearl Street, and Somerset Street as shown on a plan titled "Amended Subdivision Recording Plat for Midtown Development Plan Sheet 1 of 2 on Somerset Street, Portland, Maine made for FEDEQ DV001, LLC" dated April 10, 2013 as revised through May 10, 2016, by Owen Haskell, Inc., Falmouth, Maine, recorded at the Cumberland County Registry of Deeds in Plan Book 216, Page 217;

THENCE S 49° 00' 22" W 151.00 feet along Somerset Street to a point;

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THENCE N 40° 59' 38" W 130.00 feet along Lot 6 and land now or formerly of the City of Portland to a point;

THENCE N 49° 00' 22" E 78.00 feet along the City of Portland to a point;

THENCE N 40° 59' 38" W 21.00 feet along the City of Portland to a point;

THENCE N 49° 00' 22" E 73.00 feet along the City of Portland to a point at the northwesterly end of the Possible Extension of Pearl Street;

THENCE S 40° 59' 38" E 151.00 feet along the Possible Extension of Pearl Street to the POINT OF BEGINNING.

Said lot or parcel of land is Lot 7 as shown on said Amended Subdivision Recording Plat.

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EXHIBIT E

NON-FOREIGN AFFIDAVIT (CORPORATE)

Section 1445 of the Internal Revenue Code provides that a transferee of a U.S. real property interest must withhold tax if the transferor is a foreign person. For U.S. tax purposes (including section 1445), the owner of a disregarded entity (which has legal title to a U.S. real property interest under local law) will be the transferor of the property and not the disregarded entity. To inform the transferee that withholding of tax is not required upon the disposition of a U.S. real property interest by **FEDEQ DV005, LLC**, a Florida Limited Liability Company ("Transferor"), the undersigned hereby certifies the following on behalf of Transferor:

1. Transferor is not a foreign corporation, foreign partnership, foreign trust, or foreign estate (as those terms are defined in the Internal Revenue Code and Income Tax Regulations);
2. Transferor is not a disregarded entity as defined in Sec. 1.1445-2(b)(2)(iii);
3. Transferor's U.S. employer identification number is: _____
4. Transferor's office address is: _____
5. Transferor's mailing address is: _____

Transferor understands that this certification may be disclosed to the Internal Revenue Service by transferee and that any false statement contained herein could be punished by fine, imprisonment, or both.

Under penalties of perjury, I declare that I have examined this certification and to the best of my knowledge and belief it is true, correct, and complete, and I further declare that I have authority to sign this document on behalf of Transferor

Date: June ____, 2025

FEDEQ DV005, LLC

By: _____
Jonathan J. Cox, Its Manager

NOTICE PURSUANT TO 38 M.R.S. § 563(6) and (10)

FEDEQ DV005, LLC ("Seller"), seller of the real property located on Elm and Somerset Streets in Portland, Maine, more particularly described as Lots 1, 3, and 7 on a certain "Amended Subdivision Recording Plat for MiDTOWN Development Plan Sheet 1 of 2 on Somerset Street, Portland, Maine for FEDEQ DV0001, LLC", called the "Premises", hereby files this written notice with City of Portland ("Purchaser"), purchaser of the Premises, in accordance with 38 M.R.S. § 563(6) and (10).

A. _____ To the best of the undersigned's knowledge, no underground storage facility for the storage of oil or petroleum products exists on the Premises.

B. _____ To the best of the undersigned's knowledge, no above ground oil storage facility for motor fuel with underground piping exists on the Premises.

C. (check as applicable)

_____ An underground oil storage facility exists on the Premises, and/or

_____ An above ground storage facility for motor fuel with underground piping exists of the Premises.

C1. The State of Maine Registration numbers for all oil storage facilities on the Premises are as follows:

No. _____

No. _____

C2. (check one) The oil storage facilities have _____ have not _____ been abandoned in place (taken out of service for more than 12 months), pursuant to 38 M.R.S. § 566-A.

C3. Any such oil storage facility is subject to regulation, including registration requirements, by the Maine Department of Environmental Protection pursuant to the provisions of 38 M.R.S. § 561 and following.

FEDEQ DV005, LLC

By: _____
Jonathan J. Cox, Its Manager

ACKNOWLEDGEMENT OF RECEIPT:
City of Portland

By: _____
Danielle P. West, City Manager

Real estate withholding form to be provided by seller's counsel.

