

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)

CITY COUNCIL MEETING - NOVEMBER 3, 2025

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.

<https://portlandme.portal.civicclerk.com/event/7615/media>

PLEDGE OF ALLEGIANCE:

ROLL CALL:

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

ANNOUNCEMENTS:

RECOGNITIONS:

PRESENTATIONS:

APPROVAL OF MINUTES OF PREVIOUS MEETING:

City Council Meeting Minutes-October 20, 2025

RESOLUTIONS:

Resolve 3-25/26 Amending Council Rules - Sponsored by Rules Committee, Councilor Pious Ali, Chair

The Rules Committee met on June 11, 2025, and voted to forward this item to the City Council with a recommendation for approval. The proposed amendments to the City Council's Rules of Procedure change the rules regarding proclamations, the manner of speaking by members of the City Council, and referrals to committees and make minor clarifying edits.

To make this item effective immediately, staff is requesting that this item be passed as an emergency. Seven affirmative votes are required for passage as an emergency after public comment.

Resolve 4-25/26 Supporting Collaboration with the Gulf of Maine Research Institute to Advance Climate Adaptation and Resilience - Sponsored by Mark Dion, Mayor

The Sustainability and Transportation Committee recommended this resolution to the City Council during their meeting on October 8.

The City of Portland and the Gulf of Maine Research Institute share mutual interests in working to address the impacts of sea level rise and in promoting economic development on the marine economy on the Portland waterfront. The organizations have a long history of collaboration and have worked together on projects that educate the community about the impacts of climate change as well as projects that generate scientific data that informs the fishing community, government agencies, and other stakeholders about the changing conditions in Casco Bay and the Gulf of Maine. Closer collaboration will improve information sharing between our organizations, strengthen grant applications for funding projects of mutual concern, and facilitate resilience planning to prepare the working waterfront for higher sea levels and more intense storms in the coming years.

Five affirmative votes are required for passage after public comment.

PROCLAMATIONS:

Proclamation 13-25/26 Recognizing Barber Foods - Sponsored by Councilor Pious Ali

Proclamation 14-25/26 Native American History Month - Sponsored by Mark Dion, Mayor

Proclamation 15-25/26 Recognizing Kevin J. Battle for a Lifetime of Service - Sponsored by Mark Dion, Mayor

COMMUNICATIONS:

Communication 6-25/26 The 2024 Fossil Fuel Infrastructure Report - Troy Moon, Sustainability Director

Chapter 6-176 of City Code requires the Sustainability Director to provide an annual report the City Council describing buildings constructed in Portland that do not use fossil fuel infrastructure, building technologies deployed that have been implemented instead of fossil fuel infrastructure, and a review of policies adopted at the state and municipal level to stop the use of fossil fuels.

As a communication this item requires no public comment or formal Council action.

UNFINISHED BUSINESS:

Order 93-23/24 Waiving the Class III & IV with Indoor Entertainment Application Fees for the Maine Irish Heritage Center - Sponsored by Housing & Economic Development Committee, Councilor Pious Ali, Chair

The City Council approved these licenses on August 14, 2023, but did not make a determination regarding the applicant's request for a waiver of application fees.

If passed, this order would waive the fee associated with the annual indoor entertainment application (currently totaling \$1,406.00 collected annually) for the Maine Irish Heritage Center, a nonprofit corporation, at 687 Forest Avenue. According to Sec. 15-12.1 of City Code, "The city council may, in its discretion, waive or reduce any fee required of any

nonprofit organization where the council determines the purpose of the licensed activity or the funds to be raised by the activity are of direct benefit to the citizens of the city." At the request of the applicant, staff have included a fee waiver for the Council's consideration.

This item was first read on January 3, 2024 and referred to the Housing & Economic Development Committee (HEDC) for consideration. Upon reviewing this item at their meeting on January 23, 2024, the HEDC recommended the Council grant a 50% fee waiver (totaling \$703.00 collected annually). Due to an administrative error, this item did not immediately return to the Council for consideration; the oversight was recently discovered by staff, resulting in the item's inclusion in tonight's agenda.

Five affirmative votes are required for passage after public comment.

Order 77-25/26 Accepting and Appropriating a \$30,460 Maine Department of Environmental Protection Waste Reduction Grant - Sponsored by Danielle P. West, City Manager

The Sustainability Office applied for and was awarded a waste reduction grant in the amount of \$30,460 in order to install covered kiosks at seven community compost drop-off locations and to establish an additional site on Irving St. at Heseltine Park. Accepting the grant will authorize funding for this project.

This item must be read on two separate days. It received its first reading on October 20. Five affirmative votes are required for passage after public comment.

Order 78-25/26 Approving the Collective Bargaining Agreement Between the City of Portland and the Professional and Technical City Employee Association - Sponsored by Danielle P. West, City Manager

This item approves a negotiated successor collective bargaining agreement between the City of Portland and the Professional and Technical City Employees Association for the period of July 1, 2025, through June 30, 2028. This proposal is presented after previously receiving guidance from the City Council executive sessions held on January 13, March 31, and July 28, 2025, and after having been approved by the Professional and Technical City Employees Association.

This item must be read on two separate days. It received its first reading on October 20. Five affirmative votes are required for passage after public comment.

Order 79-25/26 Designating the Lambert Woods South Affordable Housing Development 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 and Economic Development Committee met on July 15, 2025, and voted 4-0 to recommend approval of this item by the City Council. On August 25, 2025, the City Council approved a one-year extension of the Purchase and Sale Agreement between the City of Portland and Maine Cooperative Development Partners, LLC (MCDP).

Maine Cooperative Development Partners, LLC (MCDP) has development approval for 90 Cooperative Housing homes in eight buildings to be built on property at 165 Lambert

Street. After the transfer of the property by the City to MCDP, MCDP will transfer the property to Lambert Woods Cooperative. All the units will be affordable to households at or below 100% of the area median income (\$129,800 4-person household; \$103,850 2-person household). The project will be built in phases with 22 homes in the first phase. MCDP is requesting the City establish an Affordable Housing Tax Increment Financing (AHTIF) District with a CEA that would return to the developer 75% of the new tax revenue generated by the project for 30 years.

The proposed project would be taxable, with an estimated annual assessment of \$18,760,000. This number also represents the increased assessed value as the current or original assessed value is \$0. The estimated annual assessed value is based on the current project pro forma and development costs. An actual assessed value will be assigned to the project as it is constructed using the pricing schedules put in place at construction. Using current information, including the FY26 mil rate of .01198, the annual tax is estimated at \$224,745. TIF projections and proposed district map are included in the backup.

Seventy-five percent (75%) of the increased tax revenue would be captured and returned to the project/developer through a CEA. The remaining twenty-five percent (25%) non-captured revenue from the increased assessed value will be general fund revenue. The CEA would return approximately \$6,838,099 in captured tax revenue to the project/developer (averaged at \$227,937 annually over thirty years) to support project debt service and payment of deferred developer fees. Non-captured general fund revenues are estimated at \$2,279,366 (averaged at \$75,979 annually over thirty years).

This item must be read on two separate days. It received its first reading on October 20. Five affirmative votes are required for passage after public comment.

Order 80-25/26 Approving the Lambert Woods South Affordable Housing Credit Enhancement Agreement with Lambert Woods Cooperative - Sponsored by the Housing & Economic Development Committee, Councilor Pious Ali, Chair.

This is a companion Order to the previous Order Designating Lambert Woods South 165 Lambert Street an Affordable Housing Development and Tax Increment Financing District and Adopting the Municipal Development Program for the District.

This item must be read on two separate days. It received its first reading on October 20. Five affirmative votes are required for passage after public comment.

Order 81-25/26 Appropriating \$2,200,000 from the Jill C. Duson Housing Trust Fund to Lambert Woods Cooperative RE: Lambert Woods South 165 Lambert Street - Sponsored by the Housing and Economic Development Committee, Councilor Pious Ali, Chair

The Housing and Economic Development Committee met on July 15, 2025, and voted 4-0 to recommend this item for approval by the City Council.

Maine Cooperative Development Partners, LLC, (MCDP) has development approval for 90 Cooperative Housing homes in eight buildings to be built on property at 165 Lambert Street. The project will be completed in phases. The first phase will include 22 homes, a parking lot and significant right-of-way improvements (drainage, sidewalk, bus shelter,

and street parking) along Washington Ave Ext. and has an estimated development budget of \$8 - 8.5 million. The proposed financing package includes bank financing, member share equity, \$1,000,000 of foundation funds a Credit Enhancement Agreement/Affordable Housing Tax Increment Financing District and a \$2.2 million loan from the City's Jill C. Duson Housing Trust Fund. After the transfer of the property by the City to MCDP, MCDP will transfer the property to Lambert Woods Cooperative.

If the City approves the funding for the first phase, construction is expected to begin in about 6 months and be completed within 10 months. After the first two buildings are occupied, MCDP will move on to secure financing that will allow the next two buildings to be constructed, and will continue with the phased construction plan until all eight buildings are completed. Later phases may be consolidated depending on financing options, strength of the market, construction costs, interest rates, etc.

The loan from the Jill C. Duson Housing Trust Fund will be in the amount of \$2.2 million dollars at 0% interest over 30 years. When the project is completed, MCDP will begin to make payments on the City loan out of surplus cash flow after repayment of the deferred developer fee or pay the loan in full through a project refinancing. See Background Section for more detailed repayment terms.

This item must be read on two separate days. It received its first reading on October 20. Five affirmative votes are required for passage after public comment.

Order 82-25/26 Amendment to Portland City Code Chapter 14 RE: Hotel Inclusionary Zoning - Sponsored by Planning Board, Brandon Mazer, Chair

On November 4, 2024, the City Council enacted a moratorium on new hotel development in Portland in response to concerns about the effectiveness of the City's hotel inclusionary zoning program and its relationship to housing affordability. The moratorium, which will remain in place until November 29, 2025, directed staff to evaluate the policy and bring forward recommendations for potential amendments.

Since that time, staff worked with the Greater Portland Council of Governments (GPCOG) to update the City's nexus study, presented alternatives to the Housing and Economic Development Committee, and engaged Colliers International to complete a third-party feasibility assessment of potential fee levels. At a public hearing before the Planning Board on September 23, 2025, staff presented an amendment to the hotel inclusionary zoning ordinance, which included raising the amount of the fee-in-lieu of constructing housing units from \$4,831 to \$9,520 per hotel room and changing the alternative unit contribution option from one affordable unit per 28 rooms to one unit per 19 rooms. A motion to recommend the proposed changes to the City Council did not pass with a majority vote by the Planning Board. The Board voted 3-3 (Mazer, Silk, and Fox opposed, Robertson absent). This item is now being forwarded to the Council for a vote on the proposed amendment.

This item must be read on two separate days. It received its first reading on October 20. Five affirmative votes are required for passage after public comment.

Order 83-25/26 Amendment to the Portland City Code Chapter 28 RE: Snow Ban Fee - Sponsored by Sustainability & Transportation Committee, Councilor Regina Phillips, Chair

At its October 8, 2025 meeting, the Sustainability & Transportation Committee unanimously recommended this item to the Council for approval.

The proposed change to Chapter 28 of the Portland City Code would increase the fine for failing to move a vehicle during winter storm parking bans from \$40.00 to \$175.00. The goal of the change is to increase compliance and improve the speed and efficiency of snow removal, and ultimately the safety and accessibility of city streets. Historically, the City has attempted to tow vehicles found to be in violation of winter storm parking bans. The total cost to reclaim a towed vehicle within 24 hours is \$210.00 (\$40 parking fine + \$35 impound fee + \$135 towing charge). However, a variety of constraints will reduce the scale of potential towing during the 2025-26 winter season, including the loss of a large-scale inbound lot at Ocean Gateway terminal, inconsistent availability of tow truck operators, insufficient capacity of tow truck operators to tow vehicles at the scale needed to be an effective deterrent, and city staffing constraints.

In connection with the proposed parking fine increase, the City would add six (6) additional snow ban parking locations where residents can relocate their cars free of charge. These locations will supplement fifteen (15) free locations previously used, and seven (7) locations (including garages) that charge a fee.

If approved, City staff would implement a communications campaign on the changes prior to winter's onset, and would enhance communications efforts with the public following the declaration of a parking ban.

This item must be read on two separate days. It received its first reading on October 20. Five affirmative votes are required for passage after public comment.

ORDERS:

Order 84-25/26 Waiving the Beano/Bingo License Fee for the Veterans of Foreign Wars Post 6859 for the 2025 Calendar Year - Sponsored by Housing & Economic Development Committee, Councilor Pious Ali, Chair

If passed, this order would waive the fee associated with this annual Beano/Bingo license renewal (currently totaling \$104.00, collected annually) for the Veterans of Foreign Wars (VFW) Post 6859, a nonprofit corporation, at 687 Forest Avenue for calendar year 2025. According to Sec. 15-12.1 of City Code, "The city council may, in its discretion, waive or reduce any fee required of any nonprofit organization where the council determines the purpose of the licensed activity or the funds to be raised by the activity are of direct benefit to the citizens of the city." At the request of the applicant, staff have included a fee waiver for the Council's consideration.

Upon reviewing this item at their meeting on September 23, 2025, the Housing & Economic Development Committee recommended the Council grant a 50% fee waiver.

Five affirmative votes are required for passage after public comment.

EXECUTIVE SESSION:

ADJOURNMENT:

ZOOM INFORMATION:

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

<https://portlandme.portal.civicclerk.com/event/7626/media>

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, Councilor Ali, Councilor Pelletier, Councilor Michniewicz, Councilor Phillips, Mayor Dion

Councilors absent: Councilor Bullett

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

Mayor Dion opened the floor for public comment. The following individuals spoke: Gregory Gould (Milton Street), George Rheault (Hanover Street), Alferd Burst (Windham Resident)

ANNOUNCEMENTS:

Mayor Dion opened the floor for Council Announcements. The following made an announcement: Councilor Phillips, Councilor Michniewicz

RECOGNITIONS:

PRESENTATIONS:

APPROVAL OF MINUTES OF PREVIOUS MEETING:

City Council Meeting Minutes-October 6, 2025

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

Passage: 8-0 (Councilor Bullett absent)

PROCLAMATIONS:

Proclamation 12-25/26 Recognizing Jacqueline Burris for an Outstanding National Service Volunteer Award - Sponsored by Councilor Regina Phillips

Councilor Phillips read Proclamation 12-25/26 Recognizing Jacqueline Burris for an Outstanding National Service Volunteer Award into the record.

APPOINTMENTS:

Order 68-25/26 Appointing Mercedes Bohaty and Val Petersen as Constables for 2025 - Sponsored by Danielle P. West, City Manager

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

Passage: 8-0 (Councilor Bullett absent)

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

Order 69-25/26 Appointing Directors of the Portland Widows' Wood Society for the 2025-2026 Term - Sponsored by Danielle P. West, City Manager

Motion was made by Councilor Sykes and seconded by Councilor Phillips for passage.
Passage: 8-0 (Councilor Bullett absent)
Mayor Dion opened the floor for public comment. No one spoke.

CONSENT ITEMS:

Order 70-25/26 Granting Municipal Officers' Approval of Phoever Maine LLC, dba Phoever Maine. Application for Class I FSE with Outdoor Dining on Private Property at 1227 Congress Street - Sponsored by Danielle P. West, City Manager

Orders 70-25/26 through Order 73-25/26 were read and passed as consent items. Public comment was taken on orders together.

Motion was made by Councilor Sykes and seconded by Councilor Michniewicz for passage. Passage: 8-0 (Councilor Bullett absent)

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

Order 71-25/26 Granting Municipal Officers' Approval of Blackbird Baking Co., LLC, dba Two Fat Cats Bakery. Application for Class III FSE at 144 State Street - Sponsored by Danielle P. West, City Manager

Orders 70-25/26 through Order 73-25/26 were read and passed as consent items. Public comment was taken on orders together.

Motion was made by Councilor Sykes and seconded by Councilor Michniewicz for passage. Passage: 8-0 (Councilor Bullett absent)

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

Order 72-25/26 Granting Municipal Officers' Approval of Wow India Fusion Restaurant and Bar LLC, dba Wow India. Application for Class I FSE at 645 Congress Street - Sponsored by Danielle P. West, City Manager

Orders 70-25/26 through Order 73-25/26 were read and passed as consent items. Public comment was taken on orders together.

Motion was made by Councilor Sykes and seconded by Councilor Michniewicz for passage. Passage: 8-0 (Councilor Bullett absent)

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

Order 73-25/26 Granting Municipal Officers' Approval of Randall-Macvane Post #142- Legion Lounge, dba American Legion Post #142. Application for Combined Entertainment at 54 Welch Street - Sponsored by Danielle P. West, City Manager

Orders 70-25/26 through Order 73-25/26 were read and passed as consent items. Public comment was taken on orders together.

Motion was made by Councilor Sykes and seconded by Councilor Michniewicz for passage. Passage: 8-0 (Councilor Bullett absent)

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

RESOLUTIONS:

Resolve 3-25/26 Amending Council Rules - Sponsored by Rules Committee, Councilor Pious Ali, Chair

This is first reading.

UNFINISHED BUSINESS:

Order 92-23/24 Waiving the Beano/Bingo License Fee for the Veterans of Foreign Wars Post 6859 - Sponsored by Housing & Economic Development Committee, Councilor Pious Ali, Chair

Motion was made by Councilor Pelletier and seconded by Councilor Sykes for passage, as amended. Passage: 8-0 (Councilor Bullett absent)

Mayor Dion opened the floor for public comment. The following individuals spoke: Jared Sawyer (Portland VFW)

Motion was made by Councilor Sykes and seconded by Councilor Pelletier to amend. Amendment titled "Ali Amendment #1 RE: Fee Waiver". Amendment in backup material. Passage 8-0

Amendment passed.

Order 63-25/26 Accepting and Appropriating \$2,000,000 in United States Environmental Protection Agency Funding to the City's Brownfields Revolving Loan Fund - Sponsored by Danielle P. West

Motion was made by Councilor Ali and seconded by Councilor Grant for passage. Passage: 8-0 (Councilor Bullett absent)

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

Order 64-25/26 Appropriating \$360,000 from the Jill C. Duson Housing Trust Fund to Lambert Woods North LLC - Sponsored by the Housing & Economic Development Committee, Councilor Pious Ali, Chair

Motion was made by Councilor Ali and seconded by Councilor Sykes for passage. Passage: 8-0 (Councilor Bullett absent)

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

Order 65-25/26 Appropriating \$5,500,000 from the Portland International Jetport's Unrestricted Funds for a Battery Energy Storage System and Authorizing the Acceptance of Grants and Incentives - Sponsored by the Sustainability & Transportation Committee, Councilor Regina Phillips, Chair

Motion was made by Councilor Phillips and seconded by Councilor Ali for passage. Passage: 8-0 (Councilor Bullett absent)

Mayor Dion opened the floor for public comment. The following individuals spoke: Carter Waldren (Garrison Street)

Order 66-25/26 Appropriating \$9,300,000 from Jetport Unrestricted Funds to Improve and Expand the Public Surface Parking Lots - Sponsored by the Sustainability & Transportation Committee, Councilor Regina Phillips, Chair

Motion was made by Councilor Phillips and seconded by Councilor Ali for passage. Failed: 2-6 (Councilor Fournier, Grant, Sykes, Ali, Pelletier, Michniewicz Opposed) (Councilor Bullett absent)

Mayor Dion opened the floor for public comment. The following individuals spoke: Joey Burnelle (Pine Street), Fred Fowler (Westbrook Street), Carter Waldren (Garrison Street),

Deborah Napier (Cobb Ave), Councilor Pelletier, Councilor Phillips, Councilor Fournier, Councilor Michniewicz, Councilor Grant, Mayor Dion

Motion was made by Councilor Phillips and seconded by Councilor Phillips to postpone indefinitely. Passed: 8-0

Item postponed indefinitely.

Order 67-25/26 Amendment to Portland City Code Chapter 25 RE: Naming of Assets - Sponsored by Sustainability & Transportation Committee, Councilor Regina Phillips, Chair

Motion was made by Councilor Phillips and seconded by Councilor Ali for passage, as amended. Passage: 8-0 (Councilor Bullett absent)

Mayor Dion opened the floor for public comment. The following individuals spoke: Carter Waldren, Councilor Michniewicz

Motion was made by Councilor Michniewicz and seconded by Councilor Ali to amend. Amendment titled "Ali Amendment #1 RE: Honorary Street Names". Amendment in backup material. Passage 8-0

Amendment passed.

ORDERS:

Order 74-25/26 Accepting a Portion of Pomeroy Street as a Town Way - Sponsored by Danielle P. West, City Manager

Motion was made by Councilor Michniewicz and seconded by Councilor Phillips for passage. Passage: 8-0 (Councilor Bullett absent)

Mayor Dion opened the floor for public comment. The following individuals spoke: Carter Waldren, Councilor Michniewicz

Order 75-25/26 Accepting An Easement Deed from Chabad Lubavitch of Maine, Inc. for a Turnaround on Pomeroy Street - Sponsored by Danielle P. West, City Manager

Motion was made by Councilor Michniewicz and seconded by Councilor Phillips for passage. Passage: 8-0 (Councilor Bullett absent)

Mayor Dion opened the floor for public comment. The following individuals spoke: Carter Waldren, Councilor Michniewicz

Order 76-25/26 Approving Amended and Restated Agreement with Portland Music Festival, LLC RE: Back Cove Music and Arts Festival at Payson Park - Sponsored by Housing & Economic Development Committee, Councilor Pious Ali, Chair

Motion was made by Councilor Ali and seconded by Councilor Phillips for passage. Passage: 8-0 (Councilor Bullett absent)

Mayor Dion opened the floor for public comment. The following individuals spoke: Amanda St. Pierre (Portland Resident), Devon Green (Portland Resident), Elliot (Smith Road), Patia Maule (Providence Street), Scott Mohler (Peaks Island), Jeff Shaw (York Street), Councilor Pelletier, Councilor Fournier, Councilor Ali, Councilor Michniewicz, Ethan Hipple (Director of Parks, Recreation & Facilities), Councilor Grant, Councilor Sykes

Order 77-25/26 Accepting and Appropriating a \$30,460 Maine Department of Environmental Protection Waste Reduction Grant - Sponsored by Danielle P. West, City Manager

This is first reading.

Order 78-25/26 Approving the Collective Bargaining Agreement Between the City of Portland and the Professional and Technical City Employee Association - Sponsored by Danielle P. West, City Manager

This is first reading.

Order 79-25/26 Designating the Lambert Woods South Affordable Housing Development 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 80-25/26 Approving the Lambert Woods South Affordable Housing Credit Enhancement Agreement with Lambert Woods Cooperative - Sponsored by the Housing & Economic Development Committee, Councilor Pious Ali, Chair.

This is first reading.

Order 81-25/26 Appropriating \$2,200,000 from the Jill C. Duson Housing Trust Fund to Lambert Woods Cooperative RE: Lambert Woods South 165 Lambert Street - Sponsored by the Housing and Economic Development Committee, Councilor Pious Ali, Chair

This is first reading.

AMENDMENTS:

Order 82-25/26 Amendment to Portland City Code Chapter 14 RE: Hotel Inclusionary Zoning - Sponsored by Planning Board, Brandon Mazer, Chair

This is first reading.

Order 83-25/26 Amendment to the Portland City Code Chapter 28 RE: Snow Ban Fee - Sponsored by Sustainability & Transportation Committee, Councilor Regina Phillips, Chair

This is first reading.

EXECUTIVE SESSION:

ADJOURNMENT:

Motion was made by Councilor Phillips and seconded by Councilor Michniewicz to adjourn. Passage 8-0 (Councilor Bullett absent) at 6:52pm

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)

RESOLUTION AMENDING COUNCIL RULES

BE IT RESOLVED, that the City Council of the City of Portland, Maine, in the City Council assembled, does hereby adopt the Rules and Orders of the City Council, as amended and attached hereto, as the Rules of Procedure of the City Council.

RULES OF PROCEDURE OF THE CITY COUNCIL

As Amended October 20, 2025~~December 5, 2022~~

Rule 1. Regular Meetings and Council Workshop Sessions

- A. The regular meetings of the Council shall be held in the room known as the City Council Chamber or such other room as deemed appropriate in City Hall in one session at 5:00 p.m. on the first and third Mondays of each calendar month. When said Monday is a holiday or an election day, the regular meeting shall be held on the following Wednesday, at the same time and place. The date or the time of any regular meeting may be changed by an order passed at a previous meeting of the Council or by warrant for a special meeting called in lieu of a regular meeting; provided however, that said change in date will still provide for two regular meetings in one month. Unless otherwise changed by an order passed at a preceding meeting or by the calling of a special meeting at a different time or place, for like purposes, the Council shall also regularly meet at 6:00 PM on the first Monday of December of each year for the purpose of the inauguration of Portland City Council, the swearing in of Councilors-elect, filling Council committees, adopting rules and orders, and transacting such other business as it may deem appropriate. The public hearing of any item shall not commence after 10:00 p.m. of the day of said regular meeting unless five (5) members consent to such consideration. The Council deliberation and action on any item shall not commence after 10:00 p.m. of the day of said regular meeting unless five (5) members consent to such consideration.
- B. Regular workshop sessions of the City Council shall be held at 5:00 p.m. every-any Monday that is not a recognized holiday and-or a Monday on which a regular City Council meeting is ~~not~~ already scheduled. With proper notice, additional special workshop sessions of the City Council

may be called by five (5) members of the City Council, the Mayor, or the City Manager, as the case may be, for obtaining legal, administrative or policy guidance or for the presentation of information by the City Manager, the City Clerk or Corporation Counsel or their staff. The City Council shall not take votes in workshop sessions; however, the Council may be polled at the workshop to obtain an unofficial sense of the position of the Council on an issue being discussed at the workshop. To the maximum extent possible, materials for such sessions shall be provided to the City Council at least two (2) business days prior to the scheduled workshop. All such workshop sessions shall be open to the public, in accordance with 1 M.R.S. §400 et seq. ("FOAA").

Rule 2. Quorum; Adjourned Meetings

A majority of the members shall constitute a quorum for the transaction of business, but a smaller number may adjourn from time to time. At least twenty-four (24) hours' notice of the time and place of holding such adjourned meeting shall be given to all members who are not present at the meeting from which adjournment is taken.

Rule 3. Enactments

The Council shall act only by ordinance, order, or resolve. Final passage of or amendments to any item shall require five (5) affirmative votes except where a greater number is required by Charter or Ordinance. All ordinances, orders, and resolves, except orders and resolves making an appropriation of money, shall be confined to one subject, which shall be clearly expressed in the title. The appropriation order or resolve shall be confined to the subject of appropriations only.

Rule 4. Ordinance; Style

All ordinances passed by the Council shall be termed "amendments to the Portland City Code" and the enacting style

shall be: "Be it ordained by the City Council of the City of Portland, Maine, in City Council assembled."

Rule 5. Order and Resolve; Style

In all votes of command, the form of expression shall be "ordered"; and [in votes](#) of opinions, principles, facts or purposes, the form shall be "resolved".

Rule 6. Readings

The reading of any ordinance, order, or resolve shall be by title of the ordinance, order or resolve only, if no member objects.

Rule 7. Reading on Two Separate Days; Waiver

No ordinance, no appropriation resolve, and no order authorizing the expenditure of \$50,000.00 or more shall be passed until it has been read on two separate days, except when the requirement of reading on two separate days has been dispensed with by a vote of seven (7) of the members.

Rule 8. Yeas and Nays Taken; When

The yeas and nays shall be taken upon the passage of all ordinances and orders authorizing the expenditure of money in the amount of \$50,000.00 or more and entered upon the record of the proceedings of the Council by the Clerk. The yeas and nays shall be taken on the passage of an order or resolve when called for by any member.

Rule 9. Ordinances; Effective When

No ordinance shall take effect until thirty (30) days after its passage by the Council, except in the case of emergency ordinances.

Rule 10. Order, Resolve; Effective When

No order or resolve shall take effect until ten (10) days after its passage, except in the case of emergency orders and resolves.

Rule 11. Emergency Ordinances, Orders and Resolves

The Council may, by vote of seven (7) of its members, pass emergency ordinances, orders, or resolves to take effect at the time indicated therein, but such emergency ordinances, orders or resolves shall contain a section in which the emergency is set forth and defined, provided, however, that the declaration of such emergency by the Council shall be conclusive.

Rule 12. Item for Meetings; Filed When

No ordinance, order, resolve, or other document shall be in order for action at any regular meeting of the Council unless such ordinance, order, resolve, or other document shall appear on the Council Agenda.

Items for the Agenda should to the maximum extent possible be received in the office of the City Manager on or before close of the work day ten (10) days prior to the scheduled Council meeting.

Each item for the Agenda shall be submitted with an electronic agenda request form. The form shall 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.

Rule 13. Sponsorship; Proclamations and Orders.

Items listed on the Council agenda ~~shall be sponsored as follows~~are subject to the following:

A. The Mayor shall sponsor any proclamations or resolutions; ~~provided, however, except~~ that any Councilor may request the opportunity to sponsor a proclamation that is not deemed "standing" hereunder; and

B. For purposes of this Section, "standing" proclamations shall include, but not be limited to mean annual holidays, existing anniversaries of prominent events, or proclamations or resolutions that have come before the Council at least two (2) times in the last five (5) years.

C. Any requests for proclamations from the public must be submitted to proclamations@portlandmaine.gov and must ~~meet the following criteria:~~

1. Be made or endorsed by a Portland Resident;
2. Be related to a community benefit, event, individual or organization;
3. Be made in writing or accompanied by a written draft of the proclamation; and
4. Be submitted at least two weeks prior to the requested date of proclamation.

D. Proclamations may not be issued for the following:

1. Commercial Businesses, except for local sports teams and other businesses that demonstrate beneficial community engagement or that enhance the reputation of the City;
2. Specific religious beliefs;
3. Campaigns or events contrary to City policies;
4. Organizations that have no locally-based chapters or a specific connection to Portland;
5. Any matter which may suggest an official City position on a issues under consideration or to be voted on by the City Council; and
6. Any group whose policies or missions advocate violence, hatred, exclusivity, or any other position contrary to the well-being of the residents of Portland.

E. The Mayor may decline any proclamation request that does not comply with the above standards.

F. Only ~~T~~the City Manager, City Clerk, Corporation Counsel, the Planning Board, or up to three (3) members of the Council ~~shall~~may sponsor any orders or other agenda items.

Rule 14. Presiding Officer to Chair Meetings

The Presiding Officer shall take the chair at the time appointed for the meeting, call the members to order, cause the roll to be called, and, if a quorum ~~being-is~~ present, cause the minutes of the preceding meeting to be read and proceed to business.

Rule 15. Preserve Order Decide All Questions of Order

The Presiding Officer shall preserve decorum and order, may speak to points of order in preference to other members, and shall decide all questions of order subject to an appeal to the Council by motion regularly seconded, and no other business shall be in order until the question on appeal is decided.

Rule 16. Declare Votes; Cause Return of Votes

The Presiding Officer shall declare all votes, but if any member doubts a vote, the Presiding Officer shall cause a return of the members voting in the affirmative and in the negative; without debate.

Rule 17. Debate; Rules of

When a question is under debate, the Presiding Officer shall receive no motion but to adjourn, or for the previous question, or to lay on the table, or to postpone to a date certain, or to refer to a committee or some administrative official, or to amend, or to postpone indefinitely, or to call the question; which several motions shall have precedence in the order in which they stand arranged.

Rule 18. Motion to Adjourn; Lay on Table

The Presiding Officer shall consider a motion to adjourn as always in order except on immediate repetition; and that motion and the motion to lay on the table, or to take from the table, shall be decided without debate.

Rule 19. Reconsideration

When a vote is passed, it shall be in order for any member who voted on the prevailing side to move a reconsideration thereof, at the time, or the next stated meeting, but not afterwards, and when a motion of reconsideration is decided, that vote shall not be reconsidered. No motion to reconsider a vote passed at a previous meeting shall be in order for consideration at the next stated meeting unless an item to that effect is contained in the agenda for such next stated meeting or unless seven (7) of the members consent to such reconsideration.

A citizen petition, or zone change petition, once presented to and finally acted upon by the Council shall not again be received by the Council in the same or substantially the same form for a period of one (1) year next succeeding the Council's final action on the original petition. A member voting on the prevailing side on the original petition, however, shall be privileged to reintroduce such a petition in accordance with the requirements of this rule.

A liquor license or special entertainment permit, or an amendment proposed by the licensee to an existing license or permit that has been denied by the Council shall not be received by the Council in the same or substantially the same form for one (1) year from the date of such action unless a shorter period is required by state law.

All other items, once presented to and finally acted upon by the Council, shall not again be offered or received by the Council in the same or substantially the same form within a given Council year (i.e. December - December).

Rule 20. Failure to Pass for Lack of Required Votes

When an item fails to finally pass for lack of the required five (5), or seven (7) affirmative votes, as applicable, and is not otherwise disposed of, the item shall appear on the Agenda as unfinished business at the next succeeding meeting.

Rule 21. Motion for Previous Question

Upon the motion for the previous question being made and seconded, the Presiding Officer shall put the question in the following form: "Shall the main question be now put?". And all debate upon the main question shall be suspended until the motion for the previous question shall be decided. After the adoption of said motion for the previous question by a majority vote, the sense of the Council shall be forthwith taken upon all pending amendments and then upon the main question. Neither is it susceptible of amendment. All questions of order arising incidentally thereon must be decided without discussion whether appeal be had from the Presiding Officer or not.

Rule 22. Manner of Speaking

A member seeking to speak at a Council meeting shall so indicate to the Presiding Officer. No member shall speak until recognized by the Presiding Officer. ~~When a member is about to speak at a Council meeting, that member shall rise in place, if physically able to do so, to be recognized and may afterward, while either sitting or standing, respectfully address the Presiding Officer.~~ All comments by a member under this Rule shall be confined to the question under debate, and shall avoid personalities.

Rule 23. Length of Statements by Members

During the deliberation on any item and associated amendments, each member shall limit his or her remarks and/or questions, but not including responses to his or her questions, to a total of five (5) minutes. In the event that an item is divided or amended, each member shall be entitled to an additional five (5) minutes of remarks and/or questions. For

purposes of clarity, this shall not apply to Councilor questions posed to staff or others prior to the "public comment" portion of any item.

Rule 24. Not to Interrupt

No member speaking shall be interrupted by another, but by a call to order by the Presiding Officer, a point of order by any member or to correct a mistake.

Rule 25. Breach of Rules and Orders

When any member shall be guilty of a breach of any of the rules or orders of the Council, that member may, on motion, be required to make satisfaction therefor, and shall not be allowed to vote, or speak, except by way of excuse, until the member has done so.

Rule 26. Member Excused From Voting; When

Every member present when a question is put shall vote unless the member is precluded from participation therein because of interest or the appearance of interest or unless the member is otherwise prohibited by law from participation.

(a) Any member abstaining on grounds of interest or the appearance of interest must do so at the commencement of deliberations on the item under discussion and shall not participate in said deliberations or vote on such item.

(b) Any member abstaining as permitted hereunder shall clearly state such intent, the reason for such abstention and the legal or factual basis therefor prior to the commencement of deliberation on such item, and shall leave the meeting room during such deliberation.

Rule 27. Motion to be Reduced to Writing; When

Any motion shall be reduced to writing if the Presiding Officer shall so direct.

Rule 28. Division of a Question

Any member may move that a question be divided.

Rule 29. Motion for Referral

(a) Any member can make a motion for referral of any item to a Committee or administrative official. A motion for referral to a Committee or administrative official, until it is decided, shall preclude all amendments of the main question.