EXHIBIT F

NONRESIDENTIAL REAL PROPERTY DISCLOSURE STATEMENT

Notice pursuant to 33 M.R.S. § 193

FEDEQ DV005, LLC (“Seller”), as seller of the real property located on Elm and Somerset Streets in the City of Portland, County of Cumberland and the State of Maine (the “Premises”), hereby files this written notice with **CITY OF PORTLAND** (“Buyer”), as buyer of the Premises, in accordance with 33 M.R.S. § 193.

1. The Premises is accessible by:

☐ A. The following named public way (i.e., a way, owned and maintained by the State, a county or a municipality, over which the general public has a right to pass):

_____.

☐ B. The following means other than a public way: _____

If the property is accessible by any means other than a public way, Seller is required to disclose information about who is responsible for maintenance of the means of access, including any responsible road association, if known by Seller: _____

Seller: FEDEQ DV005, LLC

By: _____

Jonathan J. Cox, Its Manager

Date: _____

Acknowledgment of Receipt:

Buyer: City of Portland

By: _____

Danielle P. West, City Manager

Date: _____

MORTGAGE DISCHARGE

FEDEQ SPONSOR ENTITY V, LLC, holder of a certain Mortgage given by **FEDEQ DV004, LLC**, dated June 16, 2016 and recorded in the Cumberland County Registry of Deeds in **Book 34721, Page 137**, hereby acknowledges satisfaction of the obligations secured thereby and discharges said Mortgage.

In witness whereof, Jonathan J. Cox, in said capacity as duly authorized, has executed this Discharge on this ____ day of June, 2025.

FEDEQ SPONSOR ENTITY V, LLC

Witness

By: Jonathan J. Cox, Its Manager

STATE OF MAINE
CUMBERLAND COUNTY

June ____, 2025

Personally appeared the above-named Jonathan J. Cox, in said capacity, and acknowledged the foregoing instrument to be his free act and deed in said capacity and the free act and deed of said FEDEQ Sponsor Entity V, LLC.

Before me,

Print Name:
Notary Public/Attorney at Law
My Commission Expires: _____

MORTGAGE DISCHARGE

FEDEQ SPONSOR ENTITY V, LLC, holder of a certain Mortgage given by **FEDEQ DV005, LLC**, dated June 16, 2016 and recorded in the Cumberland County Registry of Deeds in **Book 34721, Page 159**, hereby acknowledges satisfaction of the obligations secured thereby and discharges said Mortgage.

In witness whereof, Jonathan J. Cox, in said capacity as duly authorized, has executed this Discharge on this ____ day of June, 2025.

FEDEQ SPONSOR ENTITY V, LLC

Witness

By: Jonathan J. Cox, Its Manager

STATE OF MAINE
CUMBERLAND COUNTY

June ____, 2025

Personally appeared the above-named Jonathan J. Cox, in said capacity, and acknowledged the foregoing instrument to be his free act and deed in said capacity and the free act and deed of said FEDEQ Sponsor Entity V, LLC.

Before me,

Print Name:
Notary Public/Attorney at Law
My Commission Expires: _____



24RETTD

00

**MAINE REAL ESTATE
TRANSFER TAX DECLARATION
Form RETTD**
Do not use red ink.

1. County **Cumberland**

2. Municipality **Portland**

BOOK/PAGE - REGISTRY USE ONLY

3. GRANTEE/PURCHASER

3a. Last name, first name, MI; or business name

3b. Federal ID

City of Portland

3c. Last name, first name, MI; or business name

3d. Federal ID

3e. Mailing address after purchasing this property

3f. Municipality

3g. State 3h. ZIP Code

389 Congress Street

Portland

ME

04101

4. GRANTOR/SELLER

4a. Last name, first name, MI; or business name

4b. Federal ID

FEDEQ DV005, LLC

4c. Last name, first name, MI; or Business name

4d. Federal ID

4e. Mailing address

4f. Municipality

4g. State 4h. ZIP Code

P.O. Box 370008

Miami

FL

33137

5. PROPERTY

5a. Map

Block

Lot

Sub-lot

Check any that apply

5b. Type of property - enter the code number that best describes the property being sold (see instructions).