(b) Any member may make a motion to recall an item that was previously referred to a Committee or administrative official upon a vote of a majority of the Council, provided that any motion to recall an item that was referred to a Committee must be co-sponsored by the Committee chair. If an item is recalled, the item shall be placed on the agenda for a regular meeting of the Council at one of the next two regularly scheduled meetings.

Rule 30. Priority of Business

All questions relating to priority of business to be acted upon shall be decided without debate.

Rule 31. Suspension of Rules; Amendment or Repeal

The rules shall not be dispensed with or suspended unless two-thirds ~~as~~ of those present and voting consent thereto; provided, however, that when these rules expressly require a vote larger than said two-thirds such rules shall not be suspended except by an equal or greater vote. No rule of procedure shall be amended or repealed without notice, in writing, being given at the preceding meeting.

Rule 32. Procedure for Addressing Council

Any person wishing to address the Council will be given an opportunity to do so in accordance with the following procedure:

1. No public comment shall be permitted on the following agenda items: informational reports or communications from boards and commissions, staff or other organizations or

entities; and administrative action implementing prior action of the Council where that prior action had permitted public comment.

2. On items other than those set forth in 1. above, public comment shall be permitted only once prior to final Council action. Except as specifically decided by the Council, such public comment shall occur at the advertised public hearing or at the second reading of such item by the Council, where the item requires a second reading on a separate date.

3. Persons wishing to address the Council on an item which appears on the agenda, and upon which public comment is permitted under 1. and 2. above, shall wait until the Clerk announces the consideration of such item, at which time they may address the Council on that particular item. However, once the Council has begun its deliberations on an item, no person shall be permitted to address the Council on such item.

4. Persons wishing to address the Council on an item not appearing on the Council agenda shall only do so at the 5:00 p.m. public comment period reserved on the Council agenda for non-agenda items. Such public comment period shall not extend beyond 5:45 p.m.; provided, however, that upon a vote of a majority of the Council, the public comment period may be reopened at the end of end of the Council's consideration of all other agenda items, excepting adjournment. Notwithstanding the foregoing, the public comment period reserved on the Council agenda for non-agenda items shall not be reopened after 11 p.m.

5. Any person wishing to address the Council shall signify such desire and, when recognized by the Presiding Officer, such person shall give ~~his or her~~their first and last name and ~~city~~ of residence, and/or district, organization or individual represented, if any, designate the subject matter on which they to address the Council, respectfully address only the Presiding Officer, and avoid personalities.

6. When any person or entity is being honored or recognized by the Council, applause shall be permitted. In all

other matters, persons present at Council meetings shall not interrupt, nor applaud or otherwise express approval or disapproval of any statements made or actions taken at such meeting.

7. Any and all signs shall not be permitted in the Council Chambers.

8. Persons addressing the Council on an item prior to start of deliberation on such item by the Council shall be permitted to speak only once on an item, and shall limit their remarks on each item to three (3) minutes. From time to time, the Presiding Officer may grant an extension of this three (3) minute requirement. Such persons shall also confine their remarks to the merits of the pending item. No members of the public shall comment on more than three (3) items, excluding any comment provided pursuant to number 4 above, at any Council meeting unless the Rules of the Council are suspended to allow for comment on each such additional item.

9. The Presiding Officer shall limit or cut off any commentary that is not germane or that is abusive or disrespectful. No clapping, cheering, jeering, or booing will be tolerated.

10. Any person who shall continue to violate these rules, after warning by the Presiding Officer, may be ejected for the remainder of the meeting then in progress.

Rule 33. Parliamentary Proceedings

In all cases where the parliamentary proceedings are not determined by the foregoing rules, "Robert's Rules of Order" (Newly Revised, [1211th](#) Edition) shall be taken as authority to decide the course of the proceedings.

A list of debatable and non-debatable motions is hereby incorporated for reference in Appendix A, attached hereto.

Rule 34. Council Committees

At the commencement of the municipal year members shall be appointed to the following standing Committees:

1. Housing & Economic Development Committee;
2. Finance Committee;
3. Health and Human Services and Public Safety Committee;
4. Legislative & Nominating Committee;
5. Sustainability & Transportation Committee; and
6. Ethics Committee.

The Housing & Economic Development, Ethics, and Health & Human Services and Public Safety Committees shall each have four (4) members; 7 and the Finance, Legislative & Nominating, and Sustainability & Transportation Committees shall each have three (3) members of the Council. A majority of the members of the above standing Committees shall constitute a quorum for the transaction of business.

Rule 35. Council Committees; How Chosen

The members of the Council to serve on the above Committees shall be appointed by the Mayor. The Council may override one or more of such appointments by a vote of at least six (6) members.

Rule 36. Council Committees; Public Comment

The public will be given an opportunity to comment on any item under consideration by the below-named standing Council Committees prior to a final Committee action on that item. Any person addressing the Committee on an item shall be permitted to speak only once on an item, shall give ~~his or her~~ their first and last name and ~~city~~ of residence, and/or district, organization or individual represented, if any, and shall limit their remarks on each item to three (3) minutes. From time to time, the Presiding Officer of a Committee may extend this period of time

pursuant to Rule 31(8). These requirements for public comment shall apply to the following Committees:

1. Housing & Economic Development Committee;
2. Finance Committee;
3. Health and Human Services and Public Safety Committee;
4. Legislative & Nominating Committee;
5. Sustainability and Transportation Committee; and
6. Ethics Committee.
7. Rules Committee.

Nothing herein shall prevent or prohibit any other Committee from accepting public comment if said Committee determines that it wishes to do so.

Notwithstanding the foregoing, no public comment shall be required on the following items: informational reports or communications from boards and commissions, staff or other organizations or entities; and administrative action implementing prior Committee action where that prior action had permitted public comment.

~~Rule 37. Smoking at Meetings~~

~~No person shall smoke in the Council Chamber or at any public meeting in the Portland City Hall. Any person continuing to smoke after warning by the Presiding Officer shall be ejected for the remainder of the meeting then in progress.~~

Rule 3738. Confidentiality

No Councilor shall intentionally disclose or discuss information known to be confidential to or with any person not otherwise authorized or privileged to receive that information, including representatives of the media. For the purpose of this

rule, "information known to be confidential" includes information in any form that has been designated, to the knowledge of the Councilor, as confidential by an employee or agent of the City of Portland, and that is within one or more of the exceptions to the definition of "public record" in the State's Freedom of Access law.

Confidential information includes statements made by individuals participating in executive sessions and includes any documents prepared specifically for an executive session, unless otherwise designated by the City Council in cases where the Council has the exclusive right to waive confidentiality.

Any Councilor who, following a due process hearing, is found to have violated this rule may be disciplined by reprimand.

MEMORANDUM
City Council Agenda Item

FROM: Troy Moon, Sustainability Director

DATE: October 21, 2025

SUBJECT: Resolve 4-25/26 Supporting Collaboration with the Gulf of Maine Research Institute to Advance Climate Adaptation and Resilience - Sponsored by Mark Dion, Mayor

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 11/3/2025

Final

Action 11/3/2025

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

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

PRESENTATION: Sustainability Director Troy Moon will be present to answer any questions.

I. SUMMARY

The resolution encourages continued collaboration between the Gulf of Maine Research Institute and the City of Portland.

II. AGENDA DESCRIPTION

The Sustainability and Transportation Committee recommended this resolution to the City Council during their meeting on October 8.

The City of Portland and the Gulf of Maine Research Institute share mutual interests in working to address the impacts of sea level rise and in promoting economic development on the marine economy on the Portland waterfront. The organizations have a long history of collaboration and have worked together on projects that educate the community about the impacts of climate change as well as projects that generate scientific data that informs the fishing community, government agencies, and other stakeholders about the changing conditions in Casco Bay and the Gulf of Maine. Closer collaboration will improve information sharing between our organizations, strengthen grant applications for funding projects of mutual concern, and facilitate resilience planning to prepare the working waterfront for higher sea levels and more intense storms in the coming years.

Five affirmative votes are required for passage after public comment.

III. BACKGROUND

The Gulf of Maine Research Institute (GMRI) is an internationally recognized, nonpartisan scientific 501(c)3 non-profit organization located on Commercial Street in the heart of Portland's working waterfront. Their applied research on climate change and its effect on marine ecosystems provides important findings that inform decision makers at every level of government as well as members of the fishing community and other marine industries. Their scientists have contributed to the National Climate Assessment and have informed Maine's climate action plan, Maine Won't Wait. The GMRI team has been an important collaborator with the City and

has helped us to inform the public about how climate change is and will impact our community. This work includes encouraging Portland residents to participate in community science by documenting locations in the City experiencing coastal flooding. This creates photographic records that allow us to see how the coastline is changing over time and allows Portland residents to share their thoughts about how sea level rise is affecting places they care about. We have also collaborated to install instruments that record the height of tides in the Fore River which will provide valuable data to document sea level rise. Most recently, GMRI funded a significant Resilience Education Project, that will help community members learn about how Portland's built, natural, and social infrastructure contributes to climate resilience.

GMRI is committed to supporting Portland's working waterfront. Their scientists conduct important research into how climate change impacts fisheries which will help the fishing community adapt to the Gulf of Maine's changing ecosystem. Through their Sustainable Seafood program, they seek to build market demand for Gulf of Maine seafood by working with retailers, restaurants, seafood dealers, fishermen, and other stakeholders to educate the public about the high quality of local seafood. Finally, they recently purchased Union Wharf and have committed to preserving it in order to provide waterfront access to commercial fishing vessels, which is essential to Portland's marine economy.

The City and the Gulf of Maine Research Institute have mutual interests in climate and coastal resilience as well as strong motivation to protect and grow the blue economy. These efforts can only be enhanced by increasing our collaboration and cooperation to achieve our mutual goals.

IV. INTENDED RESULT AND/OR COUNCIL GOAL ADDRESSED

This item supports 2025 City Council Common Goal #3: to develop sustainability strategies to address sea-level rise mitigation and other elements of One Climate Future.

V. FINANCIAL IMPACT

VI. STAFF ANALYSIS AND BACKGROUND

VII. RECOMMENDATION

Staff values our partnership with GMRI and recommends adopting the resolution.

VIII. LIST ATTACHMENTS

1. Resolve - Supporting Collaboration with GMRI

Prepared by:

Troy Moon, Sustainability Director

Date: 10/21/2025

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)

**RESOLUTION SUPPORTING COLLABORATION WITH THE GULF OF MAINE RESEARCH
INSTITUTE TO ADVANCE CLIMATE ADAPTATION AND RESILIENCE**

WHEREAS, climate change represents an existential threat to coastal communities as a result of sea level rise, warming waters, and a host of other impacts to community well-being; and

WHEREAS, the City of Portland (“the City”) is a vibrant and diverse community that is home to an expansive waterfront that provides economic opportunity, recreational enjoyment, and critically-important habitat; and

WHEREAS, the Gulf of Maine Research Institute (“GMRI”) is an internationally recognized, independent, and nonpartisan scientific 501(c)3 non-profit organization located on the waterfront of Portland, Maine, whose mission is to develop and deliver collaborative solutions to global ocean challenges; and

WHEREAS, GMRI and the City have shared interests in addressing the root causes of and building resilience to climate change, particularly along Portland’s waterfront; growing the regional marine-dependent economy; and educating the next generation of science-literate ecosystem stewards; and

WHEREAS, GMRI and the City share long-term and significant interest in Maine’s seafood economy, providing infrastructure, services, policy development, and community support to fisheries and aquaculture industries.

NOW, THEREFORE, BE IT RESOLVED, that the Portland City Council supports a robust collaboration between GMRI and the City of Portland to advance these mutual goals; and

BE IT FURTHER RESOLVED, that the Portland City Council is committed to supporting GMRI’s scientific mission by sharing relevant City data, collaborating on grant applications and funding opportunities that advance mutual goals, and by encouraging City participation in GMRI-hosted events and programs that advance climate resilience and a vibrant marine economy; and

BE IT FURTHER RESOLVED, that the Portland City Council wishes to collaborate with GMRI to engage Portland residents and businesses on topics of mutual concern, including coastal resilience, working waterfront protection, and economic development strategies that build resilience, especially in areas of the City prone to coastal flooding.

**CITY OF PORTLAND
IN THE CITY COUNCIL**

**PROCLAMATION
HONORING THE BARBER FAMILY FOR THEIR LASTING CONTRIBUTIONS
TO THE CITY OF PORTLAND**

WHEREAS, Augustus “Gus” Barber established his first small neighborhood shop in Portland, Maine, in 1955, guided by values of hard work, perseverance, and commitment to quality; and

WHEREAS, through dedication and innovation, Gus Barber and his family built a lasting enterprise that has provided steady employment for generations of Portland residents and supported the growth of the city’s local economy; and

WHEREAS, the Barber family has long exemplified civic pride and community engagement, contributing to charitable causes, mentoring local youth, and maintaining a strong connection to the people and neighborhoods of Portland; and

WHEREAS, their legacy continues through ongoing efforts that reflect the same values of integrity, craftsmanship, and commitment to the well-being of their employees and community; and

WHEREAS, the story of the Barber family serves as an enduring reminder of the positive impact that family-owned and locally rooted enterprises have on Portland’s prosperity and character;

NOW, THEREFORE, BE IT RESOLVED, THAT I, Mark Dion, Mayor of the City of Portland, Maine and members of the City Council do hereby recognize and honor the Barber Family for their many decades of dedication, innovation, and community contribution, and express the City’s gratitude for their continued presence and investment in Portland’s success.

Signed and sealed this 20th day of October, 2025



**Mark Dion, Mayor
City of Portland**

**CITY OF PORTLAND
IN THE CITY COUNCIL**

**PROCLAMATION
RECOGNIZING
NOVEMBER 2025 AS NATIVE AMERICAN HERITAGE MONTH**

- WHEREAS,** the City of Portland stands in solidarity with Maine tribal, regional, state, and national governments to recognize the significant contributions, history, and resilience of Native American communities; and
- WHEREAS,** on October 29th, 2021, President Joseph R. Biden Jr. issued a national proclamation declaring the month of November as National Native American Heritage Month; and
- WHEREAS,** the Native American tribes in our country have endured centuries of mistreatment at the hands of the government through attempted assimilation and termination by policy and/or by force; and
- WHEREAS,** through all attempts by the government, the privileged, and the powerful to erase them, Native Americans have endured, proving time and again their resilience and building back the communities stolen from them; and
- WHEREAS,** while work has been done to reverse the unfair treatment, inequity, and racism experienced by the Native American community, there is still much to be done; and
- WHEREAS,** examples of this important and ongoing work include national initiatives to combat past and present harm to the Native community, including an increased focus on the epidemic of Missing and Murdered Indigenous Women, and the Federal Indian Boarding School Initiative; and
- WHEREAS,** work on the redesign of Portland Public Schools' Pre-K through grade 12 Wabanaki Studies curriculum is well underway, and was undertaken in collaboration with Maine tribes and community members; and
- WHEREAS,** the City of Portland is committed to pursuing equity, visibility, truth, and recognition of our Native American community members

NOW, THEREFORE, BE IT RESOLVED, THAT I, Mark Dion, Mayor of the City of Portland, and members of the Portland City Council, do hereby recognize the month of November 2025 as Native American Heritage Month.

Signed and sealed this 3rd day of November, 2025



**Mark Dion, Mayor
City of Portland**

P R O C L A M A T I O N
RECOGNIZING
KEVIN J. BATTLE FOR A LIFETIME OF SERVICE

WHEREAS, Kevin Battle has dedicated his life to service on the water, in uniform, and in his community; and

WHEREAS, Kevin first came to Maine in 1980 as a member of the United States Coast Guard, where he was stationed in Portland. After five years of active duty, he continued serving in the Coast Guard Reserve until 2002. His time in the service not only introduced him to Maine's working waterfront but also rooted him in the community he would call home for the remainder of his career; and

WHEREAS, in 1985, Kevin joined the South Portland Police Department, where he served with professionalism and courage for 26 years, earning honors such as Officer of the Year and the Medal of Bravery before retiring in 2012; and

WHEREAS, Kevin joined the Portland Harbor Commission in 2004 as Deputy Harbor Master and was appointed Harbor Master in 2016, overseeing nearly 1,000 moorings and the daily operations of one of Maine's busiest harbors, ensuring safety and coordination across all maritime activities; and

WHEREAS, Kevin's steady presence, approachable nature, and respect for all who work or recreate on the water made him a trusted and familiar figure on Portland's waterfront, whose readiness to help others exemplified true public service; and

WHEREAS, from his early days in the Coast Guard to his years as a Police Officer, Legislator, and Harbor Master, Kevin Battle has exemplified integrity, leadership, and a steadfast devotion to community and service;

NOW, THEREFORE, BE IT RESOLVED, THAT I, Mark Dion, Mayor of the City of Portland, Maine and members of the City Council do hereby recognize and honor Kevin J. Battle for his exceptional and enduring contributions to the City of Portland, its harbor, and its people, and extend our deepest gratitude for his lifetime of service, leadership, and commitment to the greater good.

Signed and sealed this 3rd day of November, 2025



Mark Dion, Mayor
City of Portland

EXECUTIVE SUMMARY

This is the fourth annual Green New Deal report to the City Council regarding progress in eliminating the use of fossil fuels in the built environment. Chapter 6 of the City Code requires this office to annually report on buildings built without fossil fuels and a survey of technologies that have been implemented as alternatives to fossil fuels. We are also required to assess the benefits of this policy, survey legislation at the state and municipal level, and note changes to City code that might further reduce the use of fossil fuels.

BUILDINGS BUILT WITHOUT RELIANCE ON FOSSIL FUEL INFRASTRUCTURE

Mercy Hospital Redevelopment

The Nightingale apartments on State Street, a former Mercy Hospital campus, has undergone a significant renovation to transform it into an energy-efficient residential building. The project involved the installation of energy-efficient Universal Windows which were required to match the historic look of a fixed double mullion. It also incorporated enhanced insulation – a combo of spray foam, rigid, dense pack cellulose, mineral wool, and acoustic types of insulation – throughout the building to improve its thermal performance. The exterior walls generally received R-23 dense-pack blown cellulose. Areas that received new siding (versus existing masonry veneer) also received continuous exterior XPS insulation (R-15).

The building's heating and cooling system also utilizes advanced all-electric VRF technology coupled with heat pumps. This multi-unit project also created two new affordable housing buildings on the site: Winter Landing, a 52-unit building, and Equinox, a 43-unit building, both designed to be fossil fuel-free and built to 'Passive House' Performance standards. [Energy modeling](#) from the architect and sustainability consultant suggest that Winter Landing's energy footprint is 34% more efficient than that required by the 2019 American Society of Heating, Refrigerating and Air-Conditioning Engineers (ASHRAE) Standards.

Front Street Multi-Building Project

The Front Street redevelopment project transformed temporary housing built in 1971 on a site classified as a brownfield into four new low-rise residential buildings, all designed to meet Passive House standards. This array of high-performance buildings demonstrate the use of superinsulated thermal envelopes, thermal-bridge-free design, and utilizes cross laminated timber in elevator shafts.

Phoenix Flats Apartments

Phoenix Flats, located at the corner of Franklin and Middle Street, provides 45 units of affordable housing for older adults and includes a commercial storefront and a covered parking garage. The 39,000 square foot project was completed in 2023 and achieved [PassiveHouse certification in August 2023](#). Phoenix Flats incorporates several advanced technologies such as a centralized Greenheck energy recovery ventilation, an Mitsubishi PURY-EP air source heat pump system heating and cooling system, and Phius Certified Intus Supera windows. The project sets a high standard for energy performance with a Site Energy Use Index (EUI) of 27.67. For more details, you can visit the [Phoenix Flats Project Database](#).

Green Buildings Technology

The Roux Institute's renovation of the historic former B&M Baked Beans factory building in Portland, Maine (now known as the Lunder Innovation Labs), is a key component of its new campus, designed with a strong emphasis on modern building technologies and sustainability. This transformation aims to make the 60,000-square-foot structure a highly energy-efficient "hub for innovation and entrepreneurship". Beyond significant rehab and upgrades such as high-performance windows, improved thermal envelope, and improved accessibility, the building is committed to eliminating the use of fossil fuels on site. Eighty-two geothermal wells will provide the majority of the building's energy, supplemented by air-source heat pumps, an electric boiler, and an electric chiller. The renovation will also include modulated vertical facade panels to reduce solar heat gain and glare, while still maintaining the building's original "daylight factory" aesthetic with its large window openings. Upon completion in winter 2027/2028, we anticipate it will utilize other innovative technologies and set a high standard for energy efficiency building practices in Portland.

RELEVANT LEGISLATION ENACTED AT THE STATE AND LOCAL LEVEL THAT REDUCES RELIANCE ON FOSSIL FUELS

Recent State Level Legislation

Updated Energy Code

The Maine Universal Building and Energy Code (MUBEC) updated its codes and standards, effective April 7, 2025. The update amends the base energy code to the 2021 International Energy Conservation Code (IECC) and the 2019 American Society of Heating, Refrigerating and Air-Conditioning Engineers (ASHRAE) Standards. Portland is required to adopt a higher standard “stretch” code by ordinance; with the new MUBEC, all buildings constructed or renovated in Portland must exceed the IECC by 15%.

LD 1868 "An Act to Advance a Clean Energy Economy by Updating Renewable and Clean Resource Procurement Laws"

This law accelerates Maine’s goal for clean electricity by a decade: 90% of retail electricity sales must come from renewable resources by 2040 (up from the previous goal of 80% by 2030). The remaining 10% must come from a new category of “clean resources” (which includes existing low- or zero-carbon generators like large hydropower and nuclear power plants, as well as new clean fuel technologies). This is significant because it strengthens and reinforces the City’s and the State of Maine’s strategy to meet carbon emissions goals by electrifying buildings and transportation and powering generation with renewable energy.

LD 1270 “An Act to Establish the Department of Energy Resources”

This law elevates the former Governor’s Energy Office (GEO) to a cabinet-level department, giving it greater authority, visibility, and coordination power to execute state energy policy. The Department of Energy Resources (DOER) has new authority to conduct competitive solicitations (RFPs) for cost-effective clean and renewable energy resources (like wind, solar, and storage), which will be the primary way to meet the new 90% renewable/10% clean electricity mandate established by LD 1868.

Recent Local Ordinances

Recode Portland

The City of Portland adopted a new land use code and zoning map as part of ReCode Portland, in December 2024. This major change incorporates several key recommendations in One Climate Future including:

- Supporting transit oriented development
- Eliminating parking minimums and establishing parking maximums
- Enhancing resilience in the built environment by adopting a coastal flood resilience overlay zone and updating site plan standards to better management stormwater and reduce urban heat island impacts

RECENT STATE AND FEDERAL CHANGES THAT UNDERMINE EFFORTS TO REDUCE THE USE OF FOSSIL FUELS

While there were several important policies enacted at the State level to reduce reliance on fossil fuels there were major policy changes at both levels of government that undermine efforts to shift away from them. These changes mark a major setback for municipal climate action and make it more difficult to achieve our carbon reduction goals.

State of Maine Legislation

LD 1777 “An Act to Reduce Costs and Increase Customer Protections for the State's Net Energy Billing Programs”

This new law completely reworks the State’s net energy billing program by removing support for grid-side and off-site renewable energy projects. It also retroactively imposes financial liabilities on community solar projects over 1 MW and establishes new, tiered compensation rates for existing NEB offtakers. After December 31, 2025 any renewable energy project under 5 MW must be collocated with a facility taking 100% of the project’s capacity which effectively ends community solar in Maine. The new law also prohibits CMP from entering into any new Net Energy Billing Agreements, which will make future solar deployments at schools, city facilities, and other medium to large organizations much more financially challenging.

Federal Changes

The enactment of the One Big Beautiful Bill (OB BB) repealed many key components of the Inflation Reduction Act passed during the Biden Administration. This includes tax credits supporting the energy transition such as the 30% tax credit for solar projects, the \$7500 tax credit for new EVs, the \$4000 tax credit for used EVs, and tax credits for electric appliances such as heat pumps and heat pump water heaters.

The Trump administration has taken a number of steps to halt the development of offshore wind projects, which Maine and other states were counting on to achieve clean energy goals. This includes cancelling leases for offshore wind development, elimination of tax credits for project developers, and stop work orders on projects under construction. In Maine, the administration issued stop-work orders on grants and projects managed by the University of Maine related to advanced offshore wind research, including the state's pioneering efforts on floating turbine prototypes.

The administration has cancelled or rescinded grants awarded to states to advance clean energy adoption. For example, Maine was awarded a \$62 million Solar For All grant designed to help low and moderate income residents adopt solar but it was cancelled.

RECOMMENDED CHANGES TO CITY CODE TO REDUCE THE USE FOSSIL FUELS

Adopt a purchasing policy that requires new and replacement vehicles to be EVs, provided the EV model meets operational requirements and is within a reasonable cost threshold. The details of the policy would need to be developed collaboratively with fleet users and Finance before consideration by the Sustainability and Transportation Committee and the Council.

Clarify the energy performance standards set in Chapter 6, Article VII of City Code for buildings constructed by the City or using City funds. The purpose would be to ensure the standard requires buildings to maximize energy performance, preferably to a zero emissions standard. Developers and City plan reviewers have found the current language difficult to interpret.

ASSESSMENT OF THE BENEFIT OF ADOPTING THIS POLICY

This policy provides an opportunity to brief the City Council about efforts by the City and private developers to eliminate fossil fuels from new construction and major renovation projects. This review provides an opportunity to recognize buildings that do not use fossil fuels and to note the building technologies used by the project teams to meet that objective so they may be adopted by others. It also allows City staff to recommend future strategies to consider to achieve our carbon reduction goals.

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

CITY OF PORTLAND
IN THE CITY COUNCIL

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

**ORDER WAIVING THE CLASS III & IV WITH INDOOR ENTERTAINMENT
APPLICATION FEES FOR THE MAINE IRISH HERITAGE CENTER**

WHEREAS, the Maine Irish Heritage Center, a nonprofit corporation located at the corner of Gray and State Streets, promotes and supports Irish culture, presents Irish writers, poets, musicians, offers in-person classes in Irish, and hosts a genealogy DNA research project with archives from the former St. Dominic's Church in which it is located as well as archives of local Irish names, St. Dominic's School records, and city directories for people interested in their Irish and Portland ancestors; and

WHEREAS, the Maine Irish Heritage Center provides a beautiful venue for marriages, other celebrations, meetings, workshops and more; and

WHEREAS, the City Council finds that the purpose of the Maine Irish Heritage and the funds to be raised under activities permitted by the entertainment license are of direct benefit to the citizens of the city;

NOW, THEREFORE, BE IT ORDERED, that the Maine Irish Heritage Center's application fees for the Class III & IV entertainment license totaling \$1,406 is hereby waived for the 2024 calendar year.

MAINE IRISH

HERITAGE CENTER

July 28, 2023

Mayor Kate Snyder
City Manager Danielle West
Councilor Anna Trevorow, District 1
Councilor Victoria Pelletier, District 2
Councilor Regina Phillips, District 3

Councilor Andrew Zarro, District 4
Councilor Mark Dion, District 5
Councilor Pious Ali, At-Large
Councilor April Fournier, At-Large
Councilor Roberto Rodriguez, At-Large

City of Portland, Maine
389 Congress Street
Portland, Maine 04101

Subject: Request to Waive Liquor and Entertainment Permit Fees for the Maine Irish Heritage Center

To the Honorable Mayor, Members of the Portland City Council, and City Manager,

I hope this letter finds you all well. **I am respectfully requesting the waiver of liquor and entertainment permit fees for the Maine Irish Heritage Center** under the provisions outlined in Sec. 15-12.1 of the city code. Our application is on the docket for the August 14th City Council Meeting.

As a valued nonprofit organization, the Maine Irish Heritage Center plays a pivotal role in preserving and promoting Irish heritage and culture in our community, enriching the lives of countless citizens, and providing a community center supporting other greater-Portland area nonprofits and civic organizations.

The Maine Irish Heritage Center has been a beacon of Irish culture and tradition in Portland for over 20 years. Before that, our iconic home was the Irish American heart of Portland, where St. Dominic's parish flourished for almost 200 years. Today, it stands tall as the westernmost landmark in Portland's skyline. It is a cherished space for events, activities, and educational programs that celebrate the history and contributions of the Irish community to our great city and a welcoming space for all immigrant communities. Throughout its existence, our dedicated volunteers have worked tirelessly to enhance our city's cultural diversity and foster a sense of unity among its residents.

The Center's commitment to the citizens of Portland is undeniable. Our events and activities are open to all, transcending age, ethnicity, and socioeconomic status, providing an inclusive space for all community members to come together and participate. By doing this, we strengthen the social fabric of our city and promote understanding and mutual respect among our diverse population.

Corner of Gray & State Street • PO Box 7588 • Portland, ME 04112-7588
207-780-0118 • maineirish@maineirish.com • www.maineirish.com

MAINE IRISH

HERITAGE CENTER

I want to bring attention to the charitable efforts of the Maine Irish Heritage Center. This organization has tirelessly organized numerous fundraisers, community projects, and charity events to assist those in need, support local causes, and positively impact the lives of our fellow citizens.

By way of an example, right now, we are producing a citywide film festival to honor John and Francis Ford, proud Irish American brothers from Portland who influenced filmmaking on the world stage (attached). We have brought together Portland Downtown, Creative Portland, Portland Media Center, Portland Museum of Art, and the State Theatre to share our John and Francis Ford Collection with as much of the community as possible. To make the festival events more accessible, we are hosting a free outdoor public screening of THE QUIET MAN in Monument Square on Saturday evening, August 20th. We are also soliciting donations of tickets for Opening Night at the State Theatre to share with residents of nonprofit independent and assisted living facilities like our neighbors at 75 State Street so they can enjoy a free nostalgic evening out.

The waived liquor and entertainment permit fees will enable the Center to allocate more resources towards these charitable and meaningful endeavors, magnifying their positive effects on the Portland community and beyond.

The spirit of Sec. 15-12.1 empowers the city council to waive fees for nonprofit organizations benefitting the citizens of Portland. The Maine Irish Heritage Center unquestionably meets the criteria for such consideration. The cultural, social, and philanthropic activities organized by the Center have a direct and profound effect on the well-being and enrichment of our community, aligning perfectly with the intent of the section mentioned above.

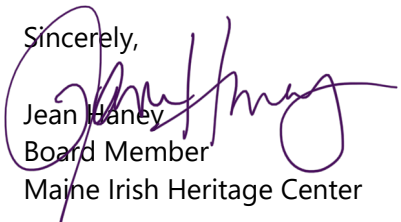
Sec. 15-12.1 emphasizes the city's recognition of nonprofit organizations' value to our community and their unique needs when organizing events and fundraisers.

In conclusion, I implore the Portland City Council and City Manager to seriously consider this request to waive the liquor and entertainment permit fees for the Maine Irish Heritage Center. Our receipt for payment made in advance is attached.

Doing so will not only strengthen the Center's ability to continue its invaluable work in preserving Irish heritage and promoting cultural understanding but also signify the city's unwavering commitment to supporting nonprofit organizations that have a direct, positive impact on our citizens' lives.

Thank you for your time, consideration, and commitment to fostering a vibrant and caring community. Please get in touch with me if you require further information or have any questions regarding this request.

Sincerely,



Jean Haney
Board Member

Maine Irish Heritage Center

INVOICE

CITY OF PORTLAND
LICENSING & REGISTRATION
389 Congress Street
Portland, Maine 04101
(207) 756-8131



INVOICE NUMBER	INVOICE DATE	INVOICE DUE DATE	INVOICE STATUS	INVOICE DESCRIPTION
INV-00085968	07/21/2023	08/20/2023	Due	NONE

REFERENCE NUMBER	FEE NAME	TOTAL
LL-005559-2023	Class III & IV	\$906.00
	Health Inspection New	\$150.00
	Indoor Entertainment	\$500.00
	Legal Advertisement Deposit	\$100.00
	New Application Fee	\$45.00
	SBI Background Check New	\$84.00
Maine Irish Heritage Center - 34 Gray St Portland, ME 04102		SUB TOTAL \$1,785.00

TOTAL **\$1,785.00**

BILLING CONTACT

MAINE IRISH HERITAGE CENTER
Po Box 7588
Portland, Me 04112

Make checks payable to the City of Portland, ATTN: Licensing & Registration, 389 Congress Street, Portland, ME 04101

City of Portland
Permitting & Inspections
389 Congress St
Portland, ME 04101
207 874-8490
Welcome

018819-0004 Alyssa W. 07/21/2023 11:41AM

INVOICE

MAINE IRISH HERITAGE CENTER	
LL-005559-2023	
2023	Item: INV-00085968
Class III & IV	906.00
New Application Fee	45.00
SBI Background Check	
New	84.00
Legal Advertisement	
Deposit	100.00
BL Cashier Health	
Inspection New	150.00
Indoor Entertainment	500.00

	1,785.00
Subtotal	1,785.00
Total	1,785.00
CHECK	1,785.00
Check Number 003538	

Change due	0.00

Paid by: MAINE IRISH HERITAGE CENTER

Thank you for your payment

City of Portland COPY
DUPLICATE RECEIPT

TICKETS ON SALE NOW!

JOHN AND FRANCIS FORD

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FRIDAY AUG 18

Opening Night Reception for All Access Pass Holders and Friends of the Ford Festival at 5 PM. Doors open for general admission at 6 PM.

SCREENINGS

WHEN THE TABLES TURNED (1911)
WAGON MASTER (1950)



Winner of Portland
Media Center's Silent
Film Contest awarded!

SATURDAY AUG 19 / SUNDAY AUG 20

2-DAY Symposium with screenings, panel discussions, and Q&A with Joseph McBride, Kathy Fuller-Seeley, Scout Tafoya, Gerald Peary, Jonathan Cavallero, and Kevin Stoehr.

KEYNOTE ADDRESS: Joseph McBride - Film historian and John Ford biographer.

SCREENINGS

SAT: 7 WOMEN (1966) and THE CRAVING (1913)
SUN: MY DARLING CLEMENTINE (1946) and THE TAKING (2021)



FESTIVAL
TICKETS & INFO



SUNDAY AUG 20

Midcoast Matinee at the historic Lincoln Theater in Damariscotta with experts Joseph McBride and Kathy Fuller-Seeley.

SCREENINGS

THE POSTTELEGRAPHER (1912)
THE MAN WHO SHOT LIBERTY VALANCE (1962)



FUNDRAISER TO BENEFIT
MAINE IRISH
HERITAGE CENTER
PO BOX 7588, PORTLAND, ME 04112-7588

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PORTLAND, ME
PERMIT #193



**AMENDMENT TO ORDER 93-23/24
PREPARED BY CORPORATION COUNSEL
FOR COUNCILOR PIOUS ALI
RE: FEE WAIVER**

NOW, THEREFORE, BE IT ORDERED, that 50% of the Maine Irish Heritage Center's application fees for the Class III & IV entertainment license totaling \$7031,406 is hereby waived for the 2024 calendar year.

MEMORANDUM
City Council Agenda Item

FROM: Troy Moon, Sustainability Director

DATE: October 22, 2025

SUBJECT: Order 77-25/26 Accepting and Appropriating a \$30,460 Maine Department of Environmental Protection Waste Reduction Grant - Sponsored by Danielle P. West, City Manager

SPONSOR: Sponsored by Danielle 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 10/20/2025

Final Action 11/3/2025

Can action be taken at a later date: Yes

Does this item involve a new contract with the City: Yes, Corporation Counsel has approved the grant award contract.

PRESENTATION: Sustainability Director Troy Moon will be present to describe the grant project and answer questions.

I. SUMMARY

Accepting a \$30,460 grant from the Maine DEP.

II. AGENDA DESCRIPTION

The Sustainability Office applied for and was awarded a waste reduction grant in the amount of \$30,460 in order to install covered kiosks at seven community compost drop-off locations and to establish an additional site on Irving St. at Heseltine Park. Accepting the grant will authorize funding for this project.

This item must be read on two separate days. It received its first reading on October 20. Five affirmative votes are required for passage after public comment.

III. BACKGROUND

The Sustainability Office manages a network of 10 community compost drop-off sites on the mainland and supports two additional locations on Peaks Island that are managed by community volunteers. The program allows Portland residents to drop off their food scraps at a location in or near their neighborhood for free. The City has contracted with Garbage to Garden to collect the material delivered by the residents and compost it. The program diverts valuable organic material from the waste stream and provides residents with a way to reduce their household waste, which allows them to reduce the number of City trash bags they need to purchase. The purpose of this grant is to improve the appearance and accessibility of the drop-off sites by installing covered kiosks at seven of the existing Community Composting sites and developing a new drop-off at Heseltine Park. The kiosks will improve visibility, safety, and accessibility for residents and the hauler, Garbage to Garden, and protect the collection points from weather. Funds will also be used to procure materials for four community education events.

IV. INTENDED RESULT AND/OR COUNCIL GOAL ADDRESSED

Improving the compost drop off sites will encourage residents to reduce waste by participating in the composting program. This aligns with the One Climate Future goal to be a zero waste community by 2050.

V. FINANCIAL IMPACT

VI. STAFF ANALYSIS AND BACKGROUND

VII. RECOMMENDATION

VIII. LIST ATTACHMENTS

1. Order - Accepting and Appropriating 30k DEP Grant for Compost
2. City of Portland CT #20250916-0482_encrypted

Prepared by:

Troy Moon, Sustainability Director

Date: 10/22/2025

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 \$30,460 MAINE DEPARTMENT OF
ENVIRONMENTAL PROTECTION WASTE REDUCTION GRANT**

ORDERED, that a \$30,460 Maine Department of Environmental Protection Waste Reduction Grant is hereby accepted and that amount appropriated to improve the Community Compost Program; and

BE IT FURTHER ORDERED, that the City Manager or designee is hereby authorized to execute the Grant Agreement in substantially the form attached hereto and whatever other documents are necessary to effect the intent and purpose of this order.



PROCUREMENT JUSTIFICATION FORM (PJF)

This form must accompany all contract requests and sole source requisitions (RQS) over \$10,000 submitted to the Office of State Procurement Services.

INSTRUCTIONS: Please provide the requested information in the white spaces below. All responses (except signatures) must be typed; no hand-written forms will be accepted. See the guidance document posted with this form on the Procurement Services intranet site (Forms page) for additional instructions.

PART I: OVERVIEW				
Department Office/Division/Program:		DEP/BRWM/Division of Materials Management		
Department Contract Administrator or Grant Coordinator:		Mark King, DEP Waste Diversion Grant Coordinator		
(If applicable) Department Reference #:		RFP #202508114		
Agency Department Code:			Advantage CT / RQS #:	CT #20250916*0482
Amount: (Contract/Amendment/Grant)		\$30,460.00		
CONTRACT	Proposed/Original Start Date:	10/27/2025	Proposed/Most Recent End Date:	10/27/2027
AMENDMENT	New Effective Date:		New End Date (if Applicable):	
GRANT	Project Start Date:		Grant Start Date:	
	Project End Date:		Grant End Date:	
Vendor/Provider/Grantee Name, City, State:		City of Portland		
Brief Description of Goods/Services/Grant:		The purpose of this contract is to allow the City of Portland to construct kiosks at seven existing Community Composting Program drop-off sites and one new drop-off site. The kiosks will be constructed to improve visibility, safety, and accessibility for residents and the hauler, Garbage to Garden, and to protect the collection points from weather. Funds will also be used to procure materials for four community education events.		

PART II: JUSTIFICATION FOR VENDOR SELECTION			
Check the box below for the justification(s) that applies to this request. (Check all that apply.)			
☒	A. Competitive Process	☐	G. Grant
☐	B. Amendment	☐	H. State Statute/Agency Directed

☐	C. Single Source/Unique Vendor	☐	I. Federal Agency Directed
☐	D. Proprietary/Copyright/Patents	☐	J. Willing and Qualified
☐	E. Emergency	☐	K. Client Choice
☐	F. Higher Education Cooperative Project	☐	L. Other Authorization

Please respond to ALL of the questions in the following sections.

PART III: SUPPLEMENTAL INFORMATION

1. Provide a more detailed description and explain the need for the goods, services or grant to supplement the response in Part I.

The Provider shall use the funds from this grant as follows:

- ☐ \$28,000.00 – compost site kiosks (8 units @ \$3,500.00 each for equipment and labor).
- ☐ \$960.00 – signs for kiosks (8 units @ \$120.00 each).
- ☐ \$1,500.00 – materials for 4 community education events and compostable picnicware.
- ☐ Grand Total = \$30,460.00.

2. Provide a brief justification for the selected vendor to supplement the response in Part II. Reference the solicitation (RFP/RFA/RFQ) number if applicable.

Grantee was selected through a consensus evaluation process as part of an RFP released earlier this spring.

3. Explain how the negotiated costs or rates are fair and reasonable; or how the funding was allocated to grantee.

Applicant's proposal was ranked and selected based upon a consensus evaluation process (see #2 above).

4. Describe the plan for future competition for the goods or services.

Based on available funding, the Department anticipates continuing to issue two rounds of WDG RFPs annually—one in the spring and one in the fall. The next round is tentatively scheduled for February of 2025.

PART IV: AMERICAN RESCUE PLAN ACT (ARPA) / MAINE JOBS & RECOVERY PLAN (MJRP)

Does this request utilize ARPA/MJRP funds?

- ☐ Yes, MJRP funds (023) – If Yes, please attach the approved Business Case(s).
- ☐ Yes, ARPA funds (025) – If Yes, please be aware of the requirements from awarding federal agencies.

☒ No – If No, proceed to Part V.

PART V: CONFLICTS OF INTEREST (COI); CONTRACT WITH THE STATE

Maine law contains Conflict of Interest statutes directed to State Departments, State Officers, and Employees Generally under MRS [Title 5, §18](#) and [§18-A](#), in harmony with MRS [Title 17, §3104](#).

☒ The requesting department's signatory affirms, understands, and acknowledges Maine's Conflict of Interest statutes and, in accordance with those statutes and to the best of their knowledge, has determined that no conflict of interest exists at the time of this contract, renewal, or amendment.

PART VI: APPROVALS

Governor/Department Commissioner or Designee

1. The signature below indicates approval of this procurement request.

Signature of requesting Department's Commissioner (or designee):			
Typed Name:	Melanie Loyzim, Commissioner MEDEP	Date:	
2. Additional signature required ONLY if box E (Emergency) is selected in PART II . The signature below indicates approval by the Department's Commissioner, or the <u>designee specifically authorized to approve emergency procurement requests</u> .			
Signature of requesting Department's Commissioner (or designee):			
Typed Name:		Date:	

****OSPS Section Only****

Signature of DAFS Procurement Official:			
Typed Name:		Date:	



SERVICE CONTRACT

DATE: 8/19/2025	CONTRACT AMOUNT: \$30,460.00
ADVANTAGE CONTRACT #: CT #20250916*0482	
DEPARTMENT AGREEMENT #:	
START DATE: 10/27/2025	END DATE: 10/27/2027

This Contract is between the following State of Maine Department and Provider:

STATE OF MAINE DEPARTMENT		
DEPARTMENT NAME: Maine Department of Environmental Protection		
ADDRESS: 17 Statehouse Station		
CITY: Augusta	STATE: ME	ZIP CODE: 04333
PROVIDER		
PROVIDER NAME: City of Portland		
ADDRESS: 389 Congress Street		
CITY: Portland	STATE: ME	ZIP CODE: 04101
PROVIDER'S VENDOR CUSTOMER #: VC0000259476		

Each signatory below represents that the person has the requisite authority to enter into this Contract.

Department Representative:

Provider Representative:

BY: Melanie Loyzim, DEP Commissioner
Date

BY: Troy Moon, Sustainability Director
Date

The contract is fully executed when all parties sign and funds have been encumbered. Upon final approval by the Office of State Procurement Services, a case details page will be made part of this contract.

DEPARTMENT AND PROVIDER POINT OF CONTACT

CONTRACT ADMINISTRATOR: The following person is designated as the Contract Administrator on behalf of the Department for this Contract. All financial reports, invoices, correspondence and related submissions from the Provider as outlined in Rider A, Reports, shall be submitted to:

NAME: Derek DeCastro		
EMAIL: derek.decastro@maine.gov	TELEPHONE: 207-592-2879	
ADDRESS: MEDEP, BR&WM-Division of Materials Management, 312 Canco Road #4		
CITY: Portland	STATE: ME	ZIP CODE: 04103

PROGRAM ADMINISTRATOR: (Program Administrator section is optional.)

The following person is designated as the Program Administrator. This person will be able to respond to routine questions pertaining to the Contract; they will not be able to alter the scope of the Contract.

NAME: Mark King		
EMAIL: mark.a.king@maine.gov	TELEPHONE: 207-592-0455	
ADDRESS: MEDEP, BR&WM-Division of Materials Management, 17 Statehouse Station		
CITY: Augusta	STATE: ME	ZIP CODE: 04333

PROVIDER CONTACT: The following person is designated as the Contact Person on behalf of the Provider for this Contract. All contractual correspondence from the Department shall be submitted to:

NAME: Troy Moon, Sustainability Director		
EMAIL: thm@portlandmaine.gov	TELEPHONE: 207-756-362	
ADDRESS: 389 Congress Street		
CITY: Clinton	STATE: ME	ZIP CODE: 04101

TABLE OF RIDERS

The following riders are hereby incorporated into this Contract and made part of it by reference. *(Riders A, B, and G are required. Check all others that apply.)*

☒	Funding Rider
☒	Rider A – Scope of Work
☒	Rider B – Terms and Conditions
☒	Rider C - Exceptions
☐	Rider D – Included at Department's Discretion
☐	Rider E – Included at Department's Discretion
☐	Rider F – Included at Department's Discretion
☒	Rider G – Identification of Country in Which Contracted Work will be Performed
☐	Business Associate Agreement – Included at Department's Discretion
☐	Other – Included at Department's Discretion

FUNDING RIDER

Internal Purposes Only

CODING: (Departments - Attach separate sheet as needed for additional coding.)

LINE TOTAL	FUND	DEPT	UNIT	SUB UNIT	OBJ	PROGRAM	PROGRAM PERIOD	APPR FUNDING	FISCAL YEAR
\$ 30,460.00	014	06A	1529	48	4099				2026

LINE TOTAL	FUND	DEPT	UNIT	SUB UNIT	OBJ	PROGRAM	PROGRAM PERIOD	APPR FUNDING	FISCAL YEAR
\$									

LINE TOTAL	FUND	DEPT	UNIT	SUB UNIT	OBJ	PROGRAM	PROGRAM PERIOD	APPR FUNDING	FISCAL YEAR
\$									

FUNDING TOTAL: \$ 30,460.00

The sources of funds and compliance requirements for this Contract follow:

State General Fund	\$ 0.00
Dedicated/Special Revenue	\$ 30,460.00
Federal Funds	\$ 0.00

RIDER A: SCOPE OF WORK

TABLE OF CONTENTS

- I. Acronyms
- II. Introduction/Overview
- III. Deliverables
- IV. Performance Measures
- V. Reports

I. ACRONYMS/DEFINITIONS:

The following terms and acronyms shall have the meaning indicated below as referenced in this Contract:

COMMONLY KNOWN ACRONYMS AND DEPARTMENT ABBREVIATIONS	
BAA	Business Associate Agreement
Contract	Formal and legal binding agreement
Department	State of Maine Department Entering into this Contract
Provider	Organization providing services under this Contract
State	State of Maine

II. INTRODUCTION/OVERVIEW:

The purpose of this contract is to allow the City of Portland to construct kiosks at seven existing Community Composting Program drop-off sites and one new drop-off site. The kiosks will be constructed to improve visibility, safety, and accessibility for residents and the hauler, Garbage to Garden, and to protect the collection points from weather. Funds will also be used to procure materials for four community education events.

III. DELIVERABLES:

The Provider is responsible for implementing the project work plan, including all work plan tasks, schedules, costs, and deliverables, as described in its application in response to RFP #202505067. The Provider shall use the funds from this grant as follows:

- ☐ \$28,000.00 – compost site kiosks (8 units @ \$3,500.00 each for equipment and labor).
- ☐ \$960.00 – signs for kiosks (8 units @ \$120.00 each).
- ☐ \$1,500.00 – materials for 4 community education events and compostable picnicware.

□ Grand Total = \$30,460.00.

IV. REPORTS: remove this section if not applicable to this Contract.

A. Required Reports

The Provider shall track and record all data/information necessary to complete the reports listed in the table below:

	Name of Report	Description or Appendix #:
1.	Progress Reports	Summarizes project activity in six-month increments, including major tasks accomplished, performance data collected and documentation of grant fund expenditures.
2.	Final Report	The Final Project Report must document all project work accomplishments, deliverables met, and total funds expended.

B. Reporting Schedule for Above Listed Required Reports

The Provider shall submit all of the reports listed in the table below to the Department in accordance with the deadlines established within the table:

	Name of Report:	Period Captured by Report:	Due Date and/or Frequency:
1.	Progress Reports	Semi-annual	August 31st and February 28th
2.	Final Report	Covers entire grant period	Within 45 days of project completion

The Provider understands that the reports are due within the timeframes established and that the Department will not make subsequent payment installments under this Contract until such reports are received, reviewed and accepted.

The Provider further agrees to submit such other data and reports as may be requested by the Contract Administrator. The Provider shall submit all data and reports to the Contract Administrator listed in section "DEPARTMENT AND PROVIDER POINTS OF CONTACT" of this Contract.

RIDER B: TERMS AND CONDITIONS

1. **INVOICES AND PAYMENT.** Department will pay the Provider as follows: Payment terms are net 30 days from the date the State receives an error-free invoice with all necessary and complete supporting documents.

All invoices must include the following:
 - A. Advantage Contract numbers for this contract.
 - B. Vendor Code number assigned when registering as a vendor with the State of Maine. This number appears on all Contracts and Purchase Orders and can be acquired from the agency contact.
 - C. Itemizing all work performed during the invoice period, including the dates of service, rates of pay, hours of work performed, and any other information and/or documentation appropriate and sufficient to substantiate the amount invoiced for payment by the State.
 - D. In cases where hourly rates of contracted resources are concerned, invoices must contain a copy or copies of time sheets associated with that invoice. Time sheets will need to be reviewed and approved by the State's contract administrator.

2. **BENEFITS AND DEDUCTIONS.** If the Provider is an individual, the Provider understands and agrees that they are an independent contractor for whom no Federal or State Income Tax will be deducted by the Department, and for whom no retirement benefits, survivor benefit insurance, group life insurance, vacation and sick leave, and similar benefits available to State employees will accrue. The Provider further understands that annual information returns, as required by the Internal Revenue Code or State of Maine Income Tax Law, will be filed by the State Controller with the Internal Revenue Service and the State of Maine Bureau of Revenue Services, copies of which will be furnished to the Provider for their Income Tax records.

3. **INDEPENDENT CAPACITY.** In the performance of this Contract, the parties hereto agree that the Provider, and any agents and employees of the Provider, shall act in the capacity of an independent contractor and not as officers or employees or agents of the State.

4. **DEPARTMENT'S REPRESENTATIVE.** The Contract Administrator shall be the Department's representative during the period of this Contract. The Contract Administrator has authority to curtail services if necessary to ensure proper execution. They shall certify to the Department when payments under the Contract are due and the amounts to be paid. They shall make decisions on all claims of the Provider, subject to the approval of the Commissioner of the Department.

5. **CHANGES IN THE WORK.** The Department may order changes in the work, the Contract Amount being adjusted accordingly. Any monetary adjustment or any substantive change in the work shall be in the form of an amendment, signed by both parties and approved by the State Procurement Review Committee. Said amendment must be effective prior to the execution of the changed work.

6. **SUB-CONTRACTORS.** The Provider may not enter into any subcontract for the work to be performed under this Contract without the express written consent of the Department. This provision shall not apply to contracts of employment between the Provider and its employees.

The Provider is solely responsible for the performance of work under this Contract. The approval of the Department for the Provider to subcontract for work under this Contract shall not relieve the Provider in any way of its responsibility for performance of the work.

All Subcontractors shall be bound by the terms and conditions set forth in this Contract. The Provider shall give the State immediate notice in writing of any legal action or suit filed, and prompt notice of any claim made against the Provider by any Subcontractor, which may result in litigation related in any way to this Contract, or which may affect the performance of duties under this Contract.

7. **SUBLETTING, ASSIGNMENT OR TRANSFER.** The Provider shall not sublet, sell, transfer, assign or otherwise dispose of this Contract or any portion thereof, or of its right, title or interest therein, without the written request and written approval from the Department. Such approval shall not in any case relieve the Provider of its responsibility for performance of work or liability under this Contract.

8. **EQUAL EMPLOYMENT OPPORTUNITY.** During the performance of this Contract, the Provider certifies as follows:

- A. The Provider shall not discriminate against any employee or applicant for employment relating to this Contract because of race, color, religious creed, sex, national origin, familial status, ancestry, age, physical or mental disability, sexual orientation, or gender identity, unless related to a bona fide occupational qualification.

Such action shall include but not be limited to the following: employment, upgrading, demotions, or transfers; recruitment or recruitment advertising; layoffs or terminations; rates of pay or other forms of compensation; and selection for training including apprenticeship. The Provider agrees to post in conspicuous places available to employees and applicants for employment notices setting forth the provisions of this nondiscrimination clause.

- B. The Provider shall, in all solicitations or advertising for employees placed by or on behalf of the Provider relating to this Contract, state that all qualified applicants shall receive consideration for employment without regard to race, color, religious creed, sex, national origin, familial status, ancestry, age, physical or mental disability, sexual orientation, or gender identity.

- C. The Provider shall send to each labor union or representative of the workers with which it has a collective bargaining Contract, or other Contract or understanding, whereby it is furnished with labor for the performance of this Contract a notice to be provided by the contracting agency, advising the said labor union or workers' representative of the Provider's commitment under this section and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

- D. The Provider shall inform the contracting Department's Equal Employment Opportunity Coordinator of any discrimination complaints brought to an external regulatory body (Maine

Human Rights Commission, EEOC, Office of Civil Rights, etc.) against their agency by any individual as well as any lawsuit regarding alleged discriminatory practice.

- E. The Provider shall comply with all aspects of the Americans with Disabilities Act (ADA) in employment and in the provision of service to include accessibility and reasonable accommodations for employees and clients.
- F. The Provider shall cause the foregoing provisions to be inserted in any subcontract for any work covered by this Contract so that such provisions shall be binding upon each Subcontractor, provided that the foregoing provisions shall not apply to contracts or subcontracts for standard commercial supplies or raw materials.

- 9. CONFLICT OF INTEREST.** The Provider warrants that no State employee has or will receive any direct or indirect pecuniary interest in or receive or be eligible to receive, directly or indirectly, any benefit that may arise from this Contract, for any employee who participated in any way in the solicitation, award or administration of this Contract according to [Title 5 MRS §18-A, \(2\)](#) and in harmony with [Title 17 MRS §3104](#). Any contract made in violation of these sections is void.

The Provider certifies that it presently has no interest and shall not acquire any interest which would conflict in any manner or degree with the performance of its services hereunder. The Provider further certifies that in the performance of this Contract, no person having any such known interests shall be employed.

- 10. EMPLOYMENT AND PERSONNEL.** The Provider shall not engage on a full-time, part-time or other basis during the period of this Contract, any executive employee who participated in any way in the solicitation, award or administration of this Contract according to [Title 5 MRS §18-A, \(2\)](#) and in harmony with [Title 17 MRS §3104](#). Any contract made in violation of these sections is void.

- 11. NON-COLLUSION.** The Provider warrants that it has not employed or contracted with any company or person, other than for assistance with the normal study and preparation of a proposal, to solicit or secure this Contract and that it has not paid, or agreed to pay, any company or person, other than a bona fide employee working solely for the Provider, any fee, commission, percentage, brokerage fee, gifts, or any other consideration, contingent upon, or resulting from the award of this Contract.

And, the Provider has not entered into a prior understanding, agreement, or connection with any corporation, firm, or person 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.

For breach or violation of this provision, the Department shall have the right to terminate this Contract without liability or, at its discretion to otherwise recover the full amount of such fee, commission, percentage, brokerage fee, gift, or contingent fee.

- 12. ACCESS TO RECORDS.** As a condition of accepting a Contract for services under this section, a Provider must agree to treat all records, other than proprietary information, relating to personal

services work performed under the Contract as public records under the freedom of access laws to the same extent as if the work were performed directly by the Department or agency. For the purposes of this subsection, "proprietary information" means information that is a trade secret or commercial or financial information, the disclosure of which would impair the competitive position of the Provider and would make available information not otherwise publicly available. Information relating to wages and benefits of the employees performing the personal services work under the Contract and information concerning employee and Contract oversight and accountability procedures and systems are not proprietary information. The Provider shall maintain all books, documents, payrolls, papers, accounting records and other evidence pertaining to this Contract and make such materials available at its offices at all reasonable times during the period of this Contract and for such subsequent period as specified under Maine Uniform Accounting and Auditing Practices for Community Agencies (MAAP) rules. The Provider shall allow inspection of pertinent documents by the Department or any authorized representative of the State of Maine or Federal Government, and shall furnish copies thereof, if requested. This subsection applies to contracts, contract extensions and contract amendments executed on or after October 1, 2009.

13. TERMINATION. The performance of work under this Contract may be terminated by the Department whenever for any reason the Contract Administrator shall determine that such termination is in the best interest of the Department. Any such termination shall be affected by the delivery to the Provider of a Notice of Termination specifying the date on which such termination becomes effective.

Either party may terminate this Contract for cause by providing a written notice of termination stating the reason for the termination a minimum of thirty (30) calendar day ahead of the effective date of the termination. As part of the thirty (30) calendar days written notice of termination, the defaulting party shall have fifteen (15) calendar days to cure the default. If the default is of such a nature that it cannot be cured within fifteen (15) calendar days, the defaulting party shall have such additional time, as the parties may agree to, to cure the default, provided the defaulting party has taken steps to cure the default within the initial fifteen (15) calendar days.

Upon termination, the Department shall pay the Provider for work performed by the Provider prior to the date of Notice of Termination.

14. GOVERNMENTAL REQUIREMENTS. The Provider warrants and represents that it will comply with all applicable governmental ordinances, laws and regulations.

15. GOVERNING LAW. This Contract shall be governed in all respects by the laws, statutes, and regulations of the United States of America and of the State of Maine. Any legal proceeding against the State regarding this Contract shall be brought in the State of Maine administrative or judicial forums. The Provider consents to personal jurisdiction in the State of Maine.

16. STATE HELD HARMLESS. The Provider shall indemnify and hold harmless the Department and its officers, agents, and employees from and against any and all third party claims, liabilities, and costs, including reasonable attorney fees, for any or all injuries to persons or property or claims for money damages, including claims for violation of intellectual property rights, arising from the negligent acts or omissions of the Provider, its employees or agents, officers or Subcontractors in the performance of work under this Agreement; provided, however, the Provider shall not be liable for claims arising out of the negligent acts or omissions of the Department, or for actions taken in reasonable reliance on written instructions of the Department.

17. NOTICE OF CLAIMS. The Provider shall give the Contract Administrator immediate notice in writing of any legal action or suit filed related in any way to this Contract or which may affect the performance of duties under this Contract, and prompt notice of any claim made against the Provider by any Subcontractor which may result in litigation related in any way to this Contract or which may affect the performance of duties under this Contract.

18. APPROVAL. This Contract must be approved by the State Controller and the State Purchases Review Committee before it can be considered a valid, enforceable document.

19. INSURANCE REQUIREMENT. The Provider shall keep in force a liability policy issued by a company fully licensed or designated as an eligible surplus line insurer to do business in this State by the Maine Department of Professional & Financial Regulation, Bureau of Insurance, which policy includes the activity to be covered by this Contract with adequate liability coverage to protect itself and the Department from suits. Providers insured through a “risk retention group” insurer prior to July 1, 1991, may continue under that arrangement. Prior to or upon execution of this Contract, the Provider shall furnish the Department with written or photocopied verification of the existence of such liability insurance policy.

- A. Other Provisions - Unless explicitly waived by the Department, the insurance policies shall contain, or be endorsed to contain, the following provisions:
 - i. The Provider’s insurance coverage shall be the primary and contributory. Any insurance or self-insurance maintained by the Department for its officers, agents, and employees shall be in excess of the Provider’s insurance and shall not contribute to it.
 - ii. The Provider’s insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer’s liability.
 - iii. The Provider shall furnish the Department with certificates of insurance, and with those endorsements, if any, affecting coverage, required by these Insurance Requirements. The certificates and endorsements for each insurance policy are to be signed by a person authorized by the insurer to bind coverage on its behalf. All certificates and endorsements are to be received and approved by the Department before this Contract commences. The Department reserves the right to require complete, certified copies of all required insurance policies at any time.
 - iv. All policies should contain a revised cancellation clause allowing thirty (30) days notice to the Department in the event of cancellation for any reason, including nonpayment.
 - v. The Department will not grant the Provider, or any sub-contractor of the Provider, “Additional Insured” status and the Department will not grant any Provider a “Waiver of Subrogation”.

20. NON-APPROPRIATION. Notwithstanding any other provision of this Contract, if the State does not receive sufficient State, Federal, or other sources of funds to fund this Contract and other obligations of the State, if funds are de-appropriated, or if the State does not receive legal authority to expend funds from State or Federal legislative, executive or judicial bodies, then the State is not obligated to make payment under this Contract.

21. SEVERABILITY. The invalidity or unenforceability of any particular provision, or part thereof, of this Contract shall not affect the remainder of said provision or any other provisions, and this Contract shall be construed in all respects as if such invalid or unenforceable provision or part

thereof had been omitted.

22. ORDER OF PRECEDENCE. In the event of a conflict between the documents comprising this Contract, the Order of Precedence shall be:

- Rider C Exceptions
- Rider B Terms and Conditions
- Rider A Scope of Work
- Funding Rider
- Rider D Included at Department's Discretion
- Rider E Included at Department's Discretion
- Rider F Included at Department's Discretion
- Rider G Identification of Country in which contracted work will be performed
- Business Associate Agreement included at Department's Discretion
- Other Included at Department's Discretion

23. FORCE MAJEURE. The performance of an obligation by either party shall be excused in the event that performance of that obligation is prevented by an act of God, act of war, riot, fire, explosion, flood, pandemic or other catastrophe, sabotage, severe shortage of fuel, power or raw materials, change in law, court order, national defense requirement, or strike or labor dispute, provided that any such event and the delay caused thereby is beyond the control of, and could not reasonably be avoided by, that party.

24. SET-OFF RIGHTS. The State shall have all of its common law, equitable and statutory rights of set-off. These rights shall include, but not be limited to, the State's option to withhold for the purposes of set-off any monies due to the Provider under this Contract up to any amounts due and owing to the State with regard to this Contract, any other Contract with any State department or agency, including any Contract for a term commencing prior to the term of this Contract, plus any amounts due and owing to the State for any other reason including, without limitation, tax delinquencies, fee delinquencies or monetary penalties relative thereto. The State shall exercise its set-off rights in accordance with normal State practices including, in cases of set-off pursuant to an audit, the finalization of such audit by the State agency, its representatives, or the State Controller.

25. ENTIRE CONTRACT. This document contains the entire Contract of the parties, and neither party shall be bound by any statement or representation not contained herein. No waiver shall be deemed to have been made by any of the parties unless expressed in writing and signed by the waiving party. The parties expressly agree that they shall not assert in any action relating to the Contract that any implied waiver occurred between the parties, which is not expressed in writing. The failure of any party to insist in any one or more instances upon strict performance of any of the terms or provisions of the Contract, or to exercise an option or election under the Contract, shall not be construed as a waiver or relinquishment for the future of such terms, provisions, option or election, but the same shall continue in full force and effect, and no waiver by any party of any one or more of its rights or remedies under the Contract shall be deemed to be a waiver of any prior or subsequent rights or remedy under the Contract or at law.

26. AMENDMENT. No changes, modifications, or amendments in the terms and conditions of this Contract shall be effective unless reduced to writing, numbered and signed by the duly authorized representative of the State and Provider.

27. DEBARMENT AND PERFORMANCE CERTIFICATION. By signing this Contract, the Provider certifies to the best of Provider's knowledge and belief that the aforementioned organization, its principals and any subcontractors named in this Contract:

- A. Are not presently debarred, suspended, proposed for debarment, and declared ineligible or voluntarily excluded from bidding or working on contracts issued by any governmental agency.
- B. Have not within three years of submitting the proposal for this contract 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 proposal had one or more federal, state or local government transactions terminated for cause or default.

28. STATE PROPERTY. The Provider shall be responsible for the proper custody, care and return of any Department or State-owned property furnished or state-funded for the Provider's use in connection with the performance of this Contract, and the Provider will reimburse the Department for its loss or damage, normal wear and tear excepted.

29. CYBERSECURITY AND PROHIBITED TECHNOLOGIES. Through the execution of this contract, the Provider certifies that the aforementioned organization, its principals and any subcontractors named in this Contract:

- A. is not a foreign adversary business entity, <https://www.maine.gov/oit/prohibited-technologies>, [Title 5 M.R.S. §2021 \(3\)](#); and
- B. is not on the list of prohibited companies or does not obtain or purchase any information or communications technology or services included on the list of prohibited information and communications technology and services <https://www.maine.gov/oit/prohibited-technologies>, [Title 5 M.R.S. §2030-B](#).

Contracts entered into by a state agency in violation of Title 5 M.R.S. §2030-B are void. A person who executes this contract in violation of this section commits a civil violation for which a fine may be adjudged in an amount that is twice the amount of this contract or \$250,000, whichever is greater, (Title 5 M.R.S., §2030-A).

30. CONFIDENTIALITY.

- A. Subject to the Maine Freedom of Access Act (FOAA), [Title 1 M.R.S. §400](#) et seq., "confidential information" means non-public information designated as protected from disclosure under state or federal law. Confidential information given to the Provider by the Department, or acquired by the Provider on behalf of the Department, whether in verbal,

written, electronic, or any other format, shall be subject to the requirements herein. The term “confidential information” does not include any information or documentation that is subject to disclosure under FOAA.

- B. In conformance with applicable Federal and State statutes, regulations, and ethical standards, the Provider and the Department shall take all necessary steps to protect confidential information regarding all persons served by the Department, including the proper care, custody, use, and preservation of records, papers, files, communications, and any such items that may reveal confidential information about persons served by the Department, or whose information is utilized in order to accomplish the purposes of this Contract.
 - C. In the event of a breach of this confidentiality provision, the Provider shall notify the Contract Administrator immediately.
 - D. The Provider shall comply with the [Maine Public Law, Title 10, Chapter 210-B \(Notice of Risk to Personal Data Act\)](#).
- 31. TARIFFS.** Any price increases implemented by the provider due to the imposition of tariffs shall remain in effect only for the duration that such tariffs are in place. In the event of the repeal or reduction of any applicable tariff(s), the provider shall immediately return to the original price list or make a proportional reduction in the price to reflect the decrease in tariff(s). Price adjustments under this clause shall be made in good faith and without undue delay upon confirmation via documents reflecting tariff changes.

RIDER C: EXCEPTIONS

INVOICES AND PAYMENTS. The Department will pay the Provider as follows: \$30,460.00 upon receipt of an invoice to perform contracted services.

Payments are subject to the Provider's compliance with all items set forth in this Agreement and subject to the availability of funds. The Department will process approved payments within 30 days.

All unobligated funds from the original grant award determination will go back to the "pool of funds" for redistribution to other grantees upon project completion. A final invoice(s) must be submitted by Provider within 45 days of contract end date.

RIDER G: IDENTIFICATION OF COUNTRY IN WHICH CONTRACTED WORK WILL BE PERFORMED

Please identify the country in which the services purchased through this contract will be performed:

☒ **United States. Please identify state: Enter State**

☐ **Other. Please identify country: Enter Country**

Notification of Changes to the Information:

The Provider agrees to notify the Office of State Procurement Services of any changes to the information provided above.

MEMORANDUM
City Council Agenda Item

FROM:

DATE: October 22, 2025

SUBJECT: Order 78-25/26 Approving the Collective Bargaining Agreement Between the City of Portland and the Professional and Technical City Employee 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 Professional and Technical City Employees Association for the period of July 1, 2025, through June 30, 2028. This proposal is presented after previously receiving guidance from the City Council executive sessions held on January 13, March 31, and July 28, 2025, and after having been approved by the Professional and Technical City Employees Association.

This item must be read on two separate days. It received its first reading on October 20. 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

See attached Fiscal Impact Note

VI. STAFF ANALYSIS AND BACKGROUND

Staff Analysis that will not appear in the Agenda Description.

VII. RECOMMENDATION

VIII. LIST ATTACHMENTS

1. Order - Approving ProTech Labor & Trades Agreement
2. Pro Tech MOA 2025-2028 with Redlined CBA

3. Pro-Tech Fiscal Impact Note

Prepared by:

Date: 10/22/2025

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 PROFESSIONAL AND TECHNICAL CITY
EMPLOYEE ASSOCIATION**

ORDERED, that the Collective Bargaining Agreement between the City of Portland and the Professional and Technical City Employee Association for the period of July 1, 2025 through June 30, 2028, 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 PROFESSIONAL AND TECHNICAL
CITY EMPLOYEES 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 Professional and Technical City Employees Association (the "Pro-Tech Negotiating Team") (collectively, the "Parties").

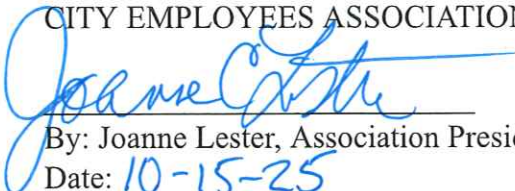
WHEREAS, the City of Portland and Professional and Technical City Employees Association are parties to a collective bargaining agreement that expired on June 30, 2025;

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:

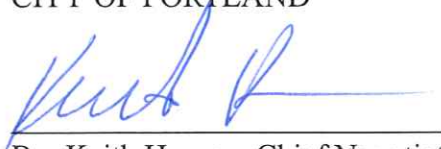
1. The red-lined collective bargaining agreement attached hereto is hereby incorporated into this MOA and outlines the terms of the Parties' tentative agreement for a successor collective bargaining agreement for the period of July 1, 2025 through June 30, 2028.
2. The Parties agree to retain the current language concerning performance evaluations. However, both Parties are amenable to working together in good faith to establish a new performance evaluation process for all Pro-Tech staff, outside of the formal contract negotiation process.
3. 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 May 1, 2026.
4. Cost of living increases, reclassifications, increases in current stipends or new stipends, increases in clothing allowances or new clothing allowances, and the addition of the new 20 year and 25+ year steps, shall all be effective retroactive to July 6, 2025.
5. The Parties agree to recommend and advocate adoption of the successor collective bargaining agreement to their respective principals.