025

A

022

001

☐ No maps exist

102

☒ Multiple parcels

☐ Portion of parcel

5d. Acreage (see instructions)

☐ Not applicable

2.405

5c. Physical location

75 Somerset Street

6. TRANSFER TAX

6a. Purchase price (If the transfer is a gift, enter "0")..... 6a.

15,000,000 .00

6b. Adjusted Assessed Value 6b.

1,939,900 .00

6c. Exemption claim - ☒ Check the box if either grantor or grantee is claiming exemption from transfer tax.

6d. Exemption Code: See Instructions

10

7. DATE OF TRANSFER (MM-DD-YYYY)

8. CLASSIFIED. WARNING TO BUYER - If the property is classified as farmland, open space, tree growth, or working waterfront, a substantial financial penalty may be triggered by development, subdivision, partition, or change in use.

☐ CLASSIFIED

9. SPECIAL CIRCUMSTANCES. Were there any special circumstances with the transfer that suggest the price paid was either more or less than its fair market value? If yes, check the box and enter explanation below. ☐

10. INCOME TAX WITHHELD. The buyer is not required to withhold Maine income tax because:

- ☐ Seller has qualified as a Maine resident
☐ A waiver has been received from the State Tax Assessor
☐ Consideration for the property is less than \$100,000
☐ The transfer is a foreclosure sale

11. DECLARATION(S) UNDER THE PENALTIES OF PERJURY. I declare that I have examined this return/report/document and (if applicable) accompanying schedules and statements and to the best of my knowledge and belief they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

PREPARER. Name of preparer: _____ Phone number: _____

Mailing address: _____ Email address: _____

_____ Fax number: _____

Rev. 04/24



24SPMNT

MAINE REVENUE SERVICES SUPPLEMENT TO THE REAL ESTATE TRANSFER TAX FORM

This form is to be used in conjunction with the Real Estate Transfer Tax declaration (RETTD) and provides additional information when necessary. Please attach this form to the original RETTD before submitting to the County Registry of Deeds. Use additional forms as necessary. If you have any questions, please contact the property Tax Division at 207-624-5606 or email: prop.tax@maine.gov.

Additional Grantees/Purchases - Last Name First		Federal ID Number
1.		
2.		
3.		
4.		
5.		
6.		
7.		
8.		

Additional Grantors/Sellers - Last Name First		Federal ID Number
1.		
2.		
3.		
4.		
5.		
6.		
7.		
8.		

Additional Municipalities		Map-Block-Lot-Sub-lot			
1.		025	B	002	001
2.		025	D	010	001
3.					
4.					
5.					
6.					
7.					
8.					

Property Tax Division, PO Box 9106, Augusta, Maine 04332-9106

Real Estate Transfer Tax Declaration

Instructions

The Real Estate Transfer Tax Declaration (Form RETTD) must be filed with the Registry of Deeds of the county or region where the transferred property is located when the accompanying deed is recorded. The Registry of Deeds will collect a tax based on the value of the transferred property, equal to \$2.20 for each \$500 of value. The tax is imposed half on the purchaser and half on the seller of the transferred property. If the transferred property is in more than one municipality, or if there are more than two sellers or buyers, a Supplemental Form must be completed. For more information, visit www.maine.gov/revenue/taxes/property-tax/transfer-tax or contact the Property Tax Division at 207-624-5606.

Line 1. County. Enter the name of the county where the transferred property is located. If the property is in more than one county, you must complete a separate Form RETTD and file it with the appropriate Registry of Deeds.

Line 2. Municipality. Enter the name of the municipality where the transferred property is located. If the transferred property is located in more than one municipality, complete a Supplemental Form.

Line 3. Grantee/Purchaser. (a) & (c): Enter one name on each available line (Last Name, First Name). If there are more than two purchasers, complete a Supplemental Form. **(b) & (d):** If a business entity is entered on (a) or (c), enter the entity's federal ID number. Do not enter a social security number. If you do not have a federal ID number, or if the transfer is of unimproved land for less than \$25,000 or land with improvements for less than \$50,000, you may enter all zeros in this field. **(e) through (h):** Enter the mailing address for the purchaser after the purchase of this property.

Line 4. Grantor/Seller. (a) & (c): Enter one name on each available line, (Last Name, First Name). If there are more than two sellers, complete a Supplemental Form. **(b) & (d):** If a business entity is entered on (a) or (c), enter the entity's federal ID number. Do not enter a social security number. If you do not have a federal ID number, or if the transfer is of unimproved land for less than \$25,000 or land with improvements for less than \$50,000, you may enter all zeros in this field. **(e) through (h):** Enter the mailing address for the seller after the purchase of this property.

Line 5. Property. (a): Enter the appropriate map, block, lot, and sub-lot of the transferred property. If the property has more than one map and lot number, complete a Supplemental Form. If the municipality where the transferred property is located does not have property tax maps, if the property has more than one map and lot, or if the transferred property is part of a larger parcel, then check the appropriate box. **(b):** From the list of property type codes provided below, enter the code that best describes the transferred property. **(c):** If the municipality where the transferred

property is located does not have property tax maps, enter the physical location (including street and number) of the property. **(d):** Enter the acreage of the transferred property. If you don't know the exact acreage, enter an estimate based on all available information. The acreage recital is for MRS purposes only and it does not constitute a guarantee to the buyer of the acreage being conveyed. **NOTE:** If the transfer is a gift, do not complete lines (b) and (d).

Line 6. Transfer tax. (a): Enter the actual sale price. Enter "0" if the transfer is a gift. **(b):** Enter the adjusted assessed value of the transferred property. Adjusted assessed value is the most recent municipal assessed value of the property divided by the certified ratio of the municipality where the property is located for that property tax year. **(c):** If either party is claiming an exemption from the transfer tax, check this box and enter the corresponding exemption code in box (d). See 36 M.R.S. § 4641-C for a list of exemptions.

Line 7. Date of transfer. Enter the date of the property transfer, which reflects when the ownership or title to the real property is delivered to the purchaser. This date may or may not be the same as the recording date.

Line 8. Classified. Check the box if the transferred property is enrolled in a current use program: Tree Growth, Farm and Open Space, or Working Waterfront.

Line 9. Special circumstances. If the sale of the property was substantially more or less than the adjusted assessed value, check this box and enter an explanation of the circumstances.

Line 10. Income tax withheld. Nonresident sellers are subject to real estate withholding under 36 M.R.S. § 5250-A. For more information, contact MRS, Income Tax Division at 207-626-8473.

Line 11. Declaration(s) under penalty of perjury. Enter the name, mailing address, phone number, and email address of the person or company preparing this form if different from the parties to the transaction.

PROPERTY TYPE CODES

VACANT LAND		COMMERCIAL		INDUSTRIAL		RESIDENTIAL		MISC CODES	
Rural	101	Mixed use	301	Gas and oil	401	Rural	201	Government	501
Urban	102	5+ unit apt.	303	Utility	402	Urban	202	Condominium	502
Oceanfront	103	Bank	304	Gravel pit	403	Oceanfront	203	Timeshare unit	503
Lake/pond front	104	Restaurant	305	Lumber/saw mill	404	Lake/pond front	204	Nonprofit	504
Stream/riverfront	105	Medical	306	Pulp/paper mill	405	Stream/riverfront	205	Mobile home park	505
Agricultural	106	Office	307	Light manufacture	406	Mobile home	206	Airport	506
Commercial zone	107	Retail	308	Heavy manufacture	407	2-4-unit apt.	207	Conservation	507
Other	120	Automotive	309	Other	420	Other	220	Current use	
		Marina	310					classification	508
		Warehouse	311					Other	520
		Hotel/motel/inn	312						
		Nursing home	313						
		Shopping mall	314						
		Other	320						

Property Exemption Codes
See 36 M.R.S. § 4641-C for more information

10 Government entities. §4641-C(1).	20 Deeds executed by public officials. §4641-C(12).
11 Mortgage deeds, deeds of foreclosure, and deeds in lieu of foreclosure. §4641-C(2).	21 Deeds given pursuant to the United States Bankruptcy Code. §4641-C(14).
12 Deeds affecting a previous deed. §4641-C(3).	22 Deeds to a trustee, nominee, or straw party. §4641-C(15).
13 Deeds between certain family members. §4641-C(4).	23 Certain corporate, partnership, and limited liability company deeds. §4641-C(16).
14 Tax deeds. §4641-C(5).	24 Deeds to charitable conservation organizations. §4641-C(17).
15 Deeds of partition. §4641-C(6).	25 Limited liability company deeds. §4641-C(18).
16 Deeds pursuant to mergers or consolidations. §4641-C(7).	26 Change in identity or form of ownership. §4641-C(19).
17 Deeds by subsidiary corporations and deeds by parent corporation. §4641-C(8) and (10).	27 Transfers pursuant to transfer on death deed. §4641-C(21).
18 Deeds prior to October 1, 1975. §4641-C(9).	
19 Deeds of distribution. §4641-C(11).	