PROFESSIONAL AND TECHNICAL
CITY EMPLOYEES ASSOCIATION


By: Joanne Lester, Association President

Date: 10-15-25

CITY OF PORTLAND


By: Keith Hansen, Chief Negotiator

Date: 10-15-25



**AGREEMENT BETWEEN
CITY OF PORTLAND
AND
PROFESSIONAL AND TECHNICAL
CITY EMPLOYEES ASSOCIATION**

JULY 13, 2025² – JUNE 30, 2028⁵

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THIS AGREEMENT made and entered into this ~~1st~~ [] day of ~~November~~ December, 2025~~2~~ by and between the CITY OF PORTLAND, a body politic and corporate located in the County of Cumberland and State of Maine (hereinafter referred to as "City"), and PROFESSIONAL AND TECHNICAL CITY EMPLOYEES ASSOCIATION, of Portland in said County and State (hereinafter referred to as "Association").

1. PREAMBLE:

- 1.1 Pursuant to the provisions of the Municipal Public Employees Labor Relations Law (Chapter 9-A, Title 26, Maine Revised Statutes, M.R.S.), the parties have entered into this Agreement in order to establish mutual rights with the goal of preserving proper employee morale and promoting effective municipal operations.

2. RECOGNITION:

- 2.1 The City hereby recognizes the Association as the sole and exclusive representative of a Unit consisting of all permanent full-time and part-time employees, recreation project employees and any other employees in the job classifications listed in Appendix A and excluding all temporary, seasonal, on-call, or probationary employees, or those excluded by the Municipal Public Employees Labor Relations Law.
- 2.2 The Association shall bargain for employees in the above unit with respect to wages, hours of work, and working conditions. The Association shall have the right to participate in all disputes, regarding any employee, over the interpretation and application of this Agreement.
- 2.3 All newly hired employees in permanently budgeted positions shall serve a probationary period of six (6) months, and shall have no seniority, grievance, or other rights during this period except as otherwise specifically provided for in this Agreement. During the six (6) month probationary period, the appointing authority may remove the probationer at any time if their work or conduct is found below satisfactory standards. Notwithstanding the foregoing, probationary employees do receive Holidays and earn vacation and sick leave during the probationary period, and can use vacation or sick leave in accordance with all rules governing such in this Agreement. Upon completion of the six (6) month probationary period, the probationary period shall be included as part of the employee's seniority time.
- 2.4 Definitions of employment are attached to this Agreement in Appendix B, and are hereby incorporated into this Article by reference. Permanent

full-time employees shall receive full benefits under this Agreement, and permanent part-time employees shall receive prorated benefits as outlined in Appendix B. Recreation project employees shall receive only those benefits outlined in Appendix B.

- 2.5 The City and the Association agree to meet at reasonable times to discuss additions to or deletions from the Recognition clause.

3. NO DISCRIMINATION BY PARTIES:

- 3.1 Employees covered by this Agreement shall have all the rights afforded under Section 963 of Chapter 9-A, Title 26, M.R.S. No employee shall be favored or discriminated against by either the City or the Association because of their membership or non-membership in the Association.

- 3.2 The City, ~~and~~ unit members in their capacity as City employees, ~~and the Association~~ agree that, pursuant to applicable Federal and State laws and ~~City ordinance~~, they will not unlawfully discriminate against any employee because of ~~any protected characteristics as defined by applicable local, state, and/or federal laws.~~ race, color, religion, sex, sexual orientation, national origin, age, physical or mental disability.

- ~~3.3 All reference to male employees in this Agreement shall also include female employees.~~

4. DUES DEDUCTION:

- 4.1 The City shall deduct weekly dues upon receipt of a signed ~~Employee Voluntary Deduction Form~~ ~~authorization card~~ from members and ~~an email from a member of the board to proceed.~~ ~~certified statement from the Treasurer of the Association as to the amount for dues.~~ All such ~~forms~~ ~~authorization cards~~ shall be supplied by the City. The City shall process payroll dues deductions on a weekly basis and forward all such dues to the Treasurer of the Association.

- 4.2 In the event of change in the amount of dues during the term of this Agreement, the then Treasurer ~~or~~ ~~President~~ of the Association shall notify the City's Director of Human Resources in writing. After receipt of the same, dues as therein noted shall be deemed to have been authorized to be withheld on behalf of the employees who had previously signed ~~forms~~ ~~authorization cards~~. The City shall forward all dues so collected to the Treasurer ~~or~~ ~~President~~ of the Association on or before the 15th of the month following the month in which they were collected from the employees.

4.3 Any employee covered by this Agreement may, during the first two weeks in June on the year of expiration, cancel their authorization for dues deduction. Said cancellation shall be effective with fourteen (14) days prior written notice to the Association and the departmental payroll clerk. The Association will be given a copy of any dues cancellation notice prior to the cessation of dues withdrawal.

4.4 Union Security:

4.4.1 New employees not in the Association may join the Association after completion of the probationary period. The relationship between employees who choose not to join the union and the Association shall be governed by the Association's bylaws, including representation services and any associated fees.

4.5 Upon receipt of a written ~~form 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 ~~form authorization card~~.

4.6 The Association shall indemnify and hold the City harmless against any and all claims or suits which may arise out of or result from the deductions of said fees or other action taken pursuant to the Article, said indemnification to include all costs and attorney's fees resulting from any such claims or suits.

5. TIME OFF WHILE PERFORMING ASSOCIATION DUTIES:

5.1 Up to two employees shall be allowed time off, with pay, for meeting with City officials concerning Association business or for investigating grievances; provided, however, in the judgment of the City, such time off does not interfere with work flow requirements.

5.2 When asked by the City to respond to a specific request on short notice, the President or Vice-President of the Association and one (1) Executive Board member will be allowed up to one (1) hour off with pay or a reasonable amount of time given the location and circumstances that necessitate attendance by the Association; provided, in the judgment of the City, such time off does not interfere with work flow requirements.

6. MANAGEMENT RIGHTS AND DEPARTMENTAL RULES:

6.1 The City retains all rights and authority to manage and direct its

employees, except as otherwise specifically provided in this Agreement. The Association acknowledges the right of the City to make such rules and regulations governing the conduct of its employees as are not specifically inconsistent with the provisions of this Agreement. Such rules are subject to the parties' duty to bargain over mandatory subjects of bargaining under the Maine Municipal Public Employees Labor Relations Law except as provided in Article 34.

7. STRIKES, SLOWDOWNS, AND LOCKOUTS PROHIBITED:

- 7.1 The Association agrees that during term of this Agreement neither it nor its officers, Board of Directors or members will engage in, encourage, sanction, support or suggest any (1) strikes, (2) slowdowns, (3) mass resignations, (4) mass absenteeism, (5) picketing which would involve suspension of or interference with normal work of the City or (6) any other similar action which would involve suspension of or interference with the normal work of the City.
- 7.2 In the event that the Association and/or employees covered by this Agreement participate in such activities in violation of this provision, the City shall notify the Association in writing and the Association, through its President or some other authorized representative, shall immediately notify those employees so engaged to cease and desist from such activities and shall instruct those employees to return to their normal duties immediately. Such notification and instruction will be made in writing with a copy to the City Manager. In the event that any employee engages in any such activity they shall be subject to disciplinary action and/or dismissal by the City.
- 7.3 The City agrees not to engage in any lockout of employees during the term of this Agreement.

8. GRIEVANCE PROCEDURE:

- 8.1 Should the Association, or an employee, feel aggrieved concerning the interpretation or application by the City of any provision of this Agreement, the Association may seek adjustment of the grievance as follows:
 - 8.1.1 The Association, through its authorized representative, shall take up the grievance with the employee's immediate supervisor. The supervisor shall meet with the Association within three (3) working days of receipt of notification of the grievance from the Association. The Supervisor shall respond to the grievance within five (5)

working days of the meeting.

- 8.1.2 If the Association and the supervisor have not resolved the grievance, the Association may submit the details, including names, dates and other pertinent information to allow the City to reasonably understand the nature of the grievance, ~~of such grievance~~ in writing to the Department Head within five (5) working days after receipt of the supervisor's decision under Step 8.1.1. The Department Head shall meet with the Association within five (5) working days after the receipt of Association appeal. The Department Head shall respond in writing to the grievance within five (5) working days of the meeting.
- 8.1.3 Within five (5) working days of receipt of the Department Head's decision, the Association may appeal the decision to the Director of Human Resources by filing a copy of the written grievance and the Department Head's decision with the Director of Human Resources. The Director of Human Resources shall meet with the Association within ten (10) working days and provide the Association with a written response within (10) working days of the meeting.
- 8.1.4 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 Human Resources Director's decision with the City Manager. The City Manager shall meet with the Association within ten (10) working days and provide the Association with a written response within ten (10) working days of the meeting. In the event that the Supervisor, Department Head or Director of Human Resources fails to meet with the Association, or fails to respond to a grievance in writing within the time limits of this article, the Association may appeal the grievance to the next authority in the hierarchy listed in this article. Such appeal must be filed in accordance with the time limits set forth in this article.
- 8.1.5. In the event that the decision of the City Manager rendered pursuant to step 8.1.4 above is not acceptable to the Association, within ten (10) working days after receipt of the decision at step 8.1.4 the Association may request in writing that the matter be submitted to mediation. If the parties mutually agree that mediation is appropriate, a joint request to the Federal Mediation and Conciliation Service (FMCS) or the Maine Labor Relations Board will be made. If mediation is (i) not requested; (ii) does not resolve the grievance in its entirety, or (iii) the City declines to

mediate the parties may then proceed to arbitration. The decision by either party to request or decline mediation in any grievance shall not be used or held against either party in any future arbitration or grievance, nor shall it establish any precedent.

8.1.6 In the event that the decision of the City Manager rendered pursuant to 8.1.4 above is not acceptable to the Association, and/or the parties have exhausted all remedies including Mediation as set forth in 8.1.5 above, within ten (10) working days after receipt of the decision at Step 8.1.4 or within five (5) working days after mediation has occurred, it may request in writing that the matter be submitted to arbitration. The City and the Association shall 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, arbitration shall be had 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. All of the expenses of the arbitration shall be borne equally by the parties.

8.2 The time limits for processing of grievances may be extended by written consent of the parties. Step 8.1.1, 8.1.2, and 8.1.3 in the grievance procedure may be waived by written mutual consent of the parties.

8.3 At Steps 8.1.2, 8.1.3, and 8.1.4 of the grievance procedure, the Department Head, Director of Human Resources, or City Manager may designate a Deputy, Assistant, or other duly authorized representative to act on their behalf.

8.4 All grievances shall be commenced not later than thirty (30) days after the occurrence of the event giving rise to the grievance, or within thirty (30) days after the time such event became known to the Association or the employees or employees concerned, whichever shall be later.

8.5 Nothing in this Article shall diminish the right of any employee covered hereunder to present their own grievance up to Step 4 as set forth in Title 26, Maine Revised Statutes (M.R.S.) Section 967.

9. SAVINGS CLAUSE:

- 9.1 If any provision of this Agreement shall be contrary to any law or City Ordinance, such invalidity shall not affect the validity of the remaining provisions.

10. WAGES AND SALARIES:

10.1 Base Wages:

- 10.1.1 Employees in all pay grades will be paid pursuant to the pay plans attached as Appendix C1 - (FY2623), Appendix C2 - (FY27) and Appendix C3 - (FY28) and incorporated herein. ~~Pay plans for FY2724 - C2 and FY2825 - C3.~~

- 10.1.2 The aforesaid salary schedules consist of ~~thirteen~~eleven (1311) steps: a zero to one year step, six annual steps, a seven to ten year step, a ten to twelve year step, a twelve to fifteen year step, ~~a fifteen to twenty year step, a twenty to twenty-five year step and a twenty-five+ year step.~~ and a fifteen + year step. Employees progress on these salary schedules in accordance with time in position.

- ~~¶ 10.1.3 The City in its sole discretion may credit newly hired or promoted employees with experience for up to the 10 year step on the Salary Scale for similar work with similar scope and responsibility and for credentials and licenses above the minimum required for the job. The City shall notify the Union whenever employees are given such credit. Employees receiving such credit from the City for experience and credentials above the minimum required for the job that places them at a step on the pay plan beyond the first step and below the 10 year step shall advance to the next step in the pay plan in the timeframe designated between steps. Employees who start at the 10 year step on the pay plan shall advance to the 12 year step in the pay plan in their third year. At the time those employees are hired or promoted, existing employees in the same job title as the new or promoted employee, will be evaluated to determine whether they should receive credit on the salary schedule for reasons similar to those credited for the newly hired or promoted employee.~~

10.2 Evaluations:

- 10.2.1 Employees will be evaluated annually on their anniversary dates pursuant to the Performance Appraisal Program and the Employee Evaluation Form attached and incorporated as

Appendices D and E respectively.

10.3 Pay Day:

10.3.1 The parties agree to continue the practice of the Friday pay day unless mutually changed in writing.

10.3.2 All current and newly hired employees will have mandatory direct deposit for all monies owed by the City or they will receive a reloadable debit card.

10.4 The parties agree to meet and bargain over any additional cash or cash-equivalents that the City proposes to pay to Pro-Tech bargaining unit members outside of the collective bargaining agreement, including, but not limited to, bonus payments.

10.4.1 The City may continue to provide bonuses as part of its existing employee recognition and employee of the month programs, and may implement additional employee of the month programs in departments that do not have such programs as of July 1, 2023.

11. REGULAR HOURS OF WORK, OVERTIME/COMP TIME, CALL BACK PAY, AND NIGHT SHIFT DIFFERENTIAL AND HIGHER PAY FOR HIGHER CLASS WORK:

11.1 Regular Hours of Work:

11.1.1 Except as otherwise noted herein, the standard work week shall consist of 37.5 hours, excluding interruptions for lunch or meal periods. The scheduling of the week and hours of work for employees who are required to work a seven (7) day coverage shift shall be as determined by the appropriate Department Head.

11.1.2 Except as otherwise noted herein, the standard work day shall consist of seven and one-half (7 ½) hours per day as determined by the Department Head or designee; however, employees may be required to work additional hours when deemed necessary by the Department Head. Work schedules shall not be changed for the life of this Agreement, except for emergencies or for good cause, such as to achieve operating economies, to adjust to technological changes, to effect a change in work program, or to reflect a change in work site.

11.1.2.1 Two fifteen minute rest breaks will be allowed per shift,

one break on either side of the lunch or meal period.

11.1.3 Flexible work hours may be instituted with the approval of the appropriate Department Head. Approval shall not be withheld from an employee requesting flexible work hours for arbitrary or capricious reasons. In the event the change in work hours is not approved, and the employee requests an explanation for the denial, the Department Head or designee will provide the employee with the reason(s) for the denial in writing within ten (10) working days.

11.1.4 Public Works, Parks, Recreation and Facilities ~~Management~~ employees, Planning employees and part-time employees may be scheduled to work a regular shift in excess of seven and one-half (7 ½) hours, and such employees shall not be eligible for overtime except for hours worked in excess of forty (40) hours per week.

11.2 Overtime/Compensatory Time:

11.2.1 Overtime work in excess of the employee's regular work day, or the standard work week, shall not be voluntary on the part of the employees.

11.2.1.1 Any employee working a 37.5 hour regular work week will receive straight time pay for hours worked beyond their regular work day or work week that are not in excess of eight (8) hours per day or forty (40) per week. All hours worked in excess of eight (8) hours per day or forty (40) ~~hours~~ per week will be compensated at a time and one-half rate with the first five (5) hours being paid in ~~cash~~ ~~the form of compensatory time~~. These five (5) hours will be paid in ~~the form of compensatory time~~ ~~cash~~ only if the employee and the Department Head ~~with written prior approval of the City Manager, or designee,~~ mutually agree that it will be paid in ~~the form of compensatory time~~ ~~cash at the time and one-half rate~~.

11.2.1.2 Except as otherwise provided herein below, all other overtime shall be compensated in cash at the time and one-half rate.

11.2.1.3 All overtime must receive written authorization from the

Department Head or their designee prior to the performance of any overtime. The employee shall not be required to work overtime or be compensated for any overtime worked without prior written authorization.

- 11.2.1.4 No employee shall work, shall be required to work, or shall be permitted to work any time outside their regular work day or their standard work week without recording such time worked on the Department's official records and being compensated at the appropriate rate.
- 11.2.2 There shall be an option for voluntary work not consisting of the affected employee(s) normal work assignments as determined by the Department Head. If the voluntary special work assignment is accepted, the Department Head shall have the final discretion, after conferring with the affected employee(s) as to their payment preference, in determining the method of compensation to be paid at the employee's appropriate rate of pay. Any special work assignment shall be posted in the applicable Department and, if the interested employees are qualified, then the selection shall be made by seniority on a rotation basis. If a qualified employee elects not to perform the special work assignment, for the purposes of the rotation list, it shall be considered worked. In other words, the rotation list once begun does not provide for exceptions.
- 11.2.3 Except as otherwise provided herein where overtime is to be paid, a monetary rate or the equivalent in compensatory time, of one and one-half (1 ½) times the base hourly rate shall be paid for all work performed by employees covered by this Agreement during the work week in excess of forty (40) hours per week or eight (8) hours per day, but not for both.
- 11.2.4 For purposes of this section "Hours Worked" shall mean the following:
 - 1. Hours actually worked for the City of Portland in a position covered by this Agreement.
 - 2. Hours compensated for by holiday base pay.
 - 3. Hours compensated for by bereavement leave.
 - 4. Compensatory hours earned and used in accordance with this Article.
 - 5. Hours compensated for by vacation pay.

6. Hours compensated for by Earned Paid Leave (EPL)
7. Hours compensated for by city closure.
8. Hours compensated for by non-disciplinary or pre-disciplinary paid administrative leave.

11.2.5 For the purposes of this section, "Hours Worked" shall not include:

1. Hours compensated for by jury pay.
2. Hours compensated for by reserve service leave.
3. Hours compensated for by sick leave pay.
4. Hours compensated for by personal leave pay.
5. Hours compensated for by Holiday premium pay.
6. Hours compensated for by call-back pay.
7. Hours compensated for by disciplinary paid administrative leave.

11.2.6 An employee shall be entitled to ~~accrue~~~~accumulate~~ up to a maximum of ~~one hundredforty-five (10045)~~ hours of compensatory time ~~during the calendar year beginning with the first full week in January.~~ Any overtime worked subsequent to ~~the accrual~~~~accumulation~~ of ~~one hundredforty-five (10045)~~ hours of compensatory time ~~in the calendar year~~ shall be compensated by cash at time and one-half. All accumulated compensatory time will be cashed out on the ~~last~~~~first~~ pay date in December of each year.

When an employee is to separate from City employment, they shall be provided with a reasonable opportunity to use all accumulated compensatory time prior to separation, provided that the employee:

- (1) shall give sufficient notice of separation to permit use of such accumulated compensatory time as they desire to use and;
- (2) provided that all severance obligations are met prior to severance.

Any dispute as to whether the City provided a reasonable opportunity to use accumulated compensatory time will be subject to the grievance and arbitration procedure and, in the event that it is determined that a reasonable opportunity was not provided, the employee may be awarded monetary

compensation. Scheduling of compensatory time shall be on the same basis as scheduling of vacation leave under Article 13, VACATIONS.

11.3 Call Back Pay:

- 11.3.1 If an employee is called to work before the start of a regularly scheduled shift, ~~they~~~~he~~ shall be paid for all such hours worked at time and one-half with a minimum of two (2) hours at straight time to be paid.

11.4 Differential:

- 11.4.1 Except as provided in 11.4.2, 11.4.3, or 11.4.4 below, employees who work a night shift on a regular basis with fifty percent (50%) of the regular hours being worked after 6:00 p.m. shall receive a shift differential allowance of forty five cents (\$.45) per hour for the entire night shift. Employees who work a night shift on a regular basis with fifty percent (50%) of regular hours being worked after 11:00 p.m. shall receive a shift differential allowance of sixty-five cents (\$.65) per hour for the entire night shift.

- 11.4.2 Barron Center employees whose regular schedule includes a Saturday or Sunday will receive an additional \$1.00 per hour for the hours worked on that day.

- 11.4.3 Principal Registered Nurses at the Barron Center are eligible for the following shift differentials:

Weekday evenings (2 nd shift)	\$2.00 per hour
Weekday nights (3 rd shift)	\$3.00 per hour
Weekend days	\$2.00 per hour
Weekend evenings	\$3.00 per hour
Weekend nights	\$5.00 per hour

- 11.4.4 Parks, Recreation & Facilities employees who work a night shift shall receive a shift differential allowance of forty five cents (\$.45) per hour for hours worked after 6:00 p.m. and a shift differential allowance of sixty five cents (\$.65) per hour for hours worked after 11:00 p.m.

- 11.4.5 Jetport employees whose regular schedule includes a Saturday or Sunday will receive an additional \$.50 per hour for the hours worked on that day.

- 11.4.6 Jetport employees who work an evening or night shift will receive a differential as follows:

2nd shift (Shift starts at or after 12:00 PM up until 5:00 PM) \$.90 per hour

3rd shift (Shift starts after 5:00 PM and before 4:00 AM) \$1.30 per hour

11.5 Higher Pay for Higher Classification of Work:

- 11.5.1 An employee may be temporarily assigned to work in any position in a higher classification, if the need arises during a workday. Any employee who is temporarily assigned to work of a higher classification for which a higher rate of pay is applicable shall, if they perform such work for a minimum of one full hour, be paid at the minimum of the higher range or 3% above the employee's regular base wages, whichever is greater.
- 11.5.2 Payments made under this provision shall be for hours actually worked in the higher classification. Non-productive time such as holidays and sick and vacation leave shall not be compensated for at the higher rate.
- 11.5.3 Should an employee be temporarily assigned to work in any lower classification, they shall not suffer any reduction in their negotiated rate of pay while working.

11.6 Stand-by Pay

- 11.6.1 The stand-by payment will be one and one half (1.5) hours of pay at the employee's regular rate of pay per day on weekdays, weekends and observed holidays. In order to qualify for this payment, employees must be designated by their Department Head, or designee, to be on stand-by. The Department Head will make stand-by assignments from qualified volunteers when possible. The length of time they are designated to be on stand-by will be determined by the Department Head or designee. While on stand-by employees will be expected to be available to respond to calls ~~carry a beeper~~ and may respond to questions over the phone. They are also expected to report to the work site as needed. They will be paid in accordance with Article 11.3.1 if it is necessary for them to report to the work site. Except for these requirements employees are free to go about

their activities as usual.

12. HOLIDAYS:

12.1 The following ~~days~~ **holidays** shall be paid holidays for all employees covered by this Agreement:

- | | |
|---------------------------|--------------------------------|
| 1. New Year's Day | 8. Labor Day |
| 2. Martin Luther King Day | 9. Indigenous People's Day |
| 3. Presidents Day | 10. Veteran's Day |
| 4. Patriot's Day | 11. Thanksgiving Day |
| 5. Memorial Day | 12. Day after Thanksgiving Day |
| 6. Juneteenth (June 19th) | 13. Christmas Eve (1/2 day) |
| 7. Independence Day | 14. Christmas Day |

12.2 If any of the above holidays falls on a Sunday, the following Monday shall be the observed holiday. If it falls on a Saturday, the preceding Friday shall be the observed holiday.

12.3 For seven-day coverage employees, the Christmas and New Year's Day holidays will be celebrated on the actual holiday, not the day of observation.

12.4 For employees whose scheduled work week is the five days, Monday through Friday, the ½ day Christmas Eve holiday is to be observed only when the Christmas holiday falls on a Tuesday, Wednesday, Thursday or Friday.

12.5 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. This applies to part-time employees only if the observed holiday falls on an employee's regular work day.

12.6 **For permanent full-time employees, full-day holidays that fall on an employee's regularly scheduled day off and they do not work the holiday, they may elect to receive one of the following:**~~If a holiday falls on an employee's regularly scheduled day off, the employee will receive equivalent hours of base Holiday pay providing that employee is a full time (37.5 or 40 hour) employee.~~

- (1) **equivalent hours of base holiday straight time pay equal to the number of hours the employee normally works in a day during the week in which the holiday occurs;**

- (2) a full day off with pay in the same work week in which the holiday occurs.

Requests for a specific day off with pay in the same work week must be approved by the employee's supervisor or designee and may be denied and an alternative day selected if multiple employees request the same day off or operational needs prevent approval of such request.

12.7 Part-Time Employees: All part-time employees regularly scheduled to work 18.75 hours per week or more shall be entitled to holiday pay only if an observed holiday falls on their regularly scheduled workday. Except as provided in 12.9 below, they shall be paid only for the number of hours which they are regularly scheduled to work on that day of the week.

12.8 Holiday Premium Pay: Except as provided in Appendix B for part-time employees, employees who are required to work on an observed holiday (or the actual New Year's Day holidays in the case of seven day coverage employees) shall be paid their base holiday pay plus one and one-half (1-1/2) times their regular rate in cash or, at the employee's option in compensatory leave for all hours worked during the normal work shift of that employee. The use and disposition of compensatory leave upon separation shall be the same as provided in Paragraph 11.2.7 of "REGULAR HOURS..."

12.8.1 Employees who work on the actual Holiday on Thanksgiving Day or Christmas Day shall be entitled to their base holiday pay plus double their base hourly rate for all hours worked.

12.8.2 Any hours worked in excess of the number of hours the employee is normally expected to work during the above-described holiday period (12.8) shall be compensated at a rate of two (2) times the employee's base hourly rate.

12.9 Employees who work schedules other than the standard work schedule will receive base holiday pay equal to the number of hours the employee would be scheduled on the holiday.

13. VACATIONS:

13.1 Vacation leave shall be earned at the rate of .72 hours per week in the first through the second year of service; 1.44 hours per week in the third through the sixth year of service; 2.16 hours per week in the seventh

through nineteenth year of service; and 2.88 hours in the twentieth and succeeding years of service. ~~The weekly earnings rate shall be adjusted in the final week of the calendar year in accordance with the annual accrual amounts of 37.5 hours, 75 hours, 112.5 hours and 150 hours.~~

- 13.2 Vacations shall be ~~approved or denied~~~~scheduled~~ by the Department Head so as not to interfere with normal work-flow requirements as determined by said Department Head. Subject to the foregoing, seniority of employees within the division will be the basis for scheduling vacations.

13.3 Maximum Accumulation:

Employees may accumulate, or carry over, earned vacation time on the following basis:

- a. All employees may accumulate up to a maximum of 200 hours of vacation leave. The payout for vacation leave for this section will be a maximum of 160 hours.
- b. 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 16.6.
- c. In determining the amount of vacation time an employee can accumulate, only continuous permanent service shall be considered.¶
- d. ~~¶ Pro ration of the above vacation earnings and accumulation for employees working less than a 37.5 hour week shall be as determined by the Director of Human Resources.~~

- 13.4 Vacation Call-In Pay: Employees who are actually on scheduled vacation and are called in to work once the vacation has started shall be paid at a rate of two and one-half (2 ½) times their regular hourly rate for all hours worked up to eight (8) hours. Any hours worked in excess of eight (8) hours during vacation call-back time shall be compensated at a rate of three (3) times the employee's regular hourly rate. In addition, the employee called in from vacation shall have their time lost from vacation rescheduled.

13.54 Earned Paid Leave

- 13.54.1 Upon execution of this Agreement and 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.

- 13.54.2 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.
- 13.54.3 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 13.2.
- 13.54.4 ~~Employees hired prior to January 1, 1979 shall be compensated for all accumulated vacation leave and EPL at the time of separation with a combined maximum payout of 240 hours. Employees hired on or after January 1, 1979 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.~~
- 13.54.5 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: 1.44 hours per week in the first through the second year of service; 2.16 hours per week in the third through the sixth year of service; 2.88 hours per week in the seventh through nineteenth year of service; and 3.60 hours in the twentieth and succeeding years of service.

14. INSURANCE:

14.1 Life Insurance:

- 14.1.1 The present practice with respect to City and Pro-Tech employees' participation in the cost of MainePERS Basic Group Life Insurance and Accidental Death and Dismemberment Insurance will

continue. Dependent and Supplemental life insurance is also available at the employee's expense for those who participate in the group life insurance plan. The City reserves the right to obtain benefits substantially equivalent to the basic Maine Public Employees Retirement System Group Life Insurance Plan from an alternative source and to offer said alternative plan on the same terms as above during the life of this Agreement.

- 14.1.2 The City agrees to continue life insurance deductions on a pre-tax basis as provided by the Internal Revenue Service.

14.2 Medical Insurance

- 14.2.1 The City provides a self-insured health insurance benefits program with claims administration by a third-party administrator. The City reserves the right to implement changes to this primary plan that are recommended by the Health Insurance Advisory Committee and approved by the City Manager. The City's health plan has been implemented incorporating the principles of a value-based insurance design.

- 14.2.1.1 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.

- 14.2.1.2 The City 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.

- 14.2.1.3 A member of the Pro-Tech bargaining unit shall be appointed to serve as the Pro-Tech employee representative on the Health Insurance Advisory Committee. The parties agree to participate in quarterly Labor/Management Advisory meetings to review claims experience data, evaluate the effectiveness of plan design changes, and discuss other health benefit issues of concern to either party.

- 14.2.2 ~~For employees who are hired into a permanent position on or after March 1, 1985, the City will pay the full cost of the medical insurance premium for an individual subscription per employee and for one half (1/2) of the cost of the family subscription for an employee who is eligible for and who elects to have said family~~

~~medical insurance 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 said family medical insurance.~~ The City will pay 85% of the medical insurance premium for an individual subscription per employee. Annually, the employee will have the opportunity to earn up to a 15% premium credit by meeting five (5) requirements of the City's wellness program. 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 said family medical insurance.

- 14.2.3 Employees who are members of the same family and eligible for more than one family subscription will be entitled to full or part payment, as appropriate, from the City for no more than one family subscription, with other family members entitled only to individual subscriptions. Said subscription shall be on the same terms and conditions as specified in this section.
- 14.2.4 The City will provide the Association 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.
- 14.2.5 The City shall begin payment on health insurance premiums on the first of the month following the employee's date of hire. Upon separation, any balance due for that month's employee premium will be deducted from the employee's final paycheck or balance billed if the final paycheck is insufficient to cover the amount due.
- 14.2.6 Re-opener: Notwithstanding any provision of this Agreement, either party may reopen this health insurance article and the salary article. The salary article shall only be reopened if the health insurance article is renegotiated and results in increased costs to employees and upon request of either party.
- 14.2.7 The City agrees to continue dependent care health benefit deductions on a pre-tax basis as provided by the Internal Revenue Service. The City further agrees to continue pre-tax health care flexible spending accounts as provided by the Internal Revenue Service.
- 14.2.8 Except as provided in 14.2.910.1 below, the City agrees to

continue health care benefit deductions on a pre-tax basis as provided by the Internal Revenue Service.

- 14.2.9 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. The tax treatment of the domestic partner portion of health benefits coverage shall be governed by state and federal law as well as the Internal Revenue Service (IRS).

14.3 Income Protection and Dental Insurance Deductions:

- 14.3.1 The City agrees to provide an income protection plan of its own choosing for employees and to permit employees to participate in such programs at their own cost and through payroll deductions. The City reserves the right to modify its income protection plan at any time.
- 14.3.2 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; employees may enroll a domestic partner on the plan providing the employee satisfied 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.

15. PENSIONS:

- 15.1 The City is a participating local district under the Maine Public Employees Retirement System (MainePERS). Permanent/project employees who work a normal work week of 21 hours or more per week are required to join the retirement system program in accordance with the MainePERS Rules, or join the City's alternative 401(a) plan as provided below. **Transfers between MainePERS and the 401(a) plan may only be made in compliance with MainePERS laws and rules.**~~The employee's decision to join either plan may be irrevocable for all periods of employment with the same employer as per MainePERS laws and rules.~~
- 15.1.1 The City shall continue to participate in the Maine Public Employees Retirement System (MainePERS) Regular Plan, **Rule 94-411, Chapter 803, Sec. 7, Paragraph 1 (Regular Benefit Plan AC).**~~as described in M.R.S. Sec. 18451-A ("AC Plan") The City~~

~~further agrees to continue to participate in the cost of pension payments under the options presently in effect. The MainePERS Board of Trustees may establish by rule the rate at which members (employees) who participate in the AC Plan, and the City as an employer, contribute to that plan.~~

15.1.2 The City currently offers a 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 (MainePERS) 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. ~~The employer contribution rate shall be 7.5%. For all employees who began employment before July 1, 2019, the employee contribution rate is 7.8%. For all employees who began employment on or after July 1, 2019, the employee contribution rate is 7.5%. The employee contribution rate shall be 7.05% and the employer contribution rate shall be 7.5%.~~

15.2 The City agrees to continue to participate in a qualified deferred compensation plan for permanent part-time employees who work 20 hours or less per week. The deferred compensation plan provides for immediate vesting and optional withdrawal of the account balance upon the employee's termination.

15.3 The City agrees to continue pension deductions on a pre-tax basis as provided by the Internal Revenue Service.

16. SICK LEAVE:

16.1 Sick leave shall accrue at the rate of 1.73 hours ~~(1.85 hours per week for employees whose standard hours are 40 hours per week)~~ for each full payroll week of service accumulative with unlimited accumulation. ~~Full-time employees that work three (3) 12.5 hour shifts shall accrue at a rate of 2.884 hours per week. The weekly earnings rate shall be adjusted in the final week of the calendar year in accordance with the annual accrual amount of 90 hours.~~

16.2 Employees who have been injured while performing an official duty shall be paid for the time lost on the day of injury. Such pay will not extend beyond the normally scheduled work shift, exclusive of compensatory time. Such time lost will not be charged to sick leave.

16.3 Sick leave may be used only in the following cases:

- a. Personal illness or physical incapacity, including pregnancy or related disability (including, but not limited to, miscarriage, abortion, childbirth, child-rearing, and recovery therefrom), which is defined as a condition of such a degree as to render the employee unable to perform the duties of their assigned position, or of any other work the employee is capable of doing and to which they are assigned, provided the employee accepts such other assignment. If requested, the employee shall furnish the Department Head a certificate from the attending physician.
- b. Attendance upon members of the family within the household of the employee, including relatives of the 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 Department Head a certificate from the attending physician.
- c. Attendance upon members of the immediate family not living within the household, including relatives of the domestic partner, when the provisions of Article 18.7 are met. Such requests will be processed as Family Medical Leave requests and all provisions of Article 18.7 will apply to such requests.
- d. Scheduled medical and/or dental appointments.

16.4 Employees who wish to use sick leave to care for a domestic partner or member of their family in accordance with 16.3 about must satisfy the City's eligibility requirements for claiming an individual as a domestic partner, including domestic partner and their relatives who live within the household of the employee.

16.5 Abuse of sick leave shall be grounds for disciplinary action.

16.6 Conversion to Vacation Leave:

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 six days (45 hours) of accrued sick leave to five days (37.5 hours) of vacation leave. (For 40 hour work week employees, they may elect to convert 48 hours of accrued sick leave to 40 hours of vacation leave).

Alternatively, an employee who has 12 or more years of permanent City

service and a sick leave balance of no less than 720 hours, may elect to convert six days (45 hours) of accrued sick leave to five days (37.5 hours) of pay at their regular hourly rate. (For 40 hour work week employees, the sick leave balance must be 768 hours and they 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.

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 the standard work week of 37.5 hours, and the proration of the above conversion rates for part-time employees.

16.7 Conversion to personal leave:

Any permanent employee working the standard work week who has been employed by the City for twelve (12) consecutive months as of the beginning of the fiscal year is eligible to convert up to two (2) days or sixteen (16) hours of previously earned sick leave to an equivalent amount of personal leave. Eligible employees may make that election during the months of July for that fiscal year. Employees who reach their one (1) year anniversary during the fiscal year may make their election during their anniversary month for that year only.