24RETTD

00

**MAINE REAL ESTATE
TRANSFER TAX DECLARATION
Form RETTD**
Do not use red ink.

1. County **Cumberland**2. Municipality **Portland**

BOOK/PAGE - REGISTRY USE ONLY

3. GRANTEE/PURCHASER

3a. Last name, first name, MI; or business name

3b. Federal ID

City of Portland

3c. Last name, first name, MI; or business name

3d. Federal ID

3e. Mailing address after purchasing this property

3f. Municipality

3g. State 3h. ZIP Code

389 Congress Street**Portland****ME****04101**

4. GRANTOR/SELLER

4a. Last name, first name, MI; or business name

4b. Federal ID

FEDEQ DV004, LLC

4c. Last name, first name, MI; or Business name

4d. Federal ID

4e. Mailing address

4f. Municipality

4g. State 4h. ZIP Code

P.O. Box 370008**Miami****FL****33137**

5. PROPERTY

5a. Map

Block

Lot

Sub-lot

Check any that apply

5b. Type of property - enter the code number that best describes the property being sold (see instructions).

025**B****003****001**☐ No maps exist☐ Multiple parcels☐ Portion of parcel☒ Not applicable**102**

5c. Physical location

5d. Acreage (see instructions)

59 Somerset Street**1.041**

6. TRANSFER TAX

6a. Purchase price (If the transfer is a gift, enter "0")..... 6a.

0.00

6b. Adjusted Assessed Value 6b.

528,500.006c. Exemption claim - ☒ Check the box if either grantor or grantee is claiming exemption from transfer tax.

6d. Exemption Code: See Instructions

12

7. DATE OF TRANSFER (MM-DD-YYYY)

8. CLASSIFIED. WARNING TO BUYER - If the property is classified as farmland, open space, tree growth, or working waterfront, a substantial financial penalty may be triggered by development, subdivision, partition, or change in use.

☐ CLASSIFIED9. SPECIAL CIRCUMSTANCES. Were there any special circumstances with the transfer that suggest the price paid was either more or less than its fair market value? If yes, check the box and enter explanation below. ☒**Confirmatory deed not affecting ownership**

10. INCOME TAX WITHHELD. The buyer is not required to withhold Maine income tax because:

☐ Seller has qualified as a Maine resident☐ A waiver has been received from the State Tax Assessor☒ Consideration for the property is less than \$100,000☐ The transfer is a foreclosure sale

11. DECLARATION(S) UNDER THE PENALTIES OF PERJURY. I declare that I have examined this return/report/document and (if applicable) accompanying schedules and statements and to the best of my knowledge and belief they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

PREPARER. Name of preparer: _____ Phone number: _____

Mailing address: _____ Email address: _____

Fax number: _____

Rev. 04/24



24SPMNT

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5.		
6.		
7.		
8.		

Additional Grantors/Sellers - Last Name First		Federal ID Number
1.	FEDEQ Sponsor Entity V, LLC	
2.	Redwood Development Consulting, LLC	
3.		
4.		
5.		
6.		
7.		
8.		

Additional Municipalities		Map-Block-Lot-Sub-lot
1.		
2.		
3.		
4.		
5.		
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Property Tax Division, PO Box 9106, Augusta, Maine 04332-9106

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18 Deeds prior to October 1, 1975. §4641-C(9).	
19 Deeds of distribution. §4641-C(11).	

TERMINATION OF LEASE

FEDEQ DV004, LLC, a Florida limited liability company, being the Landlord under a certain ground lease dated as of June 16, 2016, as evidenced by a Memorandum of Lease dated as of June 16, 2016 and recorded in the Cumberland County Registry of Deeds in Book 34723, Page 321, as amended by the Amended and Restated Memorandum of Lease dated as of April 9, 2018 and recorded in said Registry in Book 34777, Page 55 (collectively, the "Lease") relating to the land and building located at 35 Somerset Street, Portland, Maine, and **REDWOOD DEVELOPMENT CONSULTING, LLC**, being the Tenant under the Lease, do hereby agree to terminate the Lease as of the effective date of June 1, 2025.

Dated: _____, 2025

IN WITNESS WHEREOF, Jonathan J. Cox, Manager of FEDEQ DV004, LLC, has hereunto set his hand and seal in his said capacity this ____ day of June, 2025.

FEDEQ DV005, LLC

By: _____
Name: Jonathan J. Cox, Manager

STATE OF MAINE

_____ County

_____, 2025

Personally appeared before me the above-named Jonathan J. Cox, Manager of FEDEQ DV004, LLC, and acknowledged before me the foregoing instrument to be his free act and deed in his said capacity and the free act and deed of said limited liability company.

Notary Public/Maine Attorney-at-Law

Printed Name: _____

Commission Expires: _____

SELLER'S SETTLEMENT STATEMENT

DATE: June 27, 2025
PROPERTY: Lots 1, 3, and 7 on Amended Subdivision Recording Plat for MiDTOWN Development
SELLER: FEDEQ DV005, LLC
BUYER: City of Portland

CREDITS:		
Sales Price:	\$ 15,000,000.00	
		\$ 15,000,000.00
DEBITS:		
Transfer Tax:	\$ 33,000.00	
Recording Fees (Lease Termination, Mortgage Discharges)	\$ 98.00	
Maine Revenue Services Withholding	\$ 375,000.00	
Legal Fees:	TBD	
		\$ 408,098.00
TOTAL Due to Seller at Closing:		\$ 14,591,902.00

The undersigned hereby acknowledges that they have reviewed this closing statement and that it is accurate.

FEDEQ DV005, LLC

By: _____
Jonathan J. Cox, its Manager

BUYER'S SETTLEMENT STATEMENT

DATE: June 27, 2025
PROPERTY: Lots 1, 3, and 7 on Amended Subdivision Recording Plat for MiDTOWN Development
SELLER: FEDEQ DV005, LLC
BUYER: City of Portland

CREDITS:

None		
		\$0.00

DEBITS:

Sales Price:	\$	15,000,000.00	
Transfer Tax:		None-Exempt	
Title Insurance:		TBD	
Allagash Title Services, LLC Premium	TBD		
Deed Recording Fees:	\$	74.00	
Legal Fees:		TBD	
			\$ 15,000,074.00
			\$ 15,000,074.00

TOTAL Due from Buyer at Closing

The undersigned hereby acknowledges that they have reviewed this closing statement and that it is accurate.

City of Portland

By: _____
Danielle P. West, City Manager

DISBURSEMENT SHEET

DATE: May 16, 2025
PROPERTY: Lots 1, 3, and 7 on Amended Subdivision Recording Plat for MiDTOWN Development
SELLER: FEDEQ DV005, LLC
BUYER: City of Portland

FUNDS NEEDED BY BUYER AT CLOSING

\$ 15,000,074.00	
TOTAL	\$ 15,000,074.00

DISBURSEMENTS:

		<u>Amount of Check</u>	
1	FEDEQ DV005, LLC (Seller Proceeds)	\$ 14,591,902.00	
2	Allagash Title Services, LLC (Title Insurance)	TBD	
3	Akerman (Seller's Legal Fees)	TBD	
4	Penobscot County Registry of Deeds (Recording Fees & Transfer Tax)	\$ 33,172.00	
5	Norman, Hanson & DeTroy, LLC (Buyer's Legal Fees)	TBD	
	TOTAL		\$ 14,625,074.00

MEMORANDUM

TO: Michael Goldman, Corporation Counsel, City of Portland

FROM: Russ Pierce, Norman Hanson & DeTroy, LLC

DATE: July 10, 2025

RE: Federated - Undeveloped Bayside Lots - Eminent Domain
Settlement of Federated v. City of Portland litigation

INTRODUCTION

This memorandum provides the City Council with background for analysis of the Settlement Agreement in the litigation between the City and the Federated Companies and related entities (collectively, “Federated”) regarding the development project known as Midtown and the related eminent domain proceedings. The Settlement Agreement has reached final form, and is ready for Council approval at its July 14, 2025 meeting.