Sick 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. At the end of each fiscal year, each employee may elect one of the following options: (1) convert unused personal leave to sick leave; or (2) retain unused personal leave for use in the next fiscal year; or (3) convert additional sick to personal leave, but in no event shall the employee's personal leave balance exceed two (2) days at any time. Neither conversion of sick leave to personal leave or the subsequent use of personal leave under this section shall be considered to be use of sick leave for purposes of Section 16.5.

The employee will give the Department Head or designee as much advance notice of the use of personal leave as the circumstances permit;

and in any case the employee will notify the Department Head 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.

17. LEAVES OF ABSENCE:

17.1 Short-Term Leave of Absence:

17.1.1 A regular employee may be granted a leave of absence without pay by a Department Head when approved by the Director of Human Resources, for a period deemed necessary by the employee for the purpose of the leave, but not in excess of sixty (60) days. The employee requesting such leave must make a written request at least two (2) weeks in advance of the date the leave is requested to begin, unless the reason for such a leave is of such an emergency nature as to preclude this requirement.

17.2 Special Leaves (Long Term):

17.2.1 The City Manager, upon the recommendation of the Department Head and the Director of Human Resources, may authorize special leaves of absence with or without pay for any period or periods not to exceed one (1) calendar year for the following purposes: attendance at college, university or business school for the purpose of training in subjects relating to the work of the employee and which will benefit the employee and the City service; urgent personal business requiring the employee's attention for an extended period, such as settling an estate, liquidating a business; or for purposes other than the above that are deemed beneficial to the City service. The employee requesting such special leave must make written request at least two (2) weeks in advance of the date leave is requested to begin, unless the reason for such leave is of such an emergency nature as to preclude this requirement.

17.3 Extended Medical Leaves of Absence:

17.3.1 Should an employee not be eligible for or have otherwise exhausted other available leave, such as FMLA, or require an

extension of leave due to a disability or serious health condition, the employee may be eligible to take a leave of absence pursuant to this section where medically necessary. All leave requests will be reviewed pursuant to applicable state and federal law including but not limited to the Family and Medical Leave Act and the Americans with Disabilities Act.

~~The initial period of disability leave will be processed as Family Medical Leave under state and/or federal law where applicable. Should an employee not be eligible for or have otherwise exhausted other available leave, such as FMLA, or require an extension of leave due to a disability or serious health condition, the employee may be eligible to take a leave of absence pursuant to this section where medically necessary. All leave requests will be reviewed pursuant to applicable state and federal law including but not limited to the Family Medical Leave Act and the Americans with Disabilities Act. Pursuant to the Americans with Disabilities Act (the "ADA") and other applicable Maine law, the City shall provide a reasonable accommodation for a qualified employee with a disability, unless such accommodation would cause an undue hardship on the City. In some instances, a reasonable accommodation may take the form of an extended unpaid leave of absence. The employee must inform the City of the need for an accommodation and should do so as soon as practicable upon becoming aware that a workplace barrier exists. If the need for an accommodation is not obvious or the employee has not already provided information to substantiate their qualifying medical condition, the City may request documentation of the individual's medical condition. The City may request clarification concerning the nature of the medical condition and the employee's limitations in order to identify an appropriate reasonable accommodation. The City and the employee shall engage in an interactive process to determine an effective reasonable accommodation within as quick a timeframe as is practicable under the circumstances.~~

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~~If leave is determined to be necessary, the initial period of disability will be processed as Family Medical Leave twelve (12) weeks under the Federal law or ten (10) weeks under the Maine law, if the disability is a serious health condition as defined by the Family Medical Leave Act and the employee is otherwise eligible:~~

- 17.3.2 Except for emergencies, the employee shall submit written notification to their respective Human Resources representative at

least two (2) weeks prior to their anticipated departure stating the probable duration of the leave. The Human Resources representative may require the employee to provide a statement from their physician setting forth (a) the anticipated duration of the disability, and (b) whether they may continue to perform their work assignments.

- 17.3.3 Upon written request of the employee submitted to their Human Resources representative at least two (2) weeks prior to the expiration of the granted leave, and at the discretion of the City Manager, after recommendation of the Department Head and the Director of Human Resources, a disability leave of absence without pay may be extended or renewed for an additional period of time.
- 17.3.4 Disability leaves of absence, including extensions and renewals, will not be approved in excess of twelve (12) months from the start of the leave. At the expiration of the twelve months, any requests for extension beyond twelve (12) months will be evaluated according to physician recommendations and in accordance with applicable law.
- 17.3.5 Accumulated sick leave benefits shall be applied to any portion of the requested or required leave so eligible, but cannot be used to extend a disability leave beyond the twelve (12) month period.
- 17.3.6 Disabilities caused or contributed to by pregnancy are, for all job-related purposes, temporary disabilities. Requests for pregnancy leave shall be made under paragraph 17.3.1, Disability Leave.
- 17.4 Failure on the part of an employee to return to work on the expiration of the granted leave without having arranged for an extension or absence from work without a written request for an approval of an extension of the leave shall be deemed a resignation from service.
- 17.5 Employee's requests for leaves of absence under this Article shall not be denied in an arbitrary or capricious manner, **but remain discretionary with the City except where required by state and/or federal law.**
- 17.6 For leaves of absence taken in accordance with this article, the City will continue the employee's health insurance coverage, and the employee may use accrued sick or vacation credits during such leave. The employee will accrue holiday, vacation or sick leave credits during the first twelve

(12) weeks of such leave, regardless of whether or not the employee is using any accrued sick or vacation leave during such time. After the first twelve weeks, there will be no further accrual of holidays, sick or vacation leave. Seniority, however, will accrue during the term of the leave.

18. OTHER LEAVE:

18.1 Bereavement Leave: An employee shall be excused from work for up to five (5) work days because of death of a child, spouse, parent, domestic partner or child of domestic partner, ~~and up to three (3) calendar days because of death in their immediate family, as defined below, and one (1) calendar day because of death in their extended family, as defined below,~~ and shall be paid their regular rate of pay for the scheduled working hours missed. Hours paid per day under this Article will equal the number of hours the employee is regularly scheduled to work that day. ~~It is intended that this time off be used for the purpose of handling necessary arrangements and attendance at the funeral.~~ Immediate family is defined to mean foster children, ~~siblings~~brothers, sisters, half-siblings ~~brothers,~~ half-sisters, ~~parent~~mother-in-law, ~~father~~-in-law, grand-parents, grandchildren, step-children, step-parents, ~~siblings~~sister ~~in-law,~~ brother-in-law, and other relatives living in the employee's household. ~~Extended family is defined as uncles, aunts, first cousins, nieces, and nephews.~~ Immediate and extended family also includes members of a domestic partner's family similarly related providing the employee meets the City's eligibility requirements for claiming an individual as a domestic partner. An employee may use up to three (3) more days of bereavement leave, chargeable to sick leave, immediately annexed to the first three (3) calendar days if in the sole opinion of the Department Head the additional time is needed for travel or because of other extenuating circumstances.¶

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~~18.2 Funeral Leave: In the event of the death of an uncle, aunt, first cousin, niece, or nephew, one (1) day (the employees' regular scheduled hours for that day) may be used for attendance at the funeral. One day of funeral leave may be used to attend the funeral of a relative of a domestic partner providing the employee meets the City's eligibility requirements for claiming an individual as a domestic partner.~~

18.23 Jury/Witness Duty Leave:

18.23.1 An employee shall be excused from work when required to respond to a summons for jury duty, to serve as a juror, or to attend court for prospective jury service. In such cases, the City agrees to pay the employee the difference between their regular pay and juror's pay, under the following procedure:

- a. The employee will continue to be paid their regular weekly wages during the time they are fulfilling their obligations as a juror.
- b. The employee will provide the City with an official statement of their juror's pay as soon as possible.
- c. If such juror's pay is less than the employee's regular pay for the period served as a juror, the employee shall submit to the City the entire amount of the juror's pay.
- d. If such juror's pay is equal to or greater than the employee's regular pay for the period served as a juror, the employee shall submit to the City that amount of the juror's pay which is equal to the amount paid to them by the City for the period served as a juror.

18.23.2 Employees who are subpoenaed to appear as a witness in a case, other than as a plaintiff, shall be excused from work and shall be paid their regular weekly wages during the time they are required to be at court to be a witness. The employee agrees to turn over all witness fees received for such appearances and to turn over such fees to the City upon its receipt on the same terms outlined in Paragraphs (c) and (d) above.

18.23.3 Employees required to report for possible jury duty or as a witness agree to inform the City as soon as possible of such notice to report and any subsequent obligations and to return to work promptly after such jury or witness duties are completed.

18.34 Military Leave: Military leave and any right to re-employment after such leave shall be available to employees under the terms and conditions of applicable federal and/or state law. Any person restored to service under such law shall be restored with accrued seniority. However, no vacation, sick leave or other benefits shall accrue during the period of the employee's absence while in the military service to the point of restoration to City service.

18.45 Reserve Service Leave: Reserve service leave shall be available to employees who are members of the organized military reserves or National Guard, under the terms and conditions of applicable federal and/or state law. For any period of Reserve Service Leave of up to three (3) weeks in any calendar year, the City will pay the difference between

the employee's total service pay for said field duty and the employee's regular compensation, the sum of both payments to equal the regular week's pay of the employee had they been in the City service during this period. The employee using Reserve Service Leave shall furnish their Department Head with an official statement of reserve service pay received.

18.56 Any disputes as to rights under applicable federal and/or state law in regard to military leave and reserve service leave are not arbitrable but may be determined by a court of competent jurisdiction.

18.67 Family Medical Leave:

18.67.1 FMLA leave is governed by the requirements of the state and/or federal FMLA laws, as they apply. ~~Consistent with the applicable state or federal Family and Medical Leave law, employees may be eligible for unpaid, job protected leave of up to twelve (12) weeks.~~ Requests for leave pursuant to this provision shall be made to the appropriate department Human Resources representative and will be administered in accordance with the applicable law, as may be amended from time to time. An employee who has been employed for twelve (12) consecutive months and has worked 1250 hours in the last twelve months may be entitled to up to a total of twelve (12) weeks of Family Medical Leave in any twelve (12) month period. The twelve month period during which Federal FMLA leave this entitlement may occur is measured backward from the date of the employee's current request for leave to begin. ~~The leave shall be an unpaid leave unless the Employees may elects to use accumulated vacation leave or accumulated sick leave during a family or medical leave, if permissible under applicable law.~~ The employee must give at least 30 days' notice of the intended date upon which Family Medical Leave will commence and terminate, unless prevented by medical emergency from giving that notice. ~~Leave may be consecutive, intermittent, or on a reduced hour schedule if the employee and the City agree, or if medically necessary.~~ Upon request, 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.~~



~~18.67.1.1 Employees may obtain specific information pertaining to state and/or federal FMLA laws, requirements, benefits, definitions and/or scope of FMLA changes through the Department of Labor (DOL) web site, which may be accessed by www.portlandmaine.gov > Departments > Human Resources > Policies > Family Medical Leave > U.S. Department of Labor.~~



~~18.67.2 Employees who request to use Family Medical Leave for the purpose of caring for a domestic partner or child or parent of a domestic partner must satisfy the City's eligibility requirements for claiming an individual as a registered domestic partner.~~

19. UNUSED SICK LEAVE UPON RETIREMENT, LAYOFF, RESIGNATION, OR DEATH:

19.1.1 Retirement and Resignation Benefits

For retiring and resigning employees of good standing with at least three (3) but less than ten (10) years of continuous permanent service with the City, payment shall be one-fifth (1/5) of accumulation with a maximum payment of twenty-four (24) days; for retiring and resigning employees of good standing with at least ten (10) but less than twenty (20) years of continuous permanent service with the City, payment shall be one-half (1/2) of the accumulation with maximum payment of forty-five (45) days; for retiring and resigning employees of good standing with twenty (20) or more years of continuous permanent service with the City, payment shall be one-half (1/2) of the accumulation with maximum payment of ninety (90) days.

Good standing is considered to be at least two (2) weeks' notice of resignation or retirement. ~~When an employee retires from continuous permanent active service with the City and is immediately eligible for retirement benefits, they shall be entitled to receive an amount equal to their salary at the time of retirement for one half (1/2) of the accumulated sick leave up to a maximum of ninety (90) days of pay, provided the employee has a minimum of sixty (60) days of unused sick leave accumulated. Retiring employees with less than sixty (60) days shall not receive any payment.~~

19.1.2 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 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.

19.2 In the event of death before retirement ~~or resignation~~ of an employee covered by this Agreement, unused sick leave shall be paid, subject to the limitations set forth above ~~for retiring persons~~, as follows:

19.2.1 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 to such payment.

19.2.2 If there is no such designated beneficiary on file, then payment shall be made to:

- a. If said employee leaves a widow or widower, with whom they were living with at the time of death, then to such widow or widower.
- b. If no such widow or widower, then to any surviving child or children in equal parts (including adopted children), or in the case of a minor child or children, to the guardian thereof.
- c. If no such widow, widower, child or children, then to the surviving parent, or parents, if any, of such employee.
- d. If no such survivors under paragraphs a-c above, then to the estate of the employee.

19.3 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 unused sick leave balance, up to the maximum of one hundred eighty (180) days, in the order outlined in paragraph 19.2 above.¶

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~~19.4 For resigning employees of good standing with more than three (3) but less than ten (10) years of continuous permanent service with the City,~~

~~payment shall be one fifth (1/5) of accumulation with a maximum payment of twenty four (24) days; for resigning employees of good standing with ten (10) or more years of continuous permanent City service, payment shall be one half (1/2) of the accumulation with maximum payment of forty five (45) days. A good standing resignation is considered to be two (2) weeks' notice of resignation.~~

20. CLOTHING:

- 20.1 The City will continue to provide lab coats to Public Health staff upon request. Replacement shall be provided by the City on an "as needed" basis as determined by the Director of Health and Human Services or their designee. Said Director or designee shall determine what is required and may promulgate guidelines concerning clothing which are not inconsistent with this Agreement.
- 20.2 The employees agree that uniforms and/or clothing furnished to them by the City shall be worn while on duty for the City and only while on City duty. The employees further agree that such clothing shall be reasonably maintained to present a neat and clean appearance.
- 20.3 The City will provide the Aquatics ~~staff~~**Supervisor** with one (1) pair of gloves, one (1) pair of boots, two (2) pairs of coveralls, or one (1) rain jacket and one (1) pair of rain pants **and (3) T-shirts**. Thereafter, replacements will be made at the discretion of the Director of Parks, Recreation and Facilities or their designee.
- 20.4 Individual Division Heads shall have the authority to determine appropriate footwear and outerwear for employees in their divisions. The City agrees to pay a lump sum payment of two hundred **and fifty** dollars (\$~~2500.00~~) per fiscal year for the purchase of OSHA and ANSI approved safety footwear and eyewear for all engineering personnel covered by the Department of Public Works Safety Work Rule on work boots.

In addition, the following positions will also receive a lump sum payment of two hundred **and fifty** dollars (\$~~2500.00~~) per fiscal year for the purchase of OSHA and ANSI approved safety footwear and eyewear:

Facilities **Coordinator (HHS)**
Facilities Manager
Technical Director
Assistant Technical Director
Development Review Coordinator
Airport **Project** Engineer

HSC Shelters
HSC Case Managers
Project Manager
City Arborist
HVAC Coordinator
Marijuana Compliance Officer

Airport Operations Coordinator
Airport Operations Duty Officer
Airport Operations Supervisor

IT Network Technician
IT Systems Technician -Jetport

Footwear purchases may include inserts. Employees are expected to report to work with the appropriate safety footwear necessary to perform their job. Engineering, the IT Network Technician, IT Systems Technician, Facilities Tech Coordinator and Facilities Management employees whose job requires them to work outside for extended periods of time may use a portion of their annual footwear allowance to maintain or supplement the initial purchase by the City of outerwear consisting of either an insulated jacket or insulated coveralls (Carhartt or like).

20.4.1 The City will provide an insulated jacket or insulated coveralls to new Engineering employees upon completion of their probationary period.

20.5 The parties mutually agree that the City shall provide three (3) long sleeve shirts and three (3) pairs of pants to the Parking Garage Site Manager. The employee shall maintain such clothing to present a neat and clean appearance. This clothing shall be worn while on duty for the City and only while on duty for the City. Replacements shall be provided by the City on an "as needed" basis as determined by the Parking Manager or their designee up to a maximum of 3 uniforms per year. A jacket is also provided to the employee in the above job classification for wear at the worksite. The jacket is left in the office area at the end of the work day.

20.6 The Public Works Director may extend the provisions of 20.4 to non-engineering personnel whose work involves regular exposure to foot hazards. The appropriate Division Head will determine what constitutes appropriate footwear.

20.7 Employees eligible for the safety footwear will receive a lump sum payment of two hundred and fifty dollars (\$250.00) the first full pay period each July for the purchase of safety footwear or eyewear. Any new employees will receive the lump sum payment after the six month probationary period has been met and then annually in July. There are no rollover provisions for safety footwear.

20.8 The City agrees to pay a lump sum of two hundred and fifty dollars (\$250.00) per fiscal year for necessary clothing for use at the Barron Center for the following positions:

Principal Registered Nurse

Laundry Supervisor

- 20.9 Whenever Pro-Tech staff are required to wear clothing bearing the City of Portland logo, the City of Portland will procure and provide said clothing to any Pro-Tech employee.

21. FILLING OF JOB VACANCIES:

- 21.1 For purposes of this Article, a job vacancy shall be determined to exist only after official City approval to fill the vacant position has been obtained. Except as provided below in 21.1.1, job vacancies shall be posted on Departmental bulletin boards for a minimum of seven (7) working days and a copy shall be forwarded to the President of the Association. The selection criteria shall be used to determine if candidates, in-house or outside, are qualified for the position. The selection criteria applied shall be in accordance with the current job description, job specification, and posting. If there are qualified applicants and unless there are unusual or emergency circumstances, the vacancy shall be filled within ~~sixty~~^{thirty} (630) working days from the date of application closing, which date shall appear on the posted notice. This time limit may be extended by the City, when in its sole discretion it is necessary to do so, but to a date not to exceed ~~seventy five~~^{sixty} (7560) calendar days from the application closing date.

- 21.1.1 The City is not required to post job openings prior to offering that opening to a bargaining unit employee in order to fulfill its requirement to make reasonable accommodation in accordance with federal or state law.

- 21.2 Employees in any City Department may apply for unit vacancies which are posted. The City will evaluate applicants who have submitted an application by the posted submission deadline as follows:

- 21.2.1 In-house applicants who are in the same job classification as the posted position, but who work in another Division or Department, are considered to be suitable transfers and will receive first consideration providing the City determines that they are qualified in accordance with the selection criteria. In order to be considered a suitable transfer, the applicant must satisfy all requirements of work and necessary special requirements outlined in the selection criteria.

- 21.2.2 If there are no in-house applicants who meet the definition of

suitable transfer, the City will evaluate all other applicants in accordance with the selection criteria. Between applicants including non-city employee applicants who the City considers to be equally qualified, the position will be filled by an in-house applicant.

- 21.3 Employees who have completed training courses satisfactorily as determined by the City shall be given a preference for promotion over other applicants, provided that the training relates directly to the duties and/or skills required for the promotional position, and the employee is otherwise qualified for the position.
- 21.4 If an individual unit applicant for a position has cause for disputing the choice of the City, the employee may appeal the City's action using the established grievance procedure.
- 21.5 The City in its sole discretion may credit newly hired employees with experience for up to the 10 year step on the Salary Scale for similar work with similar scope and responsibility and for credentials and licenses above the minimum required for the job. The City shall notify the Union whenever employees are given such credit. New hires receiving such credit from the City for experience and credentials above the minimum required for the job that places them at a step on the pay plan beyond the first step and below the 10 year step shall advance to the next step in the pay plan in the timeframe designated between steps. Employees who start at the 10 year step on the pay plan shall advance to the 12 year step in the pay plan in their third year. At the time those employees are hired, existing employees in the same job title as the new employee, will be evaluated to determine whether they should receive credit on the salary schedule for reasons similar to those credited for the newly hired employee.
- 21.65 Upon promotion an employee shall be compensated at the minimum of the appropriate pay grade range or shall be placed on the salary step which provides a minimum of a 5% salary increase, whichever is greater. The City in its sole discretion may credit newly promoted ~~or newly hired~~ employees with experience for up to the 10 year step on the Salary Scale for similar work with similar scope and responsibility and for credentials and licenses above the minimum required for the job. The City shall notify the Union whenever employees are given such credit. At the time the employee is promoted, existing employees in the same job title as the newly promoted employee, will be evaluated to determine whether they should receive credit on the salary schedule for reasons similar to those credited for the newly promoted employee. The employee's new

anniversary date shall be as of the effective date of the promotion and subsequent step movement shall be in accordance with the collective bargaining agreement. At no time shall an employee be paid more than the maximum of the assigned pay grade range.¶

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~~21.5.1 The Barron Center may hire new Principal Registered Nurses up to the ten (10) year step in the appropriate pay plan based on prior experience as a licensed RN. Prior experience will be determined by crediting one (1) year for every one (1) year of prior experience as a licensed RN care provider. Furthermore, a licensed RN can receive credit for experience in a lesser classification (CNA or LPN). In this case an RN can receive one year of credit for every two years of work as either a CNA or an LPN. New hires will be required to provide documentation of their prior relevant experience prior to receiving advanced pay placement and subsequent step movement will be based on this initial service credit plus permanent continuous service with the City in the same classification. This advanced placement is for pay purposes only and does not affect any other benefits, including seniority.~~

22. DISCIPLINARY PROCEDURE:

- 22.1 Should any Department adopt disciplinary rules and work rules during the term of this Agreement, such rules will be posted within the Department and a copy provided to the Association's President within five (5) days of the effective date of said rules.
- 22.2 ~~Following completion of the probationary period,~~ aAll suspensions, demotions, and discharges shall be for just cause (including, but not limited to, violations of any rules adopted as provided above) and written notice of the reasons for suspensions, demotions, or discharges shall be stated in writing to the employee affected and the Association's President within five (5) days after the effective date of the action.
- 22.3 Written warnings shall be removed at the employee's request from the personnel file after a period of two years provided there has not been a recurrence of that offense during that two year period.
- 22.4 Suspensions shall be removed at the employee's request from the personnel file after a period of five years provided there has not been a recurrence of that offense during that five year period.

23. BULLETIN BOARDS:

- 23.1 The City shall permit the reasonable use of bulletin boards by the

Association for the posting of notices of non-controversial nature relating to Association business.

24. ACCESS TO PREMISES:

- 24.1 With the permission of the appropriate Division Head, such permission not to be arbitrarily withheld, representatives of the Association may enter City premises for the investigation of pending disputes under the contract. A list of authorized Association representatives who may enter City premises shall be furnished by the Association within forty-five (45) days of the effective date of this Agreement to the Department Heads, Division Heads, and Director of Human Resources.

25. SENIORITY AND PERSONNEL REDUCTIONS:

- 25.1 In the event of lay-offs, reductions will be by seniority and within classifications. Employees in an affected classification will be laid off solely on the basis of seniority. Seniority is defined as continuous permanent City service, both permanent full-time and permanent part-time. Project employees are excluded from this provision. They have no bumping rights and they may not be bumped. The least senior employee in the affected classification will be laid-off first. Employees faced with lay-off may exercise bumping rights in the following sequence:
- a. An employee who would be laid off will first be offered any equal vacant positions in the unit which the employee is qualified to perform, as determined by the City.
 - b. If there are no equal vacancies to which the employee can transfer, they may bump the least senior employee in an equal position in the unit which the employee is qualified to perform as determined by the City.
 - c. If there are no least senior employees in an equal position, the employee faced with lay-off may bump the least senior employee in a lesser position in the unit which they are qualified to perform, as determined by the City or may bump into a lesser vacant position in the unit.
 - d. Notwithstanding their position on the seniority list, Association officers and Board of Directors, in the event of lay-off only, shall be the last employees to be laid-off, provided they can perform the work available. After other employees have been laid-off, and subject to the foregoing, officers and members of the Board of

Directors shall be laid off in the following manner:

Board of Directors
Secretary
Treasurer
Vice President
President

- e. Determinations by the City as to qualifications shall not be arbitrary or capricious.
- 25.2 Employees faced with lay-off may opt to accept the lay-off rather than exercising bumping rights as outlined above.
- 25.3 Any employee who transfers into a vacant position or who bumps into a position shall be compensated at the rate provided in this Agreement for that classification **and at their current step**. No employee can transfer or bump into a promotional position.
- 25.4 Employees who are laid off will receive all separation pay they are entitled to, and will have a 15-month recall period to the classification from which they were laid off.
- 25.5 Temporary Breaks or Shutdowns: Seasonal breaks or temporary breaks in recreation programs resulting from financial constraints will not be deemed to be a lay-off of recreation employees considered as permanent under Appendix B, Section I. The temporary breaks or shutdowns shall be by program area. Permanent part-time employees will be affected by program shutdowns before permanent full-time employees. Such employees will be permitted to use any earned vacation time during such breaks. In the event of a partial shutdown of programs for the above temporary breaks, employees regularly assigned to the affected programs shall have no seniority, bumping, or recall rights to other positions during such shutdown.

26. SAFETY:

- 26.1 The employees covered by this Agreement shall observe reasonable safety standards while on duty for the City. This shall include, but is not limited to, the wearing and use of safety equipment provided by the City and the observation of safety rules established and posted by the City. Failure to abide by such reasonable safety standards may result in disciplinary action.

- 26.2 Departmental Safety Committees shall function to establish and review safety procedures in the bargaining unit and will make advisory recommendations to Department Heads. The Department Head or designee shall respond to all written recommendations from the Safety Committee within thirty (30) days. The Safety Committee shall be composed of at least as many labor representatives as management representatives. The Union will appoint labor representatives and alternates to serve on departmental Safety Committees unless there is agreement between the City and the Union which modifies representation. The Workers Compensation/Safety Programs Manager or designee shall provide technical assistance to the Committee. The Workers Compensation/Safety Programs Manager or designee shall hold the tie-breaking vote regarding advisory recommendations to the Department Heads.
- 26.3 Departmental Accident Review Committees shall function to recommend accident prevention methods, determine preventability of employee vehicle accidents, and make recommendations for improvement to fleet safety policy. These departmental committees shall be composed of at least as many labor representatives as management representatives and will include a safety professional to chair the committee.

27. ON-THE-JOB INJURIES:

- 27.1 Employees who have been injured while performing an official duty shall be paid for the time lost on the date of injury. Such pay will not extend beyond the normally scheduled work shift, exclusive of compensatory time. Such time lost will not be charged to sick leave.
- 27.2 Transitional Work:
- 27.2.1 It is the goal of the City of Portland to assist an employee who sustains a work-related injury to return to the positions they held at the time of their injury. To that end, the City has defined specific work assignments or "Transitional Work" that will be made available to those workers who, in the judgment of the City, will probably be able to return to "Regular Work" within three years of the date of injury. This decision will be based in part on information provided by health care professionals.
- 27.2.1.1 "Transitional Work" is defined as a temporary job assignment ~~created~~~~defeated~~ for the purpose of this provision or 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.

27.2.1.2 "Regular Work" is defined as the position the employee held at the time of injury or, in the event that position is not available, another suitable position.

27.2.2 Eligibility:

Participation in the Transitional Work Program will be made available to injured workers of the City who have sustained injuries arising out of and in the course of their employment with the City when medical evidence demonstrates that participation in Transitional Work will assist the injured employee to return to Regular Work. Injured workers will be eligible for placement in the Transitional Work program for a period of up to three (3) years after the date of initial 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 then 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.

See Appendix F for a Transitional Work agreement.

27.2.3 Duration of Assignment:

An employee who meets the eligibility requirements in this policy will be assigned to the next available Transitional Work assignment and will be permitted to work up to ninety (90) days. If at the end of the ninety (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 presented 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 provided, the City may offer additional periods of Transitional Work for up to three years from the initial date of injury.

If, during the course of the Transitional Work, it becomes evident to the City that the injured worker probably will not be able to return to Regular Work within three (3) years of the date of

injury, Transitional Work may be terminated. Such employees retain any rights they may have under M.R.S. Title 39, Sec 217 with regard to employment rehabilitation.

27.3 Re-employment within Three Years of Date of Injury:

- 27.3.1 If an employee becomes capable of performing the essential functions of the position 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 at the level they would have received if the injury had not occurred.
- 27.3.2 If the employee cannot return to the position held on the date of injury within three years of the date of injury, the City will evaluate the employee's ability to perform other permanent assignments at an equal or lower pay grade within the bargaining unit.
- 27.3.3 Upon a determination of capability to work, the employee will provide the City with their current medical restrictions and the positions they wished 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 injury, pay and benefits 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.
- 27.3.4 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 to seek re-employment in the position held on the date of injury.

27.4 Termination of Employment:

- 27.4.1 In those cases in which an employee has been unable to perform all the essential functions of their Regular Work for three (3) years from the date of injury, the employee may be terminated from employment. The 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 their ability to return to Regular Work within the-ninety (90) day period.

27.4.2 In those cases where an employee is unable to perform regular work and health care professionals determine, at any point during the three (3) year period following date of injury, that the employee will be unable to return to regular work during the three (3) year period, the employee may be terminated from employment on or after eighteen (18) months following date of injury. This termination is non-disciplinary and the employee will receive a 90-day notification as described in 27.4.1.

27.4.2.1 In the event the City exercises its right to terminate as described in 27.4.2 prior to the three (3) years from date of injury, and providing the employee becomes capable of returning to Regular Work prior to the three (3) year date, ~~theys/he~~ will be returned to work at the contractual rate of pay for the position or the same rate of pay as ~~theys/he werewas~~ receiving at the time of termination, whichever is greater.

27.4.2.2 If unable to return to Regular Work by the date specified in the 90-day notification listed in 27.4.1, and providing the up-dated medical evaluation indicates a work capacity, the employee will provide the City with their current medical restrictions and the positions they wish to be considered for as an alternative to termination. The provisions of 27.3 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.

27.5 The references to the Workers' Compensation Act in this article are not intended to expand or contract any rights the City or its employees has under the Workers' Compensation Act. Notwithstanding the above, all parties reserve their rights under the Workers Compensation statute and other applicable State or Federal law.

27.6 Employees out on Workers' Compensation must pay their pension contribution based on the wage portion of the Workers' Compensation benefits that the employee receives. All pension payments will be made pursuant to the rules of the Maine Public Employees Retirement System (Maine PERS). 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 all contributions are paid.¶

¶

~~27.6.1 Retirement service credit will be provided only for time for which pension contributions have been made.~~

28. JOB SPECIFICATIONS:

28.1 The City agrees to submit any new or revised job specifications for positions covered under this Agreement to the President of the Association for Association review and recommendations. Said recommendations must be submitted to the Director of Human Resources within fifteen (15) working days after the mailing of said job specifications.

28.2 Employees may submit reclassification/reallocation requests to their Department Head or to Human Resources at any time. The requests will be reviewed and evaluated during contract negotiations or the annual budget process. When departments are reorganized or restructured, reclassification requests may be evaluated at times other than those listed above with the approval of the City Manager.

The Human Resources Department will perform the evaluation, which will include a personal interview with the employee, and will submit a recommendation to the City Manager for consideration. The decision of the City Manager shall be final and is not arbitrable on those requests processed outside of the collective bargaining process.

28.3 Reclassifications/reallocations will be effective through the budget as of the effective date of such budget.

29. LEGAL AID AND PROTECTION:

29.1 The City will, with the consent of the employee, assume the defense of and indemnify any employee against a claim which arises out of an act or omission occurring within the course or scope of their employment and for which the City is liable under the Maine Tort Claims Act, 14 M.R.S. 8101 et seq. up to the statutory limit of \$400,000. The City, in its discretion, may provide such defense and/or indemnification through a self-insurance program or through insurance coverage (limited to \$400,000, including costs, other than defense costs, for any and all claims arising out of single occurrence), to be purchased by the City.

29.2 The City will, with the consent of the employee, assume the defense of and indemnify any employee up to the statutory limit of the Maine Tort

Claims Act against any claim which arises out of an act or omission occurring within the course or scope of their employment and for which the City is not liable, provided that such defense or indemnification is not contrary to public policy, and the City determines that the employee acted in good faith and did not willfully or knowingly violate any ordinance, rule, or regulation of the City or State or Federal law.

- 29.3 In all cases in which the City has assumed the defense of an employee, the City, acting through its Corporation Counsel, has the right to arrange, at the City's expense, for an attorney selected by the Corporation Counsel to defend the employee. Further, in all cases in which the City has assumed the defense of an employee, the Corporation Counsel may, in their discretion, authorize and accept settlement of the case. Corporation Counsel reserves the right, in their discretion, to consult with the City Council prior to settlement in any particular case.
- 29.4 It is a condition of the City's obligation to defend and/or indemnify an employee hereunder that the employee fully cooperates 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, participation in all pre-trial and trial proceedings. "City" as used under this section shall include officers, employees and agents of the City. Except in those circumstances where such full cooperation is in conflict with the advice of the employee's legal counsel or is in violation of the employee's constitutional rights, failure to fully cooperate with the City on any case may result in disciplinary action against the employee and denial of the indemnification obligation hereunder unless otherwise required by the Maine Tort Claims Act.
- 29.5 Paragraph 29.4 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 employee's legal counsel or is in violation of the employee's constitutional rights, the non-defendant employee has a duty to fully cooperate with the City as a condition of employment.

29.6 The City agrees to release the employee from 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 their shift.

29.6.1 Employees who are required by the City to appear on behalf of the City at a court hearing outside of their regularly scheduled hours will be compensated with three (3) hours of straight time pay or time and one-half pay for actual time spent in pre-trial and trial proceedings, whichever is greater. Employees who work second or third shift and who spent the majority of the day in court may take straight time pay for the hours spent in court and credit these hours against their shift requirement for that day, with pre-approval from the Department Head or designee.

29.6.2 Employees will receive straight time pay for the hours spent in pre-trial and trial proceedings that occur during their regularly scheduled work hours. In the event that the time spent in pre-trial or trial proceedings begins during regularly scheduled hours and extends beyond the end of their regular work day, the employee may be eligible for overtime pay in accordance with Article 11 for the additional hours but will not be eligible for the three (3) hour minimum for off-duty hours.

29.7 The rights of the City and the members are governed by the Article and are not affected by the terms of any policy of insurance.

29.8 Each employee who shall have purchased personal professional liability insurance shall be entitled to receive the actual cost of said premium up to a maximum \$50.00 for the same annually. Such insurance shall not, except as provided herein, be in lieu of legal aid and other insurance protection presently afforded the employees by the City.

30. ~~COPYIES~~ OF AGREEMENT:

30.1 The City agrees to supply the Association with a PDF file of the Agreement ~~ten (10) copies of this Agreement~~ within forty-five (45) days after the signing of this Agreement. ~~The Agreement and pay plans will be posted for reviewing on the City's web site.~~

31. LICENSE AND EXAM FEES:

31.1 Reimbursement for Professional License and/or Examination fees may be

provided at the discretion of the appropriate Department Head, within departmental budget constraints.

32. MILEAGE:

- 32.1 The City will reimburse an employee at the IRS mileage rate for utilizing a privately owned vehicle for official City business.

33. TOOLS FOR ENGINEERS:

- 33.1 The City agrees to furnish the necessary tools to Project Engineers and Assistant Engineers who are required to use tools, and replacements shall be on an "as needed" basis.

34. EMBODIMENT OF AGREEMENT:

- 34.1 The City of Portland and the Pro-Tech Employees Association agree that the other shall not be obligated to bargain collectively with respect to any subjects or matters discussed during the collective bargaining process for this successor Agreement. The parties by mutual written agreement may agree to re-open any provision of this Agreement during its term.

35. UNIT WORK:

- 35.1 Notwithstanding Article 34, Embodiment of Agreement, the City and the Association agree to meet and negotiate concerning the issue of subcontracting bargaining unit work. The parties reserve their rights under the Municipal Public Employees Labor Relations Act. The City reserves its right to act concerning subcontracting decisions and the Association reserves its right to bargain the impact of said decision with the City. Proposals submitted during contract negotiations shall not be considered a bar to mid-term bargaining over the issue of subcontracting.
- 35.2 Whenever the City or its administrative agents anticipates subcontracting of bargaining unit work, it will notify the Association at least thirty (30) days prior to an official decision on the issue. The thirty (30) day notification requirement may be waived by the Association at the request of the City. In extreme emergency, the City may shorten the notification period to five (5) working days provided it will not result in the lay-off of a unit member.
- 35.3 This Article will apply only when subcontracting of bargaining unit work will result in a reduction of unit positions or a reduction of Association personnel.

36. JOB SHARING:

- 36.1 Job sharing by qualified employees shall be permitted by mutual written agreement of the employees involved and the Department Head and the City Manager. The City shall accommodate job sharing requests of employees to the extent possible consistent with operational needs. The written agreement shall contain the notification requirements, establish the hours, wages, length, notice of conclusion requirements, benefits to be paid, and all other terms and conditions of employment including written execution by the parties involved. The written agreement shall not be inconsistent with the terms of the Collective Bargaining Agreement. The City reserves the right to conclude the job sharing and require that the affected employee(s) return to their traditional work responsibilities upon a written twenty (20) day notice. Such termination of a specific job sharing assignment shall not be grievable unless the union alleges that the City's action was solely for arbitrary and capricious reasons.

37. JOB TRAINING:

- 37.1 When the City requires training, it will pay for the required course tuition or registration fee as well as required course materials. The employee's work schedule will be adjusted in the event that the required training falls on the employee's off-duty hours.

This provision does not apply to required training, course work, certification, or licensure mandated by non-City sources.

- 37.2 Due to the implementation of expanded continuing education requirements for renewal of Nurse Practitioner licenses, the Public Health Division will give priority to time off requests that are submitted by Mid-Level Health Practitioners for the purpose of obtaining the necessary continuing education credits that are necessary to meet the state licensing requirements. Mid-Level Health Practitioners are expected to plan ahead and submit their requests for time off with as much notice as possible.

37.2.1 The costs of the required courses are borne by the employee; however, at the sole discretion of the Department Director or designee the City may choose to participate in the cost of such training.

37.2.2 Time-off requests must be pre-approved by the appropriate Program Manager. The Program Manager may approve up to forty (40) hours of paid time off per fiscal year for full-time Nurse

Practitioners as program finances and scheduling permit. Pay for time off will be based on the employee's regular work hours but will not exceed the hours spent in training and will not necessarily include travel time.

37.2.3 Time off maximums for part-time employees will be pro-rated.

37.2.4 The time off maximums outlined above may be amended by the City in the event the State revises the relicensing education requirements during the term of the contract.

38. WITHDRAWAL OF RESIGNATION:

38.1 An employee may resign in good standing by giving written notice to their Department Head at least fourteen (14) calendar days in advance of the effective date of the resignation. An employee may, with the approval of the Department Head, withdraw their resignation during the fourteen (14) day notice period. Such approval shall not be arbitrarily denied.

39. TERM OF AGREEMENT:

39.1 This Agreement shall be effective July 13, 2025~~2~~ and shall remain in full force and effect until June 30, 2028~~5~~. It shall be automatically extended for successive one-year periods thereafter, unless either party shall notify the other in writing of its intent to negotiate a successor Agreement. If said notice is given, this Agreement shall remain in full force and be effective during the period of negotiation.

IN WITNESS WHEREOF, the City has caused this Agreement to be executed and its corporate seal to be affixed by Danielle West, its ~~Interim~~ City Manager, and the Association has caused this Agreement to be signed by Joanne Lester, its President, thereunto duly authorized, as of the day and year first above written.

CITY OF PORTLAND

By _____
Its City Manager

PROFESSIONAL AND TECHNICAL CITY EMPLOYEES ASSOCIATION

By _____
Its President

By _____
Its Vice-President

APPENDIX A

CLASSIFICATION PLAN

<u>Pay Grade</u>	<u>Job Title</u>
9M	Airport Project Engineer (A)
9M	Compliance Section Coordinator (A) (J)
9M	District Coordinator
9M	Historic Preservation Manager (C) or (G)
9M	Senior Engineer (A)
9M	Senior Transportation Engineer (A)
9M	Tax Assessment Analyst
9M	Traffic Operations Coordinator
9M	Water Resources Senior Engineer (A) (J)
9	Asset Manager (I) (J)
9	Chief Surveyor (A)
9	Construction Engineering Coordinator (A)
9	Crime and Police Systems Analyst
9	HCD Program Manager
9	HVAC Coordinator (*)
9	IT Business Applications Coordinator
9	Marijuana Compliance Officer
9	Parks Operations Manager/City Arborist
9	Parks Operations Coordinator (Inactive)
9	Principal Registered Nurse (Barron Center) (*) (M)
9	Project Engineer - Transportation (A)
9	Project Manager - Parks, Recreation & Facilities (A) or (B)
9	Project Manager - Public Buildings (A) or (B)
9	Project Manager - Waterfront (A) or (B)
9	Rental Registration Coordinator
9	Senior Planner (C)
9	Targeted Services and Training Specialist
9	Urban Designer (B) or (C) or (G)
9	Wastewater Facilities Coordinator (J)
9	Water Resources Project Engineer (A) (J)
9	Zoning Administrator
8	Airport Operations Supervisor (*) (E) (H)
8	Business Applications Analyst I
8	Computer Operations Supervisor (Inactive)
8	Development Review Coordinator (A) or (K)
8	Election Administrator
8	IT Network Technician

8	IT Systems Technician
8	Lead Base Paint Program Manager
8	Licensing and Registration Coordinator
8	Marketing and Communications Coordinator (Inactive)
8	Parking Division Supervisor
8	Paving Coordinator (Inactive)
8	Planner (C)
8	Plant Engineer Coordinator (Inactive)
8	Senior Project Surveyor (A)
8	Stormwater Program Coordinator (J) (L)
8	Technical Director
8	Technical Services Supervisor (Inactive)
8	Transportation Engineer (A) (Inactive)
8	Victim Witness Advocate Coordinator
8	Water Resources Engineer (A) (J)
7	Airport Administrative Coordinator (E) (Inactive)
7	Aquatics Supervisor
7	Assistant Engineer (A) (Inactive)
7	Associate Preservation Planner
7	Chronic Disease Prevention Specialist
7	Computer Operations Supervisor (Inactive)
7	Dental Health Project Coordinator (Inactive)
7	Facilities Tech Coordinator
7	GIS Coordinator (A) (Inactive)
7	Lead Base Paint Coordinator
7	Minority Health Promotion Specialist
7	Property and Evidence Coordinator
7	Recreation Inclusion Supervisor
7	Recreation Supervisor
7	Senior Accountant (F)
7	Senior Event Manager
6	Airport Operations Center Supervisor (E) (H)
6	Airport Operations Duty Officer (*) (E) (H)
6	Aquatics Leader
6	Assistant Technical Director
6	Athletic Facilities Booking/Use Coordinator
6	Booking Coordinator
6	Community Health Promotion Specialist
6	Community Services Coordinator
6	Event Manager
6	Facilities Manager
6	Food and Beverage Coordinator
6	Human Services Counselor/Shelters

6	Ice Arena Facilities Manager
6	Police Victim/Witness Advocate
6	Recreation Leader
6	Training and Operations Coordinator
6	Zoning Specialist (Inactive)
5	Airport Operations Coordinator (*) (E) (H)
5	Assistant Director of Food Services
5	Customer Relations Specialist
5	Food Production Coordinator
5	Housekeeping Supervisor
5	Human Services Counselor/Case Manager
5	Laundry Supervisor
5	Office Manager
5	Scheduling Coordinator (Inactive)
5	Shelter Facilities Coordinator

(*) 40 hour per week position.

- (A) 3% differential to be paid upon presentation to the City of the State of Maine certification for Fundamentals of Engineering (FE), Engineer Intern or Fundamentals of Survey (FS), 6% differential to be paid upon registration in the State of Maine as a Professional Engineer (PE) or Professional Land Surveyor (PLS). Employees shall receive a maximum 6% differential payment.
- (B) 6% differential to be paid upon presentation to the City of the State of Maine certification as a Landscape Architect.
- (C) 6% differential to be paid upon presentation to the City of certification from the American Institute of Certified Planner as a Certified Planner.
- (D) 6% differential to be paid to employees in this class who possess a Master's Degree in Public Health or a Master's Degree in a related discipline that is approved by the Epidemiology Program Manager.
- (E) 6% differential to be paid to employees in this class who possess a Master's Degree in Aviation, Management, Business Administration or other specialization related to their duties in airport administration.
- (F) 6% differential to be paid to employees in this class who possess a Certified Public Accountant (CPA) certification.
- (G) 6% differential to be paid upon presentation to the City of certification from the American Institute of Architects as a Certified Architect.

- (H) A \$20.00 per week stipend to be paid to Jetport employees who possess one of the following: a Certified Member (C.M.) certification from AAAE or ACE Ops, Security, Communications, Trusted Agent.
- (I) 6% differential to be paid to employees in this class who possess a Master's Degree in Geospatial Services.
- (J) Employees in this class who possess a New England Water Environment Association (NEWEA) Collections Systems Certification are eligible to receive an additional stipend as follows:
 - \$.50 per hour for a Grade One (1) Collection Systems Certification
 - \$1.00 per hour for a Grade Two (2) Collection Systems Certification
 - \$1.50 per hour for a Grade Three (3) Collection Systems Certification
 - \$2.00 per hour for a Grade Four (4) Collection Systems Certification
- (K) 6% differential to be paid to employees in this class who possess a Master's Degree in Environmental Studies, Engineering, Planning, or related discipline (e.g. Architecture, Urban Design, Landscape Architecture, etc.).
- (L) 6% differential to be paid to employees in this class who possess a Master's Degree in Environmental Studies, Environmental Planning, or a related field. Employees shall receive a maximum 6% differential payment for education.
- (M) Employees in this class who possess a valid Wound Care Certificate will receive a \$2.00 per hour stipend in addition to their base weekly pay for all hours worked.

APPENDIX B

DEFINITIONS OF EMPLOYMENT

- I. Permanent Employees** are employees who are appointed to a permanently budgeted position on either a full-time or part-time basis and have completed any required probationary period for such position.

Employees in the Recreation Division who are scheduled to work twelve (12) months of the year, except for the seasonal breaks in program operation or breaks scheduled on a temporary basis as a result of financial constraints, shall be considered as permanent employees. Such employees may be scheduled on either a full-time or part-time weekly basis.

- A. Full-Time employees** are regularly scheduled to work the standard work week on a continuing basis. Such employees receive full benefits as outlined in the Agreement between the City and the Association. The standard work week under this Agreement is defined as 37.5 hours per week.

- B. Part-time employees** are regularly scheduled to work less than the standard work week on a continuing basis. Such employees may be scheduled to work either more or less hours per day than the regular shift of 7.5 hours per day. Those part-time employees regularly scheduled to work 18.75 hours or more per week shall be entitled to the following benefits on a pro-rated basis only:

1. Sick and vacation leave accrual;
2. Holidays as provided in Article 12 HOLIDAYS;
3. City participation in the cost of medical insurance; and,
4. Personal leave days.

Part-time employees who are regularly scheduled to work less than 18.75 hours per week shall not be entitled to any sick leave, vacation leave, or holidays and the City shall not participate in any of the costs of medical insurance.

Part-time employees are eligible for overtime pay (time and one-half)

only if they work in excess of forty (40) hours per week.

II. Recreation Project Employees: Employees in the Recreation Division who work more than six (6) consecutive months in programs of limited duration which are not scheduled on a year-round basis are project employees. Such project employees shall be entitled to all of the benefits of a permanent full-or part-time employee, as appropriate, except as follows:

- A. In the event of a temporary break in a program, such employees will not be considered to be on lay-off and will have no seniority, bumping, or recall rights. Such employees will, however, be terminated and will receive all the accrued termination pay to which they would be entitled if they had resigned in good standing. They will not be entitled to any City benefits during the break in the program. Upon resumption of the program, the employees who were terminated will be contacted and will have the opportunity to resume their position. If the City has not had a response from the terminated employee within ten (10) working days of the date of mailing a notice of the position, then the position may be otherwise filled by the City. It is the employee's responsibility to ensure that the City has their current address. The Union President will be sent a copy of all notices mailed to employees.

If an employee does not respond to a notice or declines the position, they will have no further rights to return to a position.

- B. Project employees will be paid at the minimum of the range as provided in the contract for the equivalent permanent classification. An employee who does not return to the next available consecutive project position will have to serve a new probationary period if they later resume City employment.
- C. In the event of the elimination of a program, in whole or in part, project employees will be laid off by classification and by seniority and will have bumping and recall rights among other appropriate project positions, but will have no rights to permanent positions.

III. Non-permanent employees are on-call, temporary, or seasonal as follows, and are excluded from the provisions of this Agreement:

- A. **On-call Employees** are persons who are not regularly scheduled to work, but who are available to work on an intermittent, as-needed basis.

Such persons shall be paid only for those hours actually worked.

- B. Seasonal Employees** are persons in positions in an industry designated by the State as a seasonal industry, such as summer recreation, golf, and cemetery programs. The employee will expect to be terminated at the end of the season. Such employees will be paid only for those hours actually worked.
- C. Temporary Employees** are persons who are regularly scheduled to work a standard work week or less, for a definite, limited period of time, usually not to exceed six (6) months, or who are appointed to replace an employee on leave of absence or at long-term training. Temporary employees shall not work more than six (6) consecutive months, unless they are replacing a permanent employee on leave. In such cases, employees shall have an estimated termination date from the date of initial employment, but in no case shall such term exceed more than one (1) year except with the concurrence of the Union.
- D. Project Employees** are persons appointed to work on a special project of timed duration or persons hired after January 1, 1985 into positions funded by a non-City source; or to fill in for a permanent employee who is on an approved leave of absence. Permanent positions that are partially funded by various State and federal grants (HCD, HUD, MSHA, and DHS) are excluded from this definition. Project employees may work a standard work week or less and are eligible for full or pro-rated benefits as appropriate under this Agreement on the same basis as permanent full and part-time employees after completion of a probationary period. Notwithstanding the foregoing, Article 25, SENIORITY AND PERSONNEL REDUCTIONS, will not apply to project employees, and they will be terminated upon completion of the special project or depletion of the non-City funding source, or the permanent employee's return from leave, with no bumping or recall rights. Project employees under the Rules and Regulations of the Maine State Retirement System are prohibited from participating in the M.S.R.S. life insurance program. All other provisions of this Agreement shall cover project employees on the same basis as permanent employees.

**APPENDIX C1
PRO-TECH PAY PLAN
EFFECTIVE JULY 6, 2025
FY26**

COLA: 4%

PAY GRADE		0 0-1 YR	1 1 YR	2 2 YRS	3 3 YRS	4 4 YRS	5 5 YRS	6 6 YRS	7 7 YRS	8 10 YRS	9 12 YRS	10 15 YRS	11 20 YRS	12 25+ YRS
9M	Annual	\$77,376.00	\$79,677.00	\$82,075.76	\$84,532.76	\$87,067.76	\$89,680.76	\$92,371.76	\$95,160.00	\$98,007.00	\$100,951.76	\$103,974.00	\$107,094.00	\$110,311.76
	Weekly	\$1,488.00	\$1,532.25	\$1,578.38	\$1,625.63	\$1,674.38	\$1,724.63	\$1,776.38	\$1,830.00	\$1,884.75	\$1,941.38	\$1,999.50	\$2,059.50	\$2,121.38
	Hourly	\$39.68	\$40.86	\$42.09	\$43.35	\$44.65	\$45.99	\$47.37	\$48.80	\$50.26	\$51.77	\$53.32	\$54.92	\$56.57
9	Annual	\$70,941.00	\$73,066.76	\$75,250.76	\$77,512.76	\$79,833.00	\$82,231.76	\$84,708.00	\$87,243.00	\$89,856.00	\$92,566.76	\$95,335.76	\$98,202.00	\$101,146.76
	Weekly	\$1,364.25	\$1,405.13	\$1,447.13	\$1,490.63	\$1,535.25	\$1,581.38	\$1,629.00	\$1,677.75	\$1,728.00	\$1,780.13	\$1,833.38	\$1,888.50	\$1,945.13
	Hourly	\$36.38	\$37.47	\$38.59	\$39.75	\$40.94	\$42.17	\$43.44	\$44.74	\$46.08	\$47.47	\$48.89	\$50.36	\$51.87
8	Annual	\$64,467.00	\$66,397.76	\$68,386.76	\$70,434.00	\$72,540.00	\$74,704.76	\$76,966.76	\$79,267.76	\$81,646.76	\$84,103.76	\$86,619.00	\$89,212.76	\$91,884.00
	Weekly	\$1,239.75	\$1,276.88	\$1,315.13	\$1,354.50	\$1,395.00	\$1,436.63	\$1,480.13	\$1,524.38	\$1,570.13	\$1,617.38	\$1,665.75	\$1,715.63	\$1,767.00
	Hourly	\$33.06	\$34.05	\$35.07	\$36.12	\$37.20	\$38.31	\$39.47	\$40.65	\$41.87	\$43.13	\$44.42	\$45.75	\$47.12
7	Annual	\$58,617.00	\$60,372.00	\$62,185.76	\$64,038.00	\$65,968.76	\$67,957.76	\$70,005.00	\$72,111.00	\$74,295.00	\$76,518.00	\$78,799.76	\$81,159.00	\$83,596.76
	Weekly	\$1,127.25	\$1,161.00	\$1,195.88	\$1,231.50	\$1,268.63	\$1,306.88	\$1,346.25	\$1,386.75	\$1,428.75	\$1,471.50	\$1,515.38	\$1,560.75	\$1,607.63
	Hourly	\$30.06	\$30.96	\$31.89	\$32.84	\$33.83	\$34.85	\$35.90	\$36.98	\$38.10	\$39.24	\$40.41	\$41.62	\$42.87
6	Annual	\$53,274.00	\$54,873.00	\$56,511.00	\$58,227.00	\$59,962.76	\$61,776.00	\$63,609.00	\$65,520.00	\$67,489.76	\$69,517.76	\$71,604.00	\$73,749.00	\$75,952.76
	Weekly	\$1,024.50	\$1,055.25	\$1,086.75	\$1,119.75	\$1,153.13	\$1,188.00	\$1,223.25	\$1,260.00	\$1,297.88	\$1,336.88	\$1,377.00	\$1,418.25	\$1,460.63
	Hourly	\$27.32	\$28.14	\$28.98	\$29.86	\$30.75	\$31.68	\$32.62	\$33.60	\$34.61	\$35.65	\$36.72	\$37.82	\$38.95
5	Annual	\$48,516.00	\$49,978.76	\$51,480.00	\$53,020.76	\$54,600.00	\$56,238.00	\$57,915.00	\$59,670.00	\$61,444.76	\$63,297.00	\$65,208.00	\$67,158.00	\$69,166.76
	Weekly	\$933.00	\$961.13	\$990.00	\$1,019.63	\$1,050.00	\$1,081.50	\$1,113.75	\$1,147.50	\$1,181.63	\$1,217.25	\$1,254.00	\$1,291.50	\$1,330.13
	Hourly	\$24.88	\$25.63	\$26.40	\$27.19	\$28.00	\$28.84	\$29.70	\$30.60	\$31.51	\$32.46	\$33.44	\$34.44	\$35.47

**APPENDIX C1
PRO-TECH PAY PLAN
EFFECTIVE JULY 6, 2025
FY26**

Principal Registered Nurse (Grade 9)

COLA: 4%

40 hours/week

	0	1	2	3	4	5	6	7	8	9	10	11	12
	0-1 YR	1 YR	2 YRS	3 YRS	4 YRS	5 YRS	6 YRS	7 YRS	10 YRS	12 YRS	15 YRS	20 YRS	25+ YRS
Annual	\$83,990.40	\$86,507.20	\$89,128.00	\$91,811.20	\$94,536.00	\$97,364.80	\$100,297.60	\$103,313.60	\$106,412.80	\$109,616.00	\$112,902.40	\$116,292.80	\$119,787.20
Weekly	\$1,615.20	\$1,663.60	\$1,714.00	\$1,765.60	\$1,818.00	\$1,872.40	\$1,928.80	\$1,986.80	\$2,046.40	\$2,108.00	\$2,171.20	\$2,236.40	\$2,303.60
Hourly	\$40.38	\$41.59	\$42.85	\$44.14	\$45.45	\$46.81	\$48.22	\$49.67	\$51.16	\$52.70	\$54.28	\$55.91	\$57.59

HVAC Coordinator (Grade 9)

40 hours/week

	0	1	2	3	4	5	6	7	8	9	10	11	12
	0-1 YR	1 YR	2 YRS	3 YRS	4 YRS	5 YRS	6 YRS	7 YRS	10 YRS	12 YRS	15 YRS	20 YRS	25+ YRS
Annual	\$75,670.40	\$77,937.60	\$80,267.20	\$82,680.00	\$85,155.20	\$87,713.60	\$90,355.20	\$93,059.20	\$95,846.40	\$98,737.60	\$101,691.20	\$104,748.80	\$107,889.60
Weekly	\$1,455.20	\$1,498.80	\$1,543.60	\$1,590.00	\$1,637.60	\$1,686.80	\$1,737.60	\$1,789.60	\$1,843.20	\$1,898.80	\$1,955.60	\$2,014.40	\$2,074.80
Hourly	\$36.38	\$37.47	\$38.59	\$39.75	\$40.94	\$42.17	\$43.44	\$44.74	\$46.08	\$47.47	\$48.89	\$50.36	\$51.87

Airport Operations Supervisor (Grade MA-8)

40 hours/week

	0	1	2	3	4	5	6	7	8	9	10	11	12
	0-1 YR	1 YR	2 YRS	3 YRS	4 YRS	5 YRS	6 YRS	7 YRS	10 YRS	12 YRS	15 YRS	20 YRS	25+ YRS
Annual	\$68,764.80	\$70,824.00	\$72,945.60	\$75,129.60	\$77,376.00	\$79,684.80	\$82,097.60	\$84,552.00	\$87,089.60	\$89,710.40	\$92,393.60	\$95,160.00	\$98,009.60
Weekly	\$1,322.40	\$1,362.00	\$1,402.80	\$1,444.80	\$1,488.00	\$1,532.40	\$1,578.80	\$1,626.00	\$1,674.80	\$1,725.20	\$1,776.80	\$1,830.00	\$1,884.80
Hourly	\$33.06	\$34.05	\$35.07	\$36.12	\$37.20	\$38.31	\$39.47	\$40.65	\$41.87	\$43.13	\$44.42	\$45.75	\$47.12

Airport Operations Duty Officer (Grade MA-6)

40 hours/week

	0	1	2	3	4	5	6	7	8	9	10	11	12
	0-1 YR	1 YR	2 YRS	3 YRS	4 YRS	5 YRS	6 YRS	7 YRS	10 YRS	12 YRS	15 YRS	20 YRS	25+ YRS
Annual	\$62,628.80	\$64,500.80	\$66,435.20	\$68,432.00	\$70,470.40	\$72,592.00	\$74,776.00	\$77,022.40	\$79,352.00	\$81,723.20	\$84,177.60	\$86,694.40	\$89,294.40
Weekly	\$1,204.40	\$1,240.40	\$1,277.60	\$1,316.00	\$1,355.20	\$1,396.00	\$1,438.00	\$1,481.20	\$1,526.00	\$1,571.60	\$1,618.80	\$1,667.20	\$1,717.20
Hourly	\$30.11	\$31.01	\$31.94	\$32.90	\$33.88	\$34.90	\$35.95	\$37.03	\$38.15	\$39.29	\$40.47	\$41.68	\$42.93

Airport Operations Coordinator (Grade MA-5)

40 hours/week

	0	1	2	3	4	5	6	7	8	9	10	11	12
	0-1 YR	1 YR	2 YRS	3 YRS	4 YRS	5 YRS	6 YRS	7 YRS	10 YRS	12 YRS	15 YRS	20 YRS	25+ YRS
Annual	\$56,971.20	\$58,697.60	\$60,444.80	\$62,254.40	\$64,126.40	\$66,040.00	\$68,036.80	\$70,075.20	\$72,155.20	\$74,318.40	\$76,564.80	\$78,852.80	\$81,224.00
Weekly	\$1,095.60	\$1,128.80	\$1,162.40	\$1,197.20	\$1,233.20	\$1,270.00	\$1,308.40	\$1,347.60	\$1,387.60	\$1,429.20	\$1,472.40	\$1,516.40	\$1,562.00
Hourly	\$27.39	\$28.22	\$29.06	\$29.93	\$30.83	\$31.75	\$32.71	\$33.69	\$34.69	\$35.73	\$36.81	\$37.91	\$39.05

**APPENDIX C2
PRO-TECH PAY PLAN
EFFECTIVE JULY 5, 2026
FY27**

COLA: 4%

PAY GRADE		0 0-1 YR	1 1 YR	2 2 YRS	3 3 YRS	4 4 YRS	5 5 YRS	6 6 YRS	7 7 YRS	8 10 YRS	9 12 YRS	10 15 YRS	11 20 YRS	12 25+ YRS
9M	Annual	\$80,476.76	\$82,855.76	\$85,351.76	\$87,906.00	\$90,558.00	\$93,268.76	\$96,057.00	\$98,962.76	\$101,926.76	\$104,988.00	\$108,127.76	\$111,384.00	\$114,718.76
	Weekly	\$1,547.63	\$1,593.38	\$1,641.38	\$1,690.50	\$1,741.50	\$1,793.63	\$1,847.25	\$1,903.13	\$1,960.13	\$2,019.00	\$2,079.38	\$2,142.00	\$2,206.13
	Hourly	\$41.27	\$42.49	\$43.77	\$45.08	\$46.44	\$47.83	\$49.26	\$50.75	\$52.27	\$53.84	\$55.45	\$57.12	\$58.83
9	Annual	\$73,788.00	\$75,991.76	\$78,253.76	\$80,613.00	\$83,031.00	\$85,527.00	\$88,101.00	\$90,733.76	\$93,444.00	\$96,271.76	\$99,157.76	\$102,121.76	\$105,183.00
	Weekly	\$1,419.00	\$1,461.38	\$1,504.88	\$1,550.25	\$1,596.75	\$1,644.75	\$1,694.25	\$1,744.88	\$1,797.00	\$1,851.38	\$1,906.88	\$1,963.88	\$2,022.75
	Hourly	\$37.84	\$38.97	\$40.13	\$41.34	\$42.58	\$43.86	\$45.18	\$46.53	\$47.92	\$49.37	\$50.85	\$52.37	\$53.94
8	Annual	\$67,041.00	\$69,049.76	\$71,116.76	\$73,242.00	\$75,445.76	\$77,688.00	\$80,047.76	\$82,446.00	\$84,903.00	\$87,477.00	\$90,090.00	\$92,781.00	\$95,550.00
	Weekly	\$1,289.25	\$1,327.88	\$1,367.63	\$1,408.50	\$1,450.88	\$1,494.00	\$1,539.38	\$1,585.50	\$1,632.75	\$1,682.25	\$1,732.50	\$1,784.25	\$1,837.50
	Hourly	\$34.38	\$35.41	\$36.47	\$37.56	\$38.69	\$39.84	\$41.05	\$42.28	\$43.54	\$44.86	\$46.20	\$47.58	\$49.00
7	Annual	\$60,957.00	\$62,790.00	\$64,681.76	\$66,592.76	\$68,601.00	\$70,668.00	\$72,813.00	\$74,997.00	\$77,259.00	\$79,579.76	\$81,958.76	\$84,396.00	\$86,931.00
	Weekly	\$1,172.25	\$1,207.50	\$1,243.88	\$1,280.63	\$1,319.25	\$1,359.00	\$1,400.25	\$1,442.25	\$1,485.75	\$1,530.38	\$1,576.13	\$1,623.00	\$1,671.75
	Hourly	\$31.26	\$32.20	\$33.17	\$34.15	\$35.18	\$36.24	\$37.34	\$38.46	\$39.62	\$40.81	\$42.03	\$43.28	\$44.58
6	Annual	\$55,399.76	\$57,076.76	\$58,773.00	\$60,547.76	\$62,361.00	\$64,252.76	\$66,144.00	\$68,133.00	\$70,180.76	\$72,306.00	\$74,470.76	\$76,693.76	\$78,994.76
	Weekly	\$1,065.38	\$1,097.63	\$1,130.25	\$1,164.38	\$1,199.25	\$1,235.63	\$1,272.00	\$1,310.25	\$1,349.63	\$1,390.50	\$1,432.13	\$1,474.88	\$1,519.13
	Hourly	\$28.41	\$29.27	\$30.14	\$31.05	\$31.98	\$32.95	\$33.92	\$34.94	\$35.99	\$37.08	\$38.19	\$39.33	\$40.51
5	Annual	\$50,466.00	\$51,987.00	\$53,547.00	\$55,146.00	\$56,784.00	\$58,480.76	\$60,235.76	\$62,049.00	\$63,901.76	\$65,832.00	\$67,821.00	\$69,849.00	\$71,935.76
	Weekly	\$970.50	\$999.75	\$1,029.75	\$1,060.50	\$1,092.00	\$1,124.63	\$1,158.38	\$1,193.25	\$1,228.88	\$1,266.00	\$1,304.25	\$1,343.25	\$1,383.38
	Hourly	\$25.88	\$26.66	\$27.46	\$28.28	\$29.12	\$29.99	\$30.89	\$31.82	\$32.77	\$33.76	\$34.78	\$35.82	\$36.89

**APPENDIX C2
PRO-TECH PAY PLAN
EFFECTIVE JULY 5, 2026
FY27**

Principal Registered Nurse (Grade 9)

COLA: 4%

40 hours/week

	0	1	2	3	4	5	6	7	8	9	10	11	12
	0-1 YR	1 YR	2 YRS	3 YRS	4 YRS	5 YRS	6 YRS	7 YRS	10 YRS	12 YRS	15 YRS	20 YRS	25+ YRS
Annual	\$87,360.00	\$89,960.00	\$92,684.80	\$95,492.80	\$98,321.60	\$101,254.40	\$104,312.00	\$107,452.80	\$110,676.80	\$114,004.80	\$117,416.00	\$120,952.00	\$124,571.20
Weekly	\$1,680.00	\$1,730.00	\$1,782.40	\$1,836.40	\$1,890.80	\$1,947.20	\$2,006.00	\$2,066.40	\$2,128.40	\$2,192.40	\$2,258.00	\$2,326.00	\$2,395.60
Hourly	\$42.00	\$43.25	\$44.56	\$45.91	\$47.27	\$48.68	\$50.15	\$51.66	\$53.21	\$54.81	\$56.45	\$58.15	\$59.89

HVAC Coordinator (Grade 9)

40 hours/week

	0	1	2	3	4	5	6	7	8	9	10	11	12
	0-1 YR	1 YR	2 YRS	3 YRS	4 YRS	5 YRS	6 YRS	7 YRS	10 YRS	12 YRS	15 YRS	20 YRS	25+ YRS
Annual	\$78,707.20	\$81,057.60	\$83,470.40	\$85,987.20	\$88,566.40	\$91,228.80	\$93,974.40	\$96,782.40	\$99,673.60	\$102,689.60	\$105,768.00	\$108,929.60	\$112,195.20
Weekly	\$1,513.60	\$1,558.80	\$1,605.20	\$1,653.60	\$1,703.20	\$1,754.40	\$1,807.20	\$1,861.20	\$1,916.80	\$1,974.80	\$2,034.00	\$2,094.80	\$2,157.60
Hourly	\$37.84	\$38.97	\$40.13	\$41.34	\$42.58	\$43.86	\$45.18	\$46.53	\$47.92	\$49.37	\$50.85	\$52.37	\$53.94

Airport Operations Supervisor (Grade MA-8)

40 hours/week

	0	1	2	3	4	5	6	7	8	9	10	11	12
	0-1 YR	1 YR	2 YRS	3 YRS	4 YRS	5 YRS	6 YRS	7 YRS	10 YRS	12 YRS	15 YRS	20 YRS	25+ YRS
Annual	\$71,510.40	\$73,652.80	\$75,857.60	\$78,124.80	\$80,475.20	\$82,867.20	\$85,384.00	\$87,942.40	\$90,563.20	\$93,308.80	\$96,096.00	\$98,966.40	\$101,920.00
Weekly	\$1,375.20	\$1,416.40	\$1,458.80	\$1,502.40	\$1,547.60	\$1,593.60	\$1,642.00	\$1,691.20	\$1,741.60	\$1,794.40	\$1,848.00	\$1,903.20	\$1,960.00
Hourly	\$34.38	\$35.41	\$36.47	\$37.56	\$38.69	\$39.84	\$41.05	\$42.28	\$43.54	\$44.86	\$46.20	\$47.58	\$49.00

Airport Operations Duty Officer (Grade MA-6)

40 hours/week

	0	1	2	3	4	5	6	7	8	9	10	11	12
	0-1 YR	1 YR	2 YRS	3 YRS	4 YRS	5 YRS	6 YRS	7 YRS	10 YRS	12 YRS	15 YRS	20 YRS	25+ YRS
Annual	\$65,124.80	\$67,080.00	\$69,097.60	\$71,177.60	\$73,299.20	\$75,504.00	\$77,771.20	\$80,100.80	\$82,534.40	\$84,988.80	\$87,547.20	\$90,168.00	\$92,872.00
Weekly	\$1,252.40	\$1,290.00	\$1,328.80	\$1,368.80	\$1,409.60	\$1,452.00	\$1,495.60	\$1,540.40	\$1,587.20	\$1,634.40	\$1,683.60	\$1,734.00	\$1,786.00
Hourly	\$31.31	\$32.25	\$33.22	\$34.22	\$35.24	\$36.30	\$37.39	\$38.51	\$39.68	\$40.86	\$42.09	\$43.35	\$44.65

Airport Operations Coordinator (Grade MA-5)

40 hours/week

	0	1	2	3	4	5	6	7	8	9	10	11	12
	0-1 YR	1 YR	2 YRS	3 YRS	4 YRS	5 YRS	6 YRS	7 YRS	10 YRS	12 YRS	15 YRS	20 YRS	25+ YRS
Annual	\$59,259.20	\$61,048.00	\$62,857.60	\$64,750.40	\$66,684.80	\$68,681.60	\$70,761.60	\$72,883.20	\$75,046.40	\$77,292.80	\$79,622.40	\$82,014.40	\$84,468.80
Weekly	\$1,139.60	\$1,174.00	\$1,208.80	\$1,245.20	\$1,282.40	\$1,320.80	\$1,360.80	\$1,401.60	\$1,443.20	\$1,486.40	\$1,531.20	\$1,577.20	\$1,624.40
Hourly	\$28.49	\$29.35	\$30.22	\$31.13	\$32.06	\$33.02	\$34.02	\$35.04	\$36.08	\$37.16	\$38.28	\$39.43	\$40.61