The Settlement Agreement’s material terms arose out of a second phase of several federal court judicial settlement conferences (U.S. Magistrate Judge Wolf presiding), in which Corporation Counsel, the City Manager, Economic Development Director, Greg Watson, and most recently Mayor Dion participated (the Mayor attended the final conference in person in late 2024, in which the material terms of this settlement opportunity arose). In December of 2024, through Executive Session discussing the federal court litigation, the Council directed Corporation Counsel and Norman Hanson & DeTroy (outside counsel for the City) to negotiate settlement documents to reflect the material terms of the Settlement that had arisen in the conferences with Judge Wolf.

After over six months of negotiations on terms of the settlement documents, often involving the direct participation of Judge Wolf within the court-annexed settlement negotiations, we have achieved final settlement documents agreeable in form to all parties.

THE LITIGATION

The Settlement Agreement finally resolves and will result in the dismissal of the three lawsuits between the City and Federated, and acquires all of the vacant and undeveloped lots owned by Federated (plan Lots 1, 3, and 7) in the Bayside neighborhood in Portland.

The main lawsuit relates to the City's taking of a fourth Lot – Lot 6 – by eminent domain, in September of 2021. The compensation paid by the City for the eminent domain taking was a nominal price (\$10.00). The theory behind the nominal price as “just compensation” for the taking has been under challenge by Federated in a federal court case that has been pending since November of 2021. The theory of nominal value for Lot 6 was approved by certified professional appraisers, but remains subject to challenge in federal court by Federated. In the event that the City and Federated do not enter into the proposed Settlement Agreement, the case would likely be set up for jury trial by the end of 2025. Thereafter, the case would likely be subject to several more years of appeals and threatened or anticipated “off-shoot” litigation. The eminent domain process also restricted the use of Lot 6 and incorporates a statutory time limitation on development, but the Settlement Agreement requires Federated to release its rights to enforce those restrictions.

The other two lawsuits, one filed by the City and one filed by Federated, involve breach of contract claims arising out of several development agreements between the parties. Federated has also threatened additional suits in a number of additional forums.

DECISION FOR THE COUNCIL

Under the Settlement Agreement, the City acquires Federated's remaining Midtown lots (Lots 1, 3, and 7 in the Midtown subdivision) currently owned by Federated, for the fixed price of \$15 million. Upon acquisition, the City and Federated will drop all current and any future litigation and claims. The Settlement Agreement includes a release from Federated, eliminating all claims from Federated on breach of contract and the eminent domain proceedings, including claims for just compensation, and constitutional unjust lack of “public purpose” restrictions (such as Federated's statutory right of first refusal if Lot 6 is not later developed for the designated public purpose). It also includes a confirmatory deed from Federated confirming the transfer of title to the City of Lot 6.

The Agreement also includes a general mutual release from Federated not to sue the City or any of its representatives for any claim as of the date of Settlement and closing. It buys the City's peace from further litigation involving Federated. It transfers full title and ownership of all of Federated's land in the Midtown subdivision to the City, with no restrictions on use or development (beyond what is legally allowed in the City's land use code and procedures). Any past restrictions on development arising out of the Lot 6 eminent domain taking are released.

The Council's vote is needed on July 14, 2025 on an emergency basis, because the Settlement Agreement calls for an immediate closing on July 15, 2025. We are prepared to close on July 15, 2025, if the Council votes to authorize the execution of the Settlement Agreement.

OVERVIEW: POINTS FOR CONSIDERATION

As stated above, this opportunity came to the City in the context of court-initiated and court-ordered judicial settlement conferences for the three interrelated federal court dockets pending in Portland federal court. None of those cases have reached final resolution.

Although the litigation settlement talks were the forum by which the current proposal came to us by Federated, in our opinion, analysis of the proposal is benefited by viewing the matter outside the context of litigation, and in the broader context of current City policies, programs, and interests.