**APPENDIX C3
PRO-TECH PAY PLAN
EFFECTIVE JULY 4, 2027
FY28**

COLA: 2%

PAY GRADE		0 0-1 YR	1 1 YR	2 2 YRS	3 3 YRS	4 4 YRS	5 5 YRS	6 6 YRS	7 7 YRS	8 10 YRS	9 12 YRS	10 15 YRS	11 20 YRS	12 25+ YRS
9M	Annual	\$82,095.00	\$84,513.00	\$87,067.76	\$89,661.00	\$92,371.76	\$95,140.76	\$97,987.76	\$100,951.76	\$103,974.00	\$107,094.00	\$110,292.00	\$113,607.00	\$117,019.76
	Weekly	\$1,578.75	\$1,625.25	\$1,674.38	\$1,724.25	\$1,776.38	\$1,829.63	\$1,884.38	\$1,941.38	\$1,999.50	\$2,059.50	\$2,121.00	\$2,184.75	\$2,250.38
	Hourly	\$42.10	\$43.34	\$44.65	\$45.98	\$47.37	\$48.79	\$50.25	\$51.77	\$53.32	\$54.92	\$56.56	\$58.26	\$60.01
9	Annual	\$75,270.00	\$77,512.76	\$79,813.76	\$82,231.76	\$84,688.76	\$87,243.00	\$89,856.00	\$92,547.00	\$95,316.00	\$98,202.00	\$101,146.76	\$104,169.00	\$107,289.00
	Weekly	\$1,447.50	\$1,490.63	\$1,534.88	\$1,581.38	\$1,628.63	\$1,677.75	\$1,728.00	\$1,779.75	\$1,833.00	\$1,888.50	\$1,945.13	\$2,003.25	\$2,063.25
	Hourly	\$38.60	\$39.75	\$40.93	\$42.17	\$43.43	\$44.74	\$46.08	\$47.46	\$48.88	\$50.36	\$51.87	\$53.42	\$55.02
8	Annual	\$68,386.76	\$70,434.00	\$72,540.00	\$74,704.76	\$76,947.00	\$79,248.00	\$81,646.76	\$84,103.76	\$86,599.76	\$89,232.00	\$91,884.00	\$94,633.76	\$97,461.00
	Weekly	\$1,315.13	\$1,354.50	\$1,395.00	\$1,436.63	\$1,479.75	\$1,524.00	\$1,570.13	\$1,617.38	\$1,665.38	\$1,716.00	\$1,767.00	\$1,819.88	\$1,874.25
	Hourly	\$35.07	\$36.12	\$37.20	\$38.31	\$39.46	\$40.64	\$41.87	\$43.13	\$44.41	\$45.76	\$47.12	\$48.53	\$49.98
7	Annual	\$62,185.76	\$64,038.00	\$65,968.76	\$67,918.76	\$69,966.00	\$72,072.00	\$74,275.76	\$76,498.76	\$78,799.76	\$81,178.76	\$83,596.76	\$86,092.76	\$88,666.76
	Weekly	\$1,195.88	\$1,231.50	\$1,268.63	\$1,306.13	\$1,345.50	\$1,386.00	\$1,428.38	\$1,471.13	\$1,515.38	\$1,561.13	\$1,607.63	\$1,655.63	\$1,705.13
	Hourly	\$31.89	\$32.84	\$33.83	\$34.83	\$35.88	\$36.96	\$38.09	\$39.23	\$40.41	\$41.63	\$42.87	\$44.15	\$45.47
6	Annual	\$56,511.00	\$58,227.00	\$59,943.00	\$61,756.76	\$63,609.00	\$65,539.76	\$67,470.00	\$69,498.00	\$71,584.76	\$73,749.00	\$75,952.76	\$78,234.00	\$80,574.00
	Weekly	\$1,086.75	\$1,119.75	\$1,152.75	\$1,187.63	\$1,223.25	\$1,260.38	\$1,297.50	\$1,336.50	\$1,376.63	\$1,418.25	\$1,460.63	\$1,504.50	\$1,549.50
	Hourly	\$28.98	\$29.86	\$30.74	\$31.67	\$32.62	\$33.61	\$34.60	\$35.64	\$36.71	\$37.82	\$38.95	\$40.12	\$41.32
5	Annual	\$51,480.00	\$53,020.76	\$54,619.76	\$56,257.76	\$57,915.00	\$59,650.76	\$61,444.76	\$63,297.00	\$65,188.76	\$67,158.00	\$69,186.00	\$71,253.00	\$73,378.76
	Weekly	\$990.00	\$1,019.63	\$1,050.38	\$1,081.88	\$1,113.75	\$1,147.13	\$1,181.63	\$1,217.25	\$1,253.63	\$1,291.50	\$1,330.50	\$1,370.25	\$1,411.13
	Hourly	\$26.40	\$27.19	\$28.01	\$28.85	\$29.70	\$30.59	\$31.51	\$32.46	\$33.43	\$34.44	\$35.48	\$36.54	\$37.63

**APPENDIX C3
PRO-TECH PAY PLAN
EFFECTIVE JULY 4, 2027
FY28**

Principal Registered Nurse (Grade 9)

COLA: 2%

40 hours/week

	0	1	2	3	4	5	6	7	8	9	10	11	12
	0-1 YR	1 YR	2 YRS	3 YRS	4 YRS	5 YRS	6 YRS	7 YRS	10 YRS	12 YRS	15 YRS	20 YRS	25+ YRS
Annual	\$89,107.20	\$91,769.60	\$94,536.00	\$97,406.40	\$100,297.60	\$103,272.00	\$106,392.00	\$109,595.20	\$112,881.60	\$116,292.80	\$119,766.40	\$123,364.80	\$127,067.20
Weekly	\$1,713.60	\$1,764.80	\$1,818.00	\$1,873.20	\$1,928.80	\$1,986.00	\$2,046.00	\$2,107.60	\$2,170.80	\$2,236.40	\$2,303.20	\$2,372.40	\$2,443.60
Hourly	\$42.84	\$44.12	\$45.45	\$46.83	\$48.22	\$49.65	\$51.15	\$52.69	\$54.27	\$55.91	\$57.58	\$59.31	\$61.09

HVAC Coordinator (Grade 9)

40 hours/week

	0	1	2	3	4	5	6	7	8	9	10	11	12
	0-1 YR	1 YR	2 YRS	3 YRS	4 YRS	5 YRS	6 YRS	7 YRS	10 YRS	12 YRS	15 YRS	20 YRS	25+ YRS
Annual	\$80,288.00	\$82,680.00	\$85,134.40	\$87,713.60	\$90,334.40	\$93,059.20	\$95,846.40	\$98,716.80	\$101,670.40	\$104,748.80	\$107,889.60	\$111,113.60	\$114,441.60
Weekly	\$1,544.00	\$1,590.00	\$1,637.20	\$1,686.80	\$1,737.20	\$1,789.60	\$1,843.20	\$1,898.40	\$1,955.20	\$2,014.40	\$2,074.80	\$2,136.80	\$2,200.80
Hourly	\$38.60	\$39.75	\$40.93	\$42.17	\$43.43	\$44.74	\$46.08	\$47.46	\$48.88	\$50.36	\$51.87	\$53.42	\$55.02

Airport Operations Supervisor (Grade MA-8)

40 hours/week

	0	1	2	3	4	5	6	7	8	9	10	11	12
	0-1 YR	1 YR	2 YRS	3 YRS	4 YRS	5 YRS	6 YRS	7 YRS	10 YRS	12 YRS	15 YRS	20 YRS	25+ YRS
Annual	\$72,945.60	\$75,129.60	\$77,376.00	\$79,684.80	\$82,076.80	\$84,531.20	\$87,089.60	\$89,710.40	\$92,372.80	\$95,180.80	\$98,009.60	\$100,942.40	\$103,958.40
Weekly	\$1,402.80	\$1,444.80	\$1,488.00	\$1,532.40	\$1,578.40	\$1,625.60	\$1,674.80	\$1,725.20	\$1,776.40	\$1,830.40	\$1,884.80	\$1,941.20	\$1,999.20
Hourly	\$35.07	\$36.12	\$37.20	\$38.31	\$39.46	\$40.64	\$41.87	\$43.13	\$44.41	\$45.76	\$47.12	\$48.53	\$49.98

Airport Operations Duty Officer (Grade MA-6)

40 hours/week

	0	1	2	3	4	5	6	7	8	9	10	11	12
	0-1 YR	1 YR	2 YRS	3 YRS	4 YRS	5 YRS	6 YRS	7 YRS	10 YRS	12 YRS	15 YRS	20 YRS	25+ YRS
Annual	\$66,435.20	\$68,432.00	\$70,470.40	\$72,592.00	\$74,755.20	\$77,022.40	\$79,331.20	\$81,702.40	\$84,177.60	\$86,694.40	\$89,294.40	\$91,977.60	\$94,723.20
Weekly	\$1,277.60	\$1,316.00	\$1,355.20	\$1,396.00	\$1,437.60	\$1,481.20	\$1,525.60	\$1,571.20	\$1,618.80	\$1,667.20	\$1,717.20	\$1,768.80	\$1,821.60
Hourly	\$31.94	\$32.90	\$33.88	\$34.90	\$35.94	\$37.03	\$38.14	\$39.28	\$40.47	\$41.68	\$42.93	\$44.22	\$45.54

Airport Operations Coordinator (Grade MA-5)

40 hours/week

	0	1	2	3	4	5	6	7	8	9	10	11	12
	0-1 YR	1 YR	2 YRS	3 YRS	4 YRS	5 YRS	6 YRS	7 YRS	10 YRS	12 YRS	15 YRS	20 YRS	25+ YRS
Annual	\$60,444.80	\$62,275.20	\$64,105.60	\$66,040.00	\$68,016.00	\$70,054.40	\$72,176.00	\$74,339.20	\$76,544.00	\$78,832.00	\$81,224.00	\$83,657.60	\$86,153.60
Weekly	\$1,162.40	\$1,197.60	\$1,232.80	\$1,270.00	\$1,308.00	\$1,347.20	\$1,388.00	\$1,429.60	\$1,472.00	\$1,516.00	\$1,562.00	\$1,608.80	\$1,656.80
Hourly	\$29.06	\$29.94	\$30.82	\$31.75	\$32.70	\$33.68	\$34.70	\$35.74	\$36.80	\$37.90	\$39.05	\$40.22	\$41.42

APPENDIX D

Guidelines For Conducting The Performance Appraisal

Purposes of Performance Appraisal

- A. To validate positive performance and improve performance where desirable
- B. To clarify expectations of performance
- C. To create a performance history for the record
- D. To build a stronger relationship between employees and their supervisors
- E. To improve individual performance, and thus organizational performance

Preconditions for Effective Performance Management and Performance appraisals

- A. Mutual understanding (employee/supervisor) of expectations of the job
- B. Consistent communication throughout the evaluation period
- C. Timely completion of the process
- D. Full employee participation in the performance appraisal process.
 - 1. Employees understand how to navigate the process
 - 2. Employees required to complete self-evaluation
 - 3. Supervisors do not treat the process as a “report card.” Rather, this is a process of mutual and respectful reflection on the contributions of the employee, appreciation of positive efforts and outcomes, and a committed mutual effort to address performance improvement needs or opportunities.
 - 4. Supervisor listens carefully to the employee and incorporates employee input into review.
- E. Supervisor shares the proposed evaluation with the next level of management *before* discussing it with employee.
- F. Supervisor and employee should keep notes during the review period about successes, notable events, and concerns.
- G. Evaluations should be done at the 6 month and 12 month intervals of employment, and annually thereafter.

Preparing the Appraisal (both employee and supervisor)

- A. Review notes (from E. above) about successes, notable events, and concerns.
- B. Generate a list of illustrative examples that characterize the employee’s performance during the rating period.
- C. Consider the meaning of each factor as it pertains to this job and this employee.

- D. Choose a rating factor that most closely matches the description of the level of the employee's work.
- E. Make note of at least two or three illustrative examples that fairly characterize the employee's performance over the course of the rating period. Illustrative examples are specific things that an employee has done (or perhaps has not done).
- F. As you move through the review, you will recall more illustrative examples. Add them to the list and use them appropriately as you rate additional factors.
- G. If goals have previously been set, note the goal, progress toward meeting that goal, and extenuating circumstances, if any.
- H. Establish 3 or 4 goals for the coming year. The goals must be realistic, somewhat challenging (but do-able), measureable, and accompanied by a time frame for accomplishment.
- I. Review what you have written so far, and summarize performance highlights and successes
- J. Review what you have written so far, and summarize ways in which the employee's performance needs to improve, or where improvement of knowledge, skills, abilities, or exercise of them would enhance performance.
- K. Consider the things that you as a supervisor will do (or what you as the employee want your supervisor to do) to assist the employee in improving performance. This could include elements such as coaching, mentoring, training, additional resources, etc.
- L. Create an overall summary of what you have said above.
- M. The supervisor should review the draft at this point with their supervisor for 3 reasons:
 - 1. To assure that the higher level supervisor does not disagree with the supervisor's proposed evaluation.
 - 2. To permit the higher level supervisor to assess the fairness of the ratings, and the thoughtfulness and appropriateness of illustrative examples.
 - 3. To get help with establishing fair, ambitious, measureable, attainable goals.
- N. The supervisor and employee should discuss how to do the review:
- O. The supervisor gives the employee their review in advance to think about, or
 - 1. Employee and supervisor swap their respective versions in advance, or
 - 2. The employee and supervisor come to the review prepared to discuss the appraisal, but keep their initial drafts to themselves.
- P. Select a time and place where you will have sufficient time for thoughtful discussion, minimal opportunity for interruption, and maximum privacy.
- Q. Consider the employees (or supervisor's) likely reactions, and consider how to communicate without raising defensiveness.

Conducting the Interview

- 1. Open the discussion with a review of what the process attempts to accomplish: appreciating the employee for their contributions, and discussing ways in which the employee might become an

even more effective contributor. Emphasize that this is a conversation, and not a monologue. Let the employee know that you are interested in their point of view at every step of the process, and will incorporate their point of view in the review to the extent possible.

2. Discuss each of the 11 rating factors, laying out your thinking, offering what you think of as appropriate illustrative examples, and welcome their thinking and their examples. Welcome employee perspectives with each rating factor. The employee will almost always have thought of illustrative examples that you did not think of. Include them as appropriate. Allow yourself to be persuaded to change language or ratings if the employee makes a persuasive case.
3. Review previous goals, and progress toward meeting those goals. Recall that this is a conversation, not a monologue.
4. Discuss proposed goals.
5. Summarize accomplishments during the rating period. Offer appreciation for good work, and for positive contribution.
6. Summarize employee strengths.
7. Discuss areas of improvement. Frame it to the extent reasonable as ways in which the employee can become even more effective. Consider that this question is not just “weakness” of performance, it is also how the employee can grow in skill and contribution to the organization. If there are serious performance problems, label them as such, and describe in some detail what is expected for improvement. This includes specific action steps, timetables for achieving them, and consequences of failure to do so. Discuss with Human Resources whether a Performance Improvement Program might be in order.
8. Assume that performance problems usually require efforts by the employee, and support from the supervisor to accomplish improvement. Identify what you will do as a supervisor (remove barriers, more training, coaching, etc.) to support performance improvement.
9. Maintain an attitude of interested detachment.
10. Ask employees to prepare their own summary statement, and let ~~them~~him/her know that you will revise your draft to reflect their input. Get back with them within a couple of days to review the revised document, and to sign it.
11. There is a statement at the end of the review that says that the employee’s signature does not signify agreement, but only that the employee has seen and understands the review. If the employee nonetheless refuses to sign it, the supervisor’s supervisor ought to be brought in to witness that the employee has seen the review, and should note as such on the performance appraisal.

If the employee disagrees with the review

If the employee disagrees with the review, there are several options available:

1. They are welcome to add their dissenting comments in the employee comment section of the appraisal form

2. They are welcome to add their own point of view in narrative form, to be included with the review in the personnel file
3. They can ask the supervisor's supervisor to hear them out if they feel treated unfairly
4. They can grieve the evaluation through the established grievance procedure with respect to one element only: Did the incident cited in the evaluation happen during the rating period?

APPENDIX E

Pro-Tech Performance Evaluation

Employee Name _____ Supervisor's Name _____

Title:

Time in Position:

Evaluation Type: Initial Evaluation _____
 Annual Evaluation _____

Key:

NA=Not Applicable

A=Above Standard Performance: Consistently Exceeds Standards

FS=Fully Satisfactory: Consistently Meets Standards, Sometimes Exceeds

NI=Needs Improvement: Sometimes Meets Standards, Sometimes Does Not

1. QUANTITY OF WORK

NA A FS NI

Produces expected quantity of work in the available time

Illustrative Examples: _____

2. QUALITY OF WORK

NA A FS NI

- a. Produces work that is thorough, accurate, and of high caliber
- b. Carefully checks the accuracy of own work

Illustrative Examples: _____

3. JOB KNOWLEDGE

NA A FS N

- a. Possesses and exhibits job knowledge, organizational knowledge, and knowledge of the discipline required to perform job effectively
- b. Applies knowledge appropriately to routine and non-routine situations
- c. Seeks to keep current in their profession and improve knowledge

Illustrative Examples: _____

4. INITIATIVE

NA A FS NI

- a. Takes responsibility for own work
- b. Considers “what if’s” and how to improve the process and/or outcomes of work
- c. Anticipates and solves problems or identifies them to appropriate people
- d. Considers broader impact of work; makes adjustments accordingly

Illustrative Examples: _____

5. ADAPTABILITY AND FLEXIBILITY

NA A FS NI

- a. Adjusts well to change
- b. Performs well in stressful situations
- c. Effectively assists subordinates and peers in accommodating work-related change

Illustrative Examples: _____

6. TEAMWORK & COLLABORATION

NA A FS NI

- a. Creates and maintains internal and (where necessary) external relationships necessary to effectively accomplish goals and objectives
- b. Recognizes and seizes opportunities for collaboration
- c. Gives and accepts positive and critical feedback thoughtfully and gracefully
- d. Participates in staff meetings, committees, educational activities, and special project teams as appropriate
- e. Identifies and resolves conflict effectively

Illustrative Examples: _____

7. JUDGMENT AND DECISIONS

NA A FS NI

- a. Interprets/applies City policies and procedures effectively
- b. Responds effectively to crises and difficult situations
- c. Makes timely, sound decisions
- d. Seeks assistance when appropriate
- e. Uses independent thought, originality, and reasoning in making decisions

Illustrative Examples: _____

8. ORGANIZATIONAL SKILLS

NA A FS NI

- a. Plans, coordinates and uses resources effectively
- b. Organizes and prioritizes work so that projects are done efficiently, and in order of priority
- c. Uses own and others' time well

Illustrative Examples: _____

9. CUSTOMER SERVICE

NA A FS NI

- a. Knows customer/client needs, and serves them skillfully
- b. Provides customer service within established deadlines, consistent with City values, standards, and policies
- c. Promotes positive internal and external customer relations by actively seeking and being responsive to customer feedback

Illustrative Examples: _____

10. COMMUNICATION SKILLS

NA A FS NI

- a. Communicates in a positive, consistent, and open manner
- b. Communicates with individuals about issues as they arise, in a direct and timely manner
- c. Expresses ideas professionally, clearly and concisely both verbally and in writing
- d. Demonstrates willingness to listen first in order to understand
- e. Maintains confidentiality in communications

Illustrative Examples: _____

11. SUPERVISORY SKILLS

NA A FS NI

- a. Sets and enforces standards; models appropriate behavior

- b. Supervises subordinates in fair and consistent manner
- c. Provides positive and critical feedback in a professional manner

Illustrative Examples: _____

Goals and Objectives:

Goal 1 from last review:

Progress toward meeting goal 1:

Goal 2 from last Review

Progress toward meeting Goal 2

Goal 3 from last review:

Progress toward meeting Goal 3

Goals for next Rating Period:

Goal No. 1:

Goal No. 2:

Goal No. 3:

Outstanding Accomplishments during rating period:

Employee Strengths:

Areas for Improvement:

Ways in which supervisor will support Performance improvement:

Evaluator Comments:

Employee Comments:

Employee Signature: _____

Date: _____

***My signature does not connote agreement with this evaluation. It signifies only that I have read it and understand it.**

Supervisor Signature: _____

Date: _____

Manager Signature: _____

Date: _____

Department Head Signature: _____

Date:

APPENDIX F

TRANSITIONAL WORK AGREEMENT

The Employee and the Employer enter into this agreement for a period of Transitional Work, as follows:

1. The date upon which the Employee sustained an injury is _____.
2. Pursuant to ~~Section 27.2~~~~the City of Portland's Transitional Work Policy~~, the Employee will return to work in a Transitional Work assignment on _____.
3. Attached is a copy of the Transitional Work Policy of the City of Portland which the Employee has read and understood.
4. The parties agree that the term of this Transitional Work assignment shall be 90 days, from the return to work date above until _____.

~~ff~~
~~Dated this~~ _____ ~~day of~~ _____, 20____ ~~ff~~
~~ff~~
~~ff~~

~~ff~~
~~Employee~~ ~~ff~~
~~ff~~
~~ff~~

~~ff~~
~~City of Portland~~ ~~ff~~
~~ff~~
~~ff~~

APPENDIX G

BARRON CENTER SIDE AGREEMENT

The City of Portland and the Professional and Technical City Employees Association, in an attempt to institute a sick leave usage incentive program, have mutually agreed to the following program at the Barron Center:

1. Notwithstanding Article 16 - SICK LEAVE and Article 13 VACATION, effective January 1, 1987 and continuing, the Pro-Tech Association members located at the Barron Center shall be participating in the City's sick leave incentive plan.
2. Sick leave shall accrue at the rate of .87 hours per week.
3. Vacations shall accrue according to the following schedule:

0 - 3 years - 1 week - .72 hours per week
4 - 5 years - 2 weeks - 1.44 hours per week
6 - 11 years - 3 weeks - 2.16 hours per week
12 + years - 4 weeks - 2.88 hours per week
4. The provisions of the collective bargaining agreement pertaining to unused sick leave upon retirement shall be prorated consistent with the terms of this side letter.
5. The provision for conversion of sick leave in Article 16.5 is modified as follows: a Barron Center employee is eligible for conversion if ~~they use(s)he uses~~ the equivalent of one or fewer sick days within a twelve (12) consecutive month period.

ff
ff

For the City of Portland

Date

ff
ff
ff
ff

Professional and Technical
City Employees Association

Date

ff

APPENDIX H
Department of Public Works
EMPLOYEE INCENTIVE PROGRAM
CREATED SPRING 2001 (Updated January 2008)
TO RUN WITH FISCAL YEAR (JULY THROUGH JUNE)

All unit employees hired on or before July 3, 2016 will remain eligible for the Public Works Incentive Program while they hold the position as a Pro-Tech bargaining unit employee in the Public Works Department. Any new employees hired after July 3, 2016 will not be eligible for the Public Works Incentive Program.

Purpose

To encourage and reward safe and active participation in the workplace Community.
Also to reward those who go above and beyond their normal duties to make sure a job gets completed accurately in a timely fashion.



Program Parameters

The program will run from July 1st through June 30th (fiscal year). All Department employees are eligible to participate. Employees will start with NO points. Points will be added for categories to give employees a total score at the end of the program. We encourage employees to report any category throughout the year without waiting until the end to do so. The goal is to get as many points as possible.

Point Values/Categories

Attendance

Attendance is very important in order to be productive in this Department.

We will be basing the attendance scores on the way the new sick policy leave is currently set up. The **Department** will have the responsibility of reporting this category. We will award points for lack of occurrences, not hours sick was used. There will not be any type of penalty for sick leave donations or conversions. The points in this category are as follows:

▶	Perfect Attendance (zero use of sick time)	25 points
▶	1 day (can't exceed total hours of one shift)	20
points		
▶	2 days (can't exceed total hours of two shifts)	15
points		

- ▶ 3 days (can't exceed total hours of three shifts) 10 points
- ▶ 4 days (can't exceed total hours of four shifts) 5 points

A safe workplace enhances both productivity and pleasure on the job.

Safety

Points will be added in this category for employees who do not have a lost-time injury. The responsibility of reporting this information will be by the Department. If an employee is sent home the day of an injury, that will not count as lost time. Vehicle accidents will also be part of this category as they are costly and are cause for loss of productivity. We also would like to encourage employees to join the stretching program as that also results in lower on-the-job injuries. We also want to encourage employees to report any conditions they feel are unsafe. These should be reported to your Section's Supervisor, Safety Representative or the Safety Officer. The points for this category will be as follows:

- ▶ Leading Stretching (Two Weeks) 5 points
Supervisor/Coordinator must verify
- ▶ Stretching Participation 5 points
- ▶ Employees With No Accidents 2, 3, 4, 5 or 6 points
(points determined by list determined by high mileage drivers submitted by Committee)
- ▶ No Lost Time Injuries 2 or 5 points
(based on preventable, exposure)
- ▶ Safety Committee Participation 5 points
(based on attendance – 10 out of 12)

Education and Training

The Department values continued skill building and training that would increase the employee's production in the long run. The Department also expects Supervisors to encourage and educate their employees that training possibilities are available.

Points will be assessed in this category according to what type of education and training the employee had. The responsibility for reporting this information will be by the employee. We will be asking for proof of the course by providing a copy of a certificate, receipt of payment for the course, etc. to prove that the course was actually taken. The points for this category will be as follows:

- ▶ Semester Length Course (benefits Department) 5 points
- ▶ College sponsored Degree or Certificate 10 points

(one time only upon receipt)

▶ Seminars/Half Day, One Day Training	2 points
▶ Seminars - Two Days Training	3 points
▶ 40 hour OSHA Training	4 points
▶ CPR	3 points
▶ First Aid	1 point
▶ Equipment Certification	2 points
▶ Re-Certification Courses	1 point

There will be a 15-point cap on this category!

Customer Service/Recognition

The Department values excellent customer service whether it be in-house or outside the Department.

Points will be assessed in this category according to what type of recognition an employee receives. The responsibility of reporting this information belongs to both the **Department** and the **employee**. Positive feedback not only boosts morale but also gives employees a good attitude knowing their work is highly appreciated. The points for this will be as follows:

▶ City Employee of Month	5 points
▶ Department Employee of Month	5 points
▶ Employees Who Nominate Employee Chosen for City or Department Employee of Month	3 points
▶ Positive Mention in Media	2 points
▶ Positive Recognition - General Public	1 point
▶ In-house Memos & Letters	1 point

There will be a 15-point cap on this category!

Department Involvement

The Department offers opportunities for employees to participate on various committees or events throughout the year giving them a chance to voice their input.

Points will be assessed in this category depending on what committee the employee has served or participated on. The responsibility of reporting this information belongs to the **employee**. The committee will determine what category the committee will fall under as listed.

Attendance/Participation is a factor for points. The points for this will be as follows:

▶	Ongoing Committee Participation	3 points
	(Examples: Leadership, Accident Review, EOM, Incentive, Peer Review, etc.)	
▶	Chair Person	2 points
▶	Vice Chair	1 point
•	Recording Secretary	1 point
▶	Adhoc Committees (event planning)	1 point
▶	Disasters/Helping Other Communities	2 to 5 points

There will be a 15-point cap on this category!

Bonus Points

Conscientious and caring employees contribute to the diversity and innovation in their wonderful City and Community.

Employees who volunteer for community service, make contributions, etc. show they care. **Employees** will be responsible for reporting this information. The points for this will be as follows:

▶	Community Involvement	Up to 5 points
TOTAL	(Points awarded at discretion of Committee)	
▶	Charitable Contributions	2 points
TOTAL	Anyone making a contribution for any charity (must be verified)	
•	Carpooling/Alternate Modes of Transportation	
	30 Work days	3 points TOTAL
	60 Work days	6 points TOTAL

There will be a 10-point cap on this category!

Awards

Awards will be presented as follows:

▶	One Day Off	30 points total
▶	Two Days Off	40 points total
▶	Three Days Off	50 points total

One Week Off **60 points total**
**** POINT STANDINGS WILL BE DETERMINED UPON TOTAL POINT VALUE
WHEN TALLYING FINAL FIGURES**

PUBLIC WORKS EMPLOYEE INCENTIVE PROGRAM

Elective Points Tally Sheet

Employee Name: _____

Division: _____

Safety

Stretching Participation: Yes _____ No _____

Supervisor Approval: _____

*Employees who lead stretching for two consecutive weeks can earn extra points.
Please have a Supervisor sign below and indicate the date of the two-week duration.*

Date: _____

Approval Signature: _____

Are you a current member of the Safety Committee: Yes _____ No _____

Education & Training

Course Name: _____

Length of Course: _____

Date: _____

Job Related: Yes _____ No _____

Course Name: _____

Length of Course: _____

Date: _____

Job Related: Yes _____ No _____

***Employees need to attach a copy of the certificate if given one. Anything
offered in-house should also be listed here.***

Customer Service/Recognition

Media Coverage Date: _____

Topic Discussed: _____

Media Coverage Date: _____

Topic Discussed: _____

Letters from Citizens/Residents – Attach copy

In-house Letters or Memos – Attach copy

Department Involvement

Committees Participate on: _____

Supervisor Approval: _____

Employees need to be aware that attendance to these meetings will be a factor for scoring.

Did you help out another community during a disaster, etc.?

Yes _____

No _____

If yes, when, for what purpose and how long: _____

Bonus Points

Community Involvement:

Name of Group/Company: _____

How Involved: _____

Charitable Contributions:

Name of Charity Contributing to: _____

Carpooling/Alternate Modes of Transportation:

Dates and Method: _____

Supervisor Approval: _____

Other Comments

APPENDIX I

SIDE AGREEMENT

Recreation employees need to establish work schedules that are consistent with the services provided by the department. Upon contract execution employees will submit their schedule requests to the Director of Parks, Recreation and Facilities-~~Management~~, or Designee.

Schedules consisting of five (5) consecutive work days and two (2) days off will be approved as long as those schedules are developed around the needs of the department and their program area. Their days off will not necessarily be Saturday and Sunday.

Employees may, with the approval of the Director of Parks, Recreation and Facilities-~~Management~~, or Designee, choose to work a schedule that exceeds a five-day week or that does not include two consecutive days off.

All schedules must be approved by the Director of Parks, Recreation and Facilities-~~Management~~, or Designee. The Director, or Designee, reserves the right to require employees to modify their schedule in the event of scheduled absences that impact the department's ability to deliver a scheduled program.

City of Portland		Date
		
		
		
		
Professional and Technical		Date
City Employees Association		
		

APPENDIX J

PUBLIC WORKS SIDE AGREEMENT

During the year, winter storm events or other events that affect the public safety of the citizens of Portland may require a coordinated departmental and/or City response.

A. Winter Storm Events

During the winter period when sufficient numbers of Public Works employees from the Pro-Tech bargaining units who normally perform winter operations work are not available, the Director of Public Works or designee may require Pro-Tech Public Works and Parks, Recreation and Facilities employees, whose normal job duties do not include winter operations functions, to assist with winter operations during their regular work hours. The intent is to supplement or substitute for those employees from the Pro-Tech bargaining unit whose normal job duties include winter operations functions.

The requirement for employees, whose normal job duties do not include winter operations functions, to perform winter operations work is limited to the regular work day except in cases of prolonged events where available staffing is not sufficient to meet the needs of the event. At the request of the Director or designee, this requirement may be extended for any given storm event to a combined total of up to 16 hours (7.5 regular hours plus additional 8.5 hours) to end not later than midnight. Such extension will be with the concurrence of the affected employee, except in cases of prolonged events, and the employee will be provided with a return time at least one and one-half hours prior to the end of their regular shift.

In cases of prolonged events where Pro-Tech staff is required to supplement or substitute for other Pro-Tech personnel performing winter operations, the on-duty Winter Coordinator will provide the employee with a return or report time.

The Department shall assign employees for the best use of their skills according to the needs of the City as determined by the Department Director or designee. Except in the case of prolonged events, no unit members, except for those employees whose normal job duties include winter operations functions, will be required to participate in winter operations during the weekend days of Saturday and Sunday or on City observed holidays. Employees assigned to winter operations will not be disciplined for not performing their regular duties during the period of assignment or for delays directly attributable to said assignment. Positions that will be utilized during winter operations are the Paving Coordinator,

Construction Engineering Coordinator, Traffic Coordinator, District Coordinator, Wastewater Facilities Coordinator, and the Parks Operations Manager/Arborist.

Employees will be eligible for a \$10.00 meal allowance after working twelve (12) consecutive hours, providing that at least four (4) of those hours are performing winter operations duties. Employees who work beyond their regular work hours at the Department's request will receive time and one-half times their regular hourly rate.

Prolonged events, as referenced above, are defined as storms or other winter weather events lasting for 72 hours or more from the start of the event through the entire event including clean-up operations (such as, but not limited to: re-plowing, snow removal/hauling, and Emergency No Parking snow removal operations).

B. Non-Winter Storm Events

Other events that affect the public safety of City of Portland citizens, primarily weather-related, that occur at any time during the year may require a coordinated departmental response. Departmental employees will be expected to respond as needed according to Article 11.1.2.

Agreed to by: 



_____ 

City of Portland _____ Date 



_____ 

_____ 

Professional and Technical _____ Date 

City Employees Association 



APPENDIX K

MEMORANDUM OF AGREEMENT

This agreement applies to unit employees who work in the following departments: Public Works or Parks, Recreation and Facilities ~~Management~~. The City will continue the prescription eyewear reimbursement program for employees whose work involves regular exposure to eye hazards in accordance with the following guidelines:

Eligibility

Engineering employees and other employees the Department Director authorizes as being regularly exposed to eye hazards are eligible for this reimbursement program.

- Employees who are hired on or after July 1, 1998, and
- Employees hired previously who did not take advantage of this program because they were not required to wear glasses prior to July 1, 1998.

Reimbursement Amount

The City will make a one-time reimbursement of \$30 to the employee for the purchase of one (1) pair of safety prescription eyewear (with an additional \$20 available for bifocal lens cost) providing the employee submits proof of purchase dated on or after July 1, 1998. Eyewear must be in compliance with ANSI standards to be eligible for the reimbursement.

This is a one-time reimbursement not a yearly reimbursement. Engineering employees may use a portion of their clothing account to fund the balance of the cost, if an initial purchase, or the full cost if a replacement purchase.

Employees who claim that their prescription eyewear has been damaged at work and request replacement through the Workers' Compensation system will be expected to provide sufficient documentation to substantiate that the damage occurred during the course of and arising out of the performance of duty and that the damage was not due to carelessness on the part of the employee. The City will continue to track Workers' Compensation costs and a significant increase in costs will be cause for the City to terminate this program.

¶

Agreed to by: ¶

¶

City of Portland

Date ¶

¶

Professional and Technical City

Date ¶

APPENDIX L

JETPORT SCHEDULING

A. Scheduling

The Jetport Operations Department operates 24/7 with team members working rotating schedules. To ensure consistency and stability, the Jetport will ensure shift rotations remain sequenced and scheduled without change. Employees will rotate through the available shifts in sequential order without any variation due to a decrease in staffing or other personnel matters. This ensures that employees can plan months and / or years in advance to ensure consistency. The standard work week for all Jetport Operations employees shall consist of 40 hours, broken into four (4) ten (10) hour shifts. A schedule with all rotations will be posted in the Operations Center.