Here is some additional history about the Lots in issue, for further context:

1. The land has a long history within the City, and between the parties. The lots comprise slightly more than 3.0 acres of usable land (3.45 acres gross size). The lots are located along Somerset Street, across the street cornerwise generally from Whole Foods, extending down to Elm Street, bounded on their northerly side by the “Bayside Trail” and the backsides/parking spaces of the Marginal Way businesses (from Trader Joe’s and along almost to Franklin Street). The City acquired the land in 1996 through an EPA-funded Brownfields Pilot Project. The land was in part old railyard and scrap metal yard. It remains subject to DEP environmental site assessments and “voluntary remedial action plans” or “VRAP’s” as conditions to development.
2. In 2000, a municipal task force studied planning for the area, and issued a Vision document for development. Pursuant to that vision, in approximately 2011 the City began negotiating with Federated for development of the land. The negotiations were difficult, but culminated in an amended 2016 purchase and sale agreement, by which Federated purchased from the City all of the lots in issue for \$2.3 million, under a contractual obligation to construct a public parking garage on Lot 6. (The Parking Garage Contribution and Funding Agreement separately provided for the use of HUD funds loaned to the City, and a BEDI grant, for City contributions to the construction costs and improvements to Somerset Street adjacent to the garage site.) Competing breach and anticipatory breach claims under the garage contract are the main subject in some of the pending cases.
3. Market forces increased the fair market value of the land from \$2.3 million paid by Federated to the City in 2016, to \$13.53 million as of 2021. (This valuation is from the City’s appraisal, from spring of 2021, which was performed at the direction of the City Council in late 2020).

4. City staff have had recent focused discussions with a number of developers who are interested in taking over development of the lots, but not until the litigation is dropped. These developers have expressed interest in mixed use housing development, including a parking garage at public rates to support the development. Legal restrictions to new development plans will be only as governed by law (the land use code and zoning laws and procedures), not any special terms that flow from eminent domain law or the prior master plan.
5. In essence, the \$15 million settlement which includes retransfer of the Federated lots back to the City, with binding agreement to drop all present and future claims, solves two overarching problems for the City: 1) the ongoing litigation, involving substantial outside counsel attorneys' fees expense, has little prospect of ending anytime soon, and will not result in returning the land to the City for development even if the litigation ends in the City's favor; 2) the Settlement Agreement is a significant step towards getting the land developed and creating much needed housing during Portland's current housing crisis.
6. A third general interest may be City policy, in that the Vision of 2000 for developing these lots in the Bayside neighborhood, or even the vision reflected in the Federated contract in 2016, may not be the City's vision for 2025. City ownership of all the lots works in favor of seeing planned development on the whole site, with current City priorities in mind, which is an overall benefit to the public. Under these circumstances, this is a better result than the City continuing to defend the litigation (however successfully) over the course of the next several years, with no progress towards seeing the land developed.

Formula for New Program Costing on Tax Rate

1) FY25 Valuation:	15,145,000,000	\$15,145,000
2) FY25 Tax Rate (Total City & School): <u>Levy / (Valuation/1000)</u>		\$15.01
(a) FY25 Tax Rate (City):		\$6.57
(b) FY25 Tax Rate (County):		\$0.56
(c) FY25 Tax Rate (School):		\$7.88
3) FY25 Value of \$0.01 of Tax Rate (Total City & School):		\$151,450

FISCAL IMPACT NOTE			FY26		FY27		FY28	
New Program Cost Data:			City Rate	City / Sch Combined Rate	City Rate	City / Sch Combined Rate	City Rate	City / Sch Combined Rate
<u>Example:</u>								
ADD: NEW ITEM ANNUAL EXPENDUTURES				\$315,000		\$315,000		\$315,000
LESS: TOTAL NEW ITEM ANNUAL REVENUES				\$0		\$0		\$0
=NEW ITEM NET TAX RATE IMPACT PROJECTION			\$315,000	\$315,000	\$315,000	\$315,000	\$315,000	\$315,000
New Program Impact to the Tax Rate			\$0.0208	\$0.0208	\$0.0208	\$0.0208	\$0.0208	\$0.0208
New Program % Impact on Tax Rate			0.3166%	0.1386%	0.3166%	0.1386%	0.3166%	0.1386%
Tax Rate Including New Program			\$15.03	\$15.03	\$15.03	\$15.03	\$15.03	\$15.03

The \$15M payment itself has no impact to the annual operating budget as it is being paid from unassigned fund balance. However, the reduction our cash/invesment balance of the \$15M triggers a corresponding reduction in interest income of approximately \$615,000 annually. This loss of interest income will continue until the property is resold and the proceeds are reinvested. The City also estimates a savings of approximately \$25,000/month on legal fees if this case is resolved with no further litigation. Note: This \$15M payment was anticipated in development of our FY26 Interest Income budget, so no budget change is necessary.