B. Shift Vacancies

To ensure consistency, the Jetport will fill vacant shift for Airport Operations Coordinators and Airport Operations Duty Officers in accordance with the following procedure:

1. When management determines a vacant shift needs to be filled, management will first attempt to fill the shift as an overtime opportunity on a voluntary basis by canvassing qualified employees in the subgroup classification in accordance with departmental policy.
2. In the event there are no volunteers, management may elect to reduce or leave a shift unfilled if conditions permit.
3. If an overtime opportunity is not filled through the voluntary procedure and is deemed essential, employees will be mandated to work a vacant overtime shift. A rotating on-call or standby procedure will be used. No employees will be required to work more than (16) consecutive hours. Employees may not leave work until relief arrives or they have management's approval. Employees must adhere to and follow the mandatory rest period of 8-hours.

4. Employees should submit known time off requests as far in advance as possible to ensure any coverage vacancy can be filled through voluntary means.

C. Holidays

The Jetport is committed to supporting employees in observing all recognized City of Portland holidays. When two or more employees are scheduled to work the identical shift on a designated holiday, efforts will be made to minimize required staffing while ensuring operational needs are met. The following procedure shall govern holiday shift assignments:

1. Voluntary Holiday Observance by Seniority

Employees scheduled for the identical holiday shift shall be contacted in order of seniority and offered the opportunity to observe the holiday and be scheduled off. If the most senior employee declines the opportunity, the next most senior employee shall be contacted, and so on, until a volunteer is identified. Volunteers shall receive their regular straight-time pay for the holiday observance.

2. Mandatory Assignment if No Volunteers

If no employees volunteer to observe the holiday, the shift shall be assigned to the employee with the highest seniority among those originally scheduled for that shift. All other employees who were originally scheduled to work the same shift shall be scheduled off in observance of the holiday. These employees shall receive their regular straight-time pay for the holiday observance.

3. Exceptions

In the event that operational requirements necessitate maintaining standard staffing levels during a recognized holiday, the above holiday scheduling procedures shall be temporarily suspended. In such cases, affected employees will be notified.

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): Levy / (Valuation/1000)		\$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
Example:								
ADD: NEW ITEM ANNUAL EXPENDUTURES				\$549,000		\$565,000		\$574,000
LESS: TOTAL NEW ITEM ANNUAL REVENUES				\$0		\$0		\$0
=NEW ITEM NET TAX RATE IMPACT PROJECTION			\$549,000	\$549,000	\$565,000	\$565,000	\$574,000	\$574,000
New Program Impact to the Tax Rate			\$0.0362	\$0.0362	\$0.0373	\$0.0373	\$0.0379	\$0.0379
New Program % Impact on Tax Rate			0.5517%	0.2415%	0.5678%	0.2485%	0.5769%	0.2525%
Tax Rate Including New Program			\$15.05	\$15.05	\$15.05	\$15.05	\$15.05	\$15.05

This contract includes wage increases of 4% for FY26, 4% for FY27 and 2% for FY28 and other minor reclassifications.

MEMORANDUM
City Council Agenda Item

FROM: Mary Davis, Division Director

DATE: October 22, 2025

SUBJECT: Order 79-25/26 Designating the Lambert Woods South Affordable Housing Development 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: Housing and Economic Development Committee, Councilor Pious Ali, Chair. The HEDC met on July 15, 2025 and voted 4-0 to recommend approval of this item 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 10/20/2025

Final

Action 11/3/2025

Can action be taken at a later date: No State law requires a 10 -day public hearing notice for approving Affordable Housing Tax Increment Financing Districts. The notice was published in the Portland Press Herald.

Does this item involve a new contract with the City: Corporation Counsel will review and approve all legal documents required for this transaction.

PRESENTATION: Mary Davis will be available for questions

I. SUMMARY

Approval of an Affordable Housing Tax Increment Financing District and Development Program for Lambert Woods South, 165 Lambert Street

II. AGENDA DESCRIPTION

The Housing and Economic Development Committee met on July 15, 2025, and voted 4-0 to recommend approval of this item by the City Council. On August 25, 2025, the City Council approved a one-year extension of the Purchase and Sale Agreement between the City of Portland and Maine Cooperative Development Partners, LLC (MCDP).

Maine Cooperative Development Partners, LLC (MCDP) has development approval for 90 Cooperative Housing homes in eight buildings to be built on property at 165 Lambert Street. After the transfer of the property by the City to MCDP, MCDP will transfer the property to Lambert Woods Cooperative. All the units will be affordable to households at or below 100% of the area median income (\$129,800 4-person household; \$103,850 2-person household). The project will be built in phases with 22 homes in the first phase. MCDP is requesting the City establish an Affordable Housing Tax Increment Financing (AHTIF) District with a CEA that would return to the developer 75% of the new tax revenue generated by the project for 30 years.

The proposed project would be taxable, with an estimated annual assessment of \$18,760,000. This number also represents the increased assessed value as the current or original assessed value is \$0. The estimated annual assessed value is based on the current project pro forma and development costs. An actual assessed value will be assigned to the project as it is constructed using the pricing schedules put in place at construction. Using current information, including the FY26 mil rate of .01198, the annual tax is estimated at \$224,745. TIF

projections and proposed district map are included in the backup.

Seventy-five percent (75%) of the increased tax revenue would be captured and returned to the project/developer through a CEA. The remaining twenty-five percent (25%) non-captured revenue from the increased assessed value will be general fund revenue. The CEA would return approximately \$6,838,099 in captured tax revenue to the project/developer (averaged at \$227,937 annually over thirty years) to support project debt service and payment of deferred developer fees. Non-captured general fund revenues are estimated at \$2,279,366 (averaged at \$75,979 annually over thirty years).

This item must be read on two separate days. It received its first reading on October 20. Five affirmative votes are required for passage after public comment.

III. BACKGROUND

For 99 years after completion and transfer to the limited equity cooperative, all of the units will be affordable to households earning at or below 100% of the area median income (\$127,500). At the time of initial sale, up to 20% of the membership interests may be sold to households earning up to 120% of the area median income (\$153,000 family of 4). All subsequent sales will be to households earning at or below 100% of the area median income. For the purposes of this project, affordable means that the percentage of income a household pays for housing costs (including cooperative fees, housing expenses, utilities) shall not exceed 30% of the household's gross monthly income.

IV. INTENDED RESULT AND/OR COUNCIL GOAL ADDRESSED

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

V. FINANCIAL IMPACT

With the tax-sheltering benefits of TIF Districts, overall savings to the City during the term of the district average an estimated annual amount of \$110,869.70 $\pm$, or \$3,326,091 $\pm$ over the life of the district.

VI. STAFF ANALYSIS AND BACKGROUND

Staff recommends approval of the Affordable Housing Tax Increment Financing District and Credit Enhancement Agreement for this project.

VII. RECOMMENDATION

The Housing and Economic Development Committee met on July 15, 2025 and voted 4-0 to recommend approval of this item by the City Council.

VIII. LIST ATTACHMENTS

1. Order - Designating Lambert Woods South an Affordable Housing Development and TIF
2. 00 Final LWS UW Memo 10825
3. Lambert Coop South 22 units
4. 2.b.ii. Lambert Woods South Maps and Site Plans
5. 8-29-2025 TIF Model LWS - Sheltering
6. 8-29-2025 TIF Model LWS - Taxes
7. Att 7 Dev Prog Lambert Woods South clean for council 101525
8. Att 3.2 Dec of Cov clean for council 101525

Prepared by:

Mary Davis, Division Director

Date: 10/22/2025

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 LAMBERT WOODS SOUTH AFFORDABLE HOUSING
DEVELOPMENT AND TAX INCREMENT FINANCING DISTRICT AND ADOPTING
THE MUNICIPAL DEVELOPMENT PROGRAM FOR THE DISTRICT**

WHEREAS, the City of Portland is authorized pursuant to Chapter 206 of Title 30-A of the Maine Revised Statutes, as amended, to designate specified areas within the City as an Affordable Housing Development and 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, Lambert Woods Cooperative intends to construct certain improvements within the Lambert Woods South Affordable Housing Development and Tax Increment Financing (“TIF”) District, including 42 one-bedroom, 20 two-bedroom, and 28 three-bedroom units for a total of 90 units of affordable housing; and

WHEREAS, the developer will utilize 75% of the tax revenues generated in the District for 30 years; 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 Lambert Woods South Affordable Housing Development and TIF 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. § 5223, 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 Lambert Woods South 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 Lambert Woods South Affordable Housing Development and TIF 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 Lambert Woods South Affordable Housing Development and TIF District 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 “Lambert Woods South 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 “Lambert Woods South Affordable Housing Development 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 “Lambert Woods South Affordable Housing Development 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 his 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 “Lambert Woods South Affordable Housing Development and Tax Increment Financing District” on behalf of the municipal legislative body.

To: Mary Davis, City of Portland
From: Anne Boynton, Urban Ventures, Inc.
Re: Lambert Woods South Cooperative
Date: 10/8/25

Maine Cooperative Development Partners (MCDP) requests \$2.2 million in Housing Trust Funds as a construction/permanent loan for a 22-unit Phase I cooperative development on the Lambert Woods South site. MCDP also requests an Affordable Housing TIF of 75% for 30 years for the full site, covering all phases of the development. This would support a proposed new construction limited equity cooperative housing development serving households at 100% of AMI on the Lambert Woods South site (with up to 20% of the initial sales to households at 120% AMI). The envisioned final build-out is for a 90 unit co-op in multiple phases.

The undeveloped parcel was awarded to Maine Cooperative Development Partners (MCDP), along with the (now) Lambert Woods North site, for a proposed limited equity cooperative development. The development of the parcel has been divided, with Lambert SOUTH proposed for development as a cooperative and Lambert NORTH proposed for a rental housing development via a Joint Venture with Preservation of Affordable Housing (POAH) which is described in previously distributed materials.

The principals of MCDP are Matthew Peters, Liz Trice, and Brian Eng. Matthew Peters worked for Avesta for 8 years and is now also Executive Director of the Freeport Housing Trust. Brian and Liz bring complementary development and public sector experience.

As requested, the City is asked to provide financing of \$100,000 per unit. This subsidy is in addition to the City subsidy by transfer of the land, and the requested 75% TIF, which is currently estimated in year one to be \$52,500, or \$2,386 per unit.

Permanent Sources and Uses

Permanent Sources:		Permanent Uses:	
Kennebunk 1 st mortgage	\$3,000,000	Acquisition	\$1
CDFI 2 nd mortgage loan	\$2,450,000	Construction hard costs	\$6,297,124
City of Portland HTF	\$2,200,000	Hard & Soft Contingency	\$394,856
Foundations (Sewell, UHAB)	\$1,250,000	Soft costs	\$1,709,019
Co-op Share Equity	\$220,000	Capitalized Reserves	\$44,000
Deferred Developer Fee	\$175,000	Developer Fee	\$850,000
Total Sources:	\$9,295,000	Total Uses:	\$9,295,000

Kennebunk Savings has issued a commitment letter dated 9/29/25 for a construction/permanent loan in the amount of \$3 million, with a 3-year interest only period and a total term of 30 years. Kennebunk has offered two different interest rate options, but ultimately, the interest rate is variable (without caps) after no more than 5 years. The CDFI loan will be shared among five CDFIs and a local foundation, administered by Cooperative Fund of New England. MCDP does not yet have a term sheet for the participation loan, but has provided letters of interest from most of the anticipated loan participants.

CDFI's have relatively short-term capital and the term is likely to be 5 years. MCDP states the CDFI's will be interested in refinancing at the end of the term. The Sewell Foundation issued a letter of interest dated 7/2025 in the amount of \$250,000. The UHAB foundation has an existing loan to the project of approximately \$894,000. This funding was originally envisioned as pre-development funding, and has been essential operating capital for MCDP to advance all its projects. The term has been extended multiple times and is now 2027. MCDP states UHAB has expressed interest in extending its loan. MCDP has agreed to defer 20.6% of its developer fee, bringing their cash out developer fee to 8% of TDC and \$30,682/unit.

The \$2.2 million permanent funding request to City of Portland is an average per-unit subsidy of \$100,000 for the Phase I co-op. Because the standard subsidy used to produce affordable housing, LIHTC funding, is not available to moderate-income projects, the City is requested to fill the gap between the development cost of the units and what is affordable to moderate-income households from the combination of capital subsidy, TIF operating subsidy, and donation of land.

Cooperative Share Equity is based on an average share price of \$10,000. Soft marketing to date has generated an interest list of 410 households, with current deposits of \$500 from 26 households.

MCDP hopes to finance 68 additional units (for a total of 90 units) in a subsequent phase (or phases) of the co-op with HUD's 213 Cooperative Housing program. This program has not seen much action since the 1970s, but MCDP is working with a mortgage originator who has identified HUD staff who want to see the program revived. Nationally, two 213 projects closed in FY24. A successful Phase I will demonstrate demand for this product that is new to the market in Maine.

For analysis of "Uses," see Development Budget.

Development Budget

Construction Costs:

Construction costs are estimated by Backyard ADU dated 9/18/25 and will be manufactured off-site in part and assembled on-site. This estimate includes provision for prevailing wage requirements. MCDP says that Backyard ADU anticipates contracting with Professional Building Systems, Inc., a Pennsylvania-based modular builder, but has not made a final decision. MCDP has done no due diligence on this supplier of modular components.

Total construction cost divided among the 22 residential units is \$300,545, including \$71,203/unit in site development expenses and \$215,000 for hard construction per unit is significantly **lower** than other recent projects, reflective of savings from manufactured components and smaller unit size. Contractor profit and overhead are estimated at 4.7%, far below the industry standard of 14% (maximum) for contractors using stick-built construction techniques.

Soft Costs:

Soft costs fall broadly within industry standards. One exception is architectural, which at over \$33,000 per unit is very high. MCDP states this is because, "Extensive site design work and ideation around building design and lots of work with the neighborhood and planning board was required." This first phase is bearing the cost of over \$500,000 in early architectural work for the originally envisioned 90 unit development. This architectural work was used for planning approval but not used for the buildings

since modular was ultimately pursued. Total developer fee of \$850,000 is 10% of total development costs, excluding reserves and developer fee. This is at the high end of industry standards. MCDP is showing a deferral of \$175,000 of the total fee.

Contingency:

MCDP is budgeting an industry-standard 5% hard cost contingency. Backyard ADU is carrying an additional 4.7% contingency. A combined contingency approaching 10% is good planning considering the continued high level of economic uncertainty, and persistent inflationary pressures in the construction industry.

Soft cost contingency is \$80,000, which is just less than 5% of soft costs. This is close to industry standard, and probably adequate, given the stage of project development.

Acquisition:

The site is owned by the City, which awarded it to Maine Cooperative Development Partners for the development of a limited equity cooperative. The donation of the land is an important part of the subsidy package that keeps the rents affordable. There is no current appraisal of the land, but for insight on how important the land subsidy is, there are currently 2 single family lots listed for sale in north Portland on Zillow (9/9/25), ranging in size from .19 acres to .30 acres and ranging in price from \$175,000 to \$300,000. MCDP plans to develop about 4 acres of the almost 18 acre total parcel, preserving substantial green space and wetlands. Roughly estimating the value of 1/10 of an acre at \$100,000, the 4 acres being developed would have an estimated value of \$4 million.

Operating Budget & 20 Year Cashflow Projection

Project Income:

A market study has been provided dated February 15, 2023. This is too old to be of use in understanding the competitiveness of the project's cost structure in the current market.

In the chart below, projected rents are compared with rents affordable to households at 80% and 100% of Area Median Income (AMI) where "affordable" is defined as paying 30% of income to housing expenses. For each unit size, the projected rent falls above 80% AMI and below 100% AMI.

Projected Rents:

Unit Type:	Projected Rent	Affordable at 80% AMI	Affordable at 100% AMI
1 bedroom (10 units)	\$2,231	\$1,948	\$2,435
2 bedroom (10 units)	\$2,550	\$2,338	\$2,922
3 bedroom (2 units)	\$2,868	\$2,700	\$3,375

The financing of housing cooperatives can be structured in several different ways, some with more similarity to a condominium and some with more similarity to rental housing. A co-op is financed more like a condo when each co-op member buys a large share and gets an individual loan on that share, like a mortgage on a condo. A co-op is financed more like a rental property when each member buys a relatively small share (more like a downpayment, typically paid with household savings) and the majority

of the debt is held collectively. Lambert South is structured more like a rental property, with all but the \$10,000 co-op share price financed through organizational debt. Individual co-op members will buy shares for \$10,000, functionally similar to a downpayment. Co-op members will make monthly payments to co-op carrying charges, very similar in scale to rent, which will cover the operating expenses of the project and the mortgage payments. Hence, though the co-op members will own the property, the operating budget analysis will be very similar to a rental property.

MCDP's experience with condo sales at their Dougherty site sheds some limited light on demand for modular units: 15 of the 20 Dougherty units have been reserved, including all three-bedroom units and 3 of the 8 one-bedroom units. MCDP is optimistic that one-bedroom units will be fully reserved once a one-bedroom unit is available to view.

Residential vacancy is budgeted at 3%, substantially below the **rental** industry standard of 5%. Since the cooperative is a form of ownership, with a limited equity share value, it is plausible that turnover will be lower than in rental properties. However, it is also a new form of ownership for the City of Portland, so buyers will likely not have experienced this structure before, making it hard to predict market behavior.

Like Lambert North, this property is an experiment in demand for housing with limited parking in a car-dependent location. Phase I will have more conventional parking ratios, with 24 on-site spots (1.09 dedicated spots per unit) available for rent for \$150/month. There will also be 14 street spots (subject to snow restrictions), which will be free and available to both Lambert North and Lambert South residents. The bus line stops at the site and will be improved with a bus shelter. The site's walk score of 14 (considered "car dependent"), transit score of 31 ("some transit"), and bike score of 32 ("somewhat bike-able") suggest this location will be a challenge for those without a car. The 2023 market study says of the location, "Despite a bus route servicing the area, most will need a car for daily activities & employment," and "There is a lack of retail and employment in the immediate vicinity. The property is more isolated than other locations in the City of Portland."

Operating Expense

The pro forma reflects a per-unit operating cost of \$9,687 which appears moderate in the current climate. (For comparison, Lambert North per unit cost is budgeted at \$10,169). Of that, \$3,182 per unit is real estate taxes, leaving funds for other operating expenses a slender \$6,505. All utilities are included, with an estimated utility expense per unit (including common spaces) of \$1,800/unit/year, or just \$150 per unit per month. (For comparison, Lambert North has an "all in" projected utility expense, combining renter utility allowance and owner-paid utilities of \$283 per month.) While solar is anticipated and will reduce utility costs, this is another way in which Lambert South is an experiment.

MCDP anticipates using Preservation Management for property management. The administrative fee is budgeted at 4% of gross income, lower than is typical for LIHTC rental projects due to the anticipated greater stability of residents and absence of complex tax credit monitoring requirements. Grounds costs appear very minimal, budgeted at \$10,000 despite significant exterior amenities to maintain, including interior roadways and parking. (For comparison, Lambert North per unit grounds expense is \$78,563, almost eight times Lambert South.)

20 Year Cashflow & Debt Service Coverage Ratio (DSCR)

75% 30 Year TIF: A 75% TIF generates a year 1 DSCR of 1.15 on all “must pay” debt (all lenders except City and deferred developer fee). The City’s TIF Model spreadsheets are based on the 90 unit build out, but taking the proportional value for the 22-unit Phase I development, the year one value of a 75% TIF would be \$52,500 and the 30 year value of the TIF would be \$2,129,826. The year one 75% TIF provides the equivalent of a year one subsidy of \$2,386 per residential unit, and the total TIF subsidy is projected to be \$96,810 per unit over the 30-year term.

Developer Financials

MCDP is a young organization and has not yet had an audit. Their 2024 Income/Expense shows no operating income and \$13,515 in expenses. However, that dramatically understates their activity. Consistent with GAAP, their project-related predevelopment expenditures are accounted for on their balance sheet, in project pre-development accounts, one each for Lambert North and Lambert South. Douglass Commons condo construction activity has been moved to a different holding company. MCDP’s 2024 Equity position (equivalent to a non-profit’s “Net Assets”) was \$262,752. MCDP ended 2024 with \$101,555 in current assets (cash holdings) and current term liabilities of \$49,981 for a current ratio of 2.03.

For 2025 through July 31, 2025, the Profit and Loss statement again reflects no income and limited (\$6,068) expenses. The action, again, is reflected on the Balance Sheet, where MCDP’s equity position has declined modestly to \$204,620. MCDP shows current assets (cash & equivalents) of \$57,803, and current liabilities of \$14,000. The resulting current ratio is 4.13.

A substantial portion of MCDP’s predevelopment funding has come from a subsidiary of UHAB, which lent the young organization up to \$1,235,000 at 1.5% interest. The current balance on that loan is \$894,104. The original two-year term of the predevelopment loan came due in 2023 and has been extended to 2027.

While MCDP is young, its financial transactions are increasingly complicated, and it will lay important groundwork for future financial stability to get an audit for operations through end of 2025.

Recommendations

The developer must at a minimum meet three primary criteria for an AHTIF approval:

1. Community Need: “...site-specific AHTIF designations must address an identified community need.”

MCDP proposes 22 units of workforce housing for households at 100% – 120% AMI, in Phase I of what is planned to be a 90-unit development. Workforce 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 financial projections demonstrate that a 75% TIF will be necessary for the project to proceed. The TIF functions to support the cashflow of the project and demonstrates a cashflow cushion to the mortgage lender to meet the lender's underwriting standards, in this case, an anticipated requirement of 1.15 DSCR on the combined "must pay" mortgage debt. While the 30-year pro forma based on MCDP's budget shows cashflow ballooning to an unacceptably high 1.85 in year 30, given the risk of this new ownership type, the aggressive assumptions the developer has made about operating costs, and the variable rate financing, the 75% 30-year TIF is necessary to protect the viability of this project.

3. Financial Capacity: "The applicant must demonstrate financial capacity to support their project."

MCDP's financial statements have gradually improved over its few years of operations. MCDP principals have successfully used their ties in the development community to move projects forward, alone or in partnership. While they do not have deep pockets, they have demonstrated a capacity to support their project through determination, persistence, and creative financing strategies.

I recommend a 75% AHTIF with a 30-year term, and a \$2.2 million loan from the Jill C. Duson Housing Trust Fund at 0% interest, with a 30-year term on the conditions outlined below. Repayment of the loan will be made out of surplus cash flow. While deferred developer fee is owed, developer fee and City loan repayment to be paid annually from surplus cashflow, divided 30% to deferred developer fee, 30% to City of Portland and 40% retained by cooperative. During the first four years after the issuance of the Certificate of Occupancy for Phase I, the cooperative will receive its 40% share of surplus cashflow. The remaining 60% will be retained in a Future Construction Account. After 4 years, if no firm plans are in place to move forward with construction of the remaining units, then the accumulated amount in the Future Construction Account will be divided evenly between MCDP and the City to retire debt. If after 10 years the full 90 units have not been built, then the accumulated remaining amount in the Future Construction Account will be released to retire any remaining City debt. Loan closing and finalization of the TIF is conditioned upon satisfactory review of the following:

- Review of all final co-op documents, including house rules;
- Updated organizational financial statements, including most recent quarterly financials, from MCDP within two months of closing;
- Contract between Backyard ADU and the selected modular builder, and review of modular builder;
- Updated Note and Loan Agreement between MCDP and Homeownership Lending LLC demonstrating that MCDP is not in default;
- Financing commitments for all sources on terms and conditions acceptable to the City of Portland;

- 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.

Project Operating Pro Forma

Date October 8, 2025
 Project Name Lambert Woods South
 Project Address _____
 Developer/Sponsor MCDP

Rental Income

Unit Type	Number of Units	Per Unit Sq Ft	Total Sq Ft	Restriction on % Median Inc.	Per Unit Monthly Gross Rent	Utility Deductions	Rent Subsidy	Per Unit Monthly Net Rent	Per Unit Net Rent Per Sq Ft	Total Monthly Net Income	Total Annual Net Rent
1 BR	10		0	100%	\$2,231			\$2,231	#DIV/0!	\$22,310	\$267,720
2 BR	10		0	100%	\$2,550			\$2,550	#DIV/0!	\$25,500	\$306,000
3 BR	2		0	100%	\$2,868			\$2,868	#DIV/0!	\$5,736	\$68,832
Total:	22		0							\$53,546	\$642,552

\$0

Operating Expenses

Rent Increase Rate	2.0%
Expenses Increase Rate	3.0%

Declining Balance TIF year 1 75% year 11 75% year 21 75%

Note: Year 1 is the first full year of stabilized operations

		<u>Year 1</u>	<u>Year 1/Unit</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>	<u>Year 6</u>	<u>Year 7</u>	<u>Year 8</u>	<u>Year 9</u>	<u>Year 10</u>
Income												
Sch. Gross Income - Residential		\$642,552	\$29,207	\$655,403	\$668,511	\$681,881	\$695,519	\$709,429	\$723,618	\$738,090	\$752,852	\$767,909
<u>Vacancy Loss</u>	3.2%	(\$20,562)	(\$935)	(\$20,973)	(\$21,392)	(\$21,820)	(\$22,257)	(\$22,702)	(\$23,156)	(\$23,619)	(\$24,091)	(\$24,573)
Other income (parking)	150	\$43,200	\$1,964	\$44,064	\$44,945	\$45,844	\$46,761	\$47,696	\$48,650	\$49,623	\$50,616	\$51,628
TIF (inflated at 2%)	75%	\$52,500	\$2,386	\$53,550	\$54,621	\$55,713	\$56,828	\$57,964	\$59,124	\$60,306	\$61,512	\$62,742
Effective Gross Income		\$717,690	\$32,622	\$732,044	\$746,685	\$761,619	\$776,851	\$792,388	\$808,236	\$824,401	\$840,889	\$857,706

Administrative												
Management Fee	4.1%	\$26,607	\$1,209	\$27,405	\$28,227	\$29,074	\$29,946	\$30,845	\$31,770	\$32,723	\$33,705	\$34,716
Management Charges	0.0%		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Marketing Expense			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Legal			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Audit & Accounting			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Admin Other		\$3,300	\$150	\$3,399	\$3,501	\$3,606	\$3,714	\$3,826	\$3,940	\$4,059	\$4,180	\$4,306
Total Administrative		\$29,907	\$1,359	\$30,804	\$31,728	\$32,680	\$33,661	\$34,670	\$35,711	\$36,782	\$37,885	\$39,022

Cooperative TA		\$5,000	\$227	\$5,150	\$5,305	\$5,464	\$5,628	\$5,796	\$5,970	\$6,149	\$6,334	\$6,524
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Utilities												
Fuel Oil			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
"Heating/Cooling"		\$13,200	\$600	\$13,596	\$14,004	\$14,424	\$14,857	\$15,302	\$15,761	\$16,234	\$16,721	\$17,223
Electric		\$13,200	\$600	\$13,596	\$14,004	\$14,424	\$14,857	\$15,302	\$15,761	\$16,234	\$16,721	\$17,223
Water / Sewer		\$13,200	\$600	\$13,596	\$14,004	\$14,424	\$14,857	\$15,302	\$15,761	\$16,234	\$16,721	\$17,223
Other			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Utilities		\$39,600	\$1,800	\$40,788	\$42,012	\$43,272	\$44,570	\$45,907	\$47,284	\$48,703	\$50,164	\$51,669
Total/sq ft incl Utiltiy Allowance		\$2.38	16,664									

Maintenance	Year 1	Year 1/Unit	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Grounds	\$10,000	\$455	\$10,300	\$10,609	\$10,927	\$11,255	\$11,593	\$11,941	\$12,299	\$12,668	\$13,048
Janitorial		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Trash Removal	\$1,760	\$80	\$1,813	\$1,867	\$1,923	\$1,981	\$2,040	\$2,102	\$2,165	\$2,230	\$2,296
Security		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Equipment & Supplies		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Maintenance	\$19,700	\$895	\$20,291	\$20,900	\$21,527	\$22,173	\$22,838	\$23,523	\$24,229	\$24,955	\$25,704
Maintenance Contracts	\$11,000	\$500	\$11,330	\$11,670	\$12,020	\$12,381	\$12,752	\$13,135	\$13,529	\$13,934	\$14,353
Other		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Maintenance	\$42,460	\$1,930	\$43,734	\$45,046	\$46,397	\$47,789	\$49,223	\$50,699	\$52,220	\$53,787	\$55,401

Taxes & Insurance											
Real Estate Taxes 2%	\$70,000	\$3,182	\$71,400	\$72,828	\$74,285	\$75,770	\$77,286	\$78,831	\$80,408	\$82,016	\$83,656
Payroll Taxes / Fidelity Bond / Workers Comp / Health Ins.	\$1,970	\$90	\$2,029	\$2,090	\$2,153	\$2,217	\$2,284	\$2,352	\$2,423	\$2,496	\$2,570
Insurance (property, liability)	\$16,557	\$753	\$17,054	\$17,565	\$18,092	\$18,635	\$19,194	\$19,770	\$20,363	\$20,974	\$21,603
Other		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Taxes & Insurance	\$88,527	\$4,024	\$90,483	\$92,483	\$94,530	\$96,623	\$98,764	\$100,954	\$103,194	\$105,486	\$107,830

Replacement Reserves	\$8,800	\$400	\$9,064	\$9,336	\$9,616	\$9,904	\$10,202	\$10,508	\$10,823	\$11,148	\$11,482
Operating Reserves		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Total Expenses	\$214,294	\$9,741	\$220,023	\$225,910	\$231,959	\$238,174	\$244,562	\$251,126	\$257,871	\$264,803	\$271,927
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Net Operating Income	\$503,396	\$22,882	\$512,021	\$520,776	\$529,660	\$538,677	\$547,826	\$557,110	\$566,529	\$576,085	\$585,779
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Debt Service											
Bank Loan	\$243,146	\$11,052	\$243,146	\$243,146	\$243,146	\$243,146	\$243,146	\$243,146	\$243,146	\$243,146	\$243,146
CDFI Loan	\$183,663	\$8,348	\$183,663	\$183,663	\$183,663	\$183,663	\$183,663	\$183,663	\$183,663	\$183,663	\$183,663
"Foundation Investment"	\$11,089	\$504	\$11,089	\$11,089	\$11,089	\$11,089	\$11,089	\$11,089	\$11,089	\$11,089	\$11,089
Total Debt Service (Must Pay)	\$437,898	\$19,904	\$437,898	\$437,898	\$437,898	\$437,898	\$437,898	\$437,898	\$437,898	\$437,898	\$437,898

Cash Flow (after Must Pay Debt)	\$65,498	\$2,977	\$74,123	\$82,878	\$91,762	\$100,779	\$109,928	\$119,212	\$128,631	\$138,187	\$147,881
Debt Service Coverage Ratio	1.15		1.17	1.19	1.21	1.23	1.25	1.27	1.29	1.32	1.34

Cash Flow Debt Payments											
City of Portland 0.0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Developer Fee Loan #####	\$65,498	\$2,977	\$74,123	\$82,878	\$91,762	\$100,779	\$109,928	\$119,212	\$128,631	\$138,187	\$147,881
Cash Flow Retained by Project	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Retained Cash Flow % 0%

		<u>Year 11</u>	<u>Year 12</u>	<u>Year 13</u>	<u>Year 14</u>	<u>Year 15</u>	<u>Year 16</u>	<u>Year 17</u>	<u>Year 18</u>	<u>Year 19</u>	<u>Year 20</u>
Income											
Sch. Gross Income - Residential		\$783,267	\$798,933	\$814,911	\$831,210	\$847,834	\$864,790	\$882,086	\$899,728	\$917,722	\$936,077
Vacancy Loss	3.2%	(\$25,065)	(\$25,566)	(\$26,077)	(\$26,599)	(\$27,131)	(\$27,673)	(\$28,227)	(\$28,791)	(\$29,367)	(\$29,954)
Other income (laundry)		\$52,661	\$53,714	\$54,788	\$55,884	\$57,001	\$58,142	\$59,304	\$60,490	\$61,700	\$62,934
TIF	75%	\$63,997	\$65,277	\$66,583	\$67,914	\$69,273	\$70,658	\$72,071	\$73,513	\$74,983	\$76,483
Effective Gross Income		\$874,861	\$892,358	\$910,205	\$928,409	\$946,977	\$965,917	\$985,235	\$1,004,940	\$1,025,039	\$1,045,539
Administrative											
Management Fee		\$35,758	\$36,830	\$37,935	\$39,073	\$40,245	\$41,453	\$42,696	\$43,977	\$45,297	\$46,656
Management Charges		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Marketing Expense		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Legal		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Audit & Accounting		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Admin Other		\$4,435	\$4,568	\$4,705	\$4,846	\$4,992	\$5,141	\$5,296	\$5,454	\$5,618	\$5,787
Total Administrative		\$40,193	\$41,398	\$42,640	\$43,919	\$45,237	\$46,594	\$47,992	\$49,432	\$50,915	\$52,442
Supportive Services		\$6,720	\$6,921	\$7,129	\$7,343	\$7,563	\$7,790	\$8,024	\$8,264	\$8,512	\$8,768
Utilities											
Fuel Oil		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Electric		\$17,740	\$18,272	\$18,820	\$19,385	\$19,966	\$20,565	\$21,182	\$21,818	\$22,472	\$23,146
Gas		\$17,740	\$18,272	\$18,820	\$19,385	\$19,966	\$20,565	\$21,182	\$21,818	\$22,472	\$23,146
Water / Sewer		\$17,740	\$18,272	\$18,820	\$19,385	\$19,966	\$20,565	\$21,182	\$21,818	\$22,472	\$23,146
Other		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Utilities		\$53,219	\$54,816	\$56,460	\$58,154	\$59,899	\$61,696	\$63,546	\$65,453	\$67,416	\$69,439

Maintenance	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
Janitorial	\$13,439	\$13,842	\$14,258	\$14,685	\$15,126	\$15,580	\$16,047	\$16,528	\$17,024	\$17,535
Exterminating	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Trash Removal	\$2,365	\$2,436	\$2,509	\$2,585	\$2,662	\$2,742	\$2,824	\$2,909	\$2,996	\$3,086
Security	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Grounds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Maintenance	\$26,475	\$27,269	\$28,087	\$28,930	\$29,798	\$30,692	\$31,613	\$32,561	\$33,538	\$34,544
Elevator, HVAC, pool contracts	\$14,783	\$15,227	\$15,683	\$16,154	\$16,638	\$17,138	\$17,652	\$18,181	\$18,727	\$19,289
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Maintenance	\$57,063	\$58,775	\$60,538	\$62,354	\$64,225	\$66,151	\$68,136	\$70,180	\$72,285	\$74,454

Taxes & Insurance										
Real Estate Taxes or PILOT	\$85,330	\$87,036	\$88,777	\$90,552	\$92,364	\$94,211	\$96,095	\$98,017	\$99,977	\$101,977
Payroll Taxes / Fidelity Bond / Workers Comp / Health Ins.	\$2,648	\$2,727	\$2,809	\$2,893	\$2,980	\$3,069	\$3,161	\$3,256	\$3,354	\$3,454
Insurance (property, liability)	\$22,251	\$22,919	\$23,606	\$24,315	\$25,044	\$25,795	\$26,569	\$27,366	\$28,187	\$29,033
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Taxes & Insurance	\$110,228	\$112,682	\$115,192	\$117,760	\$120,387	\$123,075	\$125,825	\$128,639	\$131,518	\$134,464

Replacement Reserves	\$11,826	\$12,181	\$12,547	\$12,923	\$13,311	\$13,710	\$14,121	\$14,545	\$14,981	\$15,431
Operating Reserves	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Total Expenses	\$279,249	\$286,773	\$294,506	\$302,453	\$310,621	\$319,016	\$327,645	\$336,513	\$345,628	\$354,997
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Net Operating Income	\$595,612	\$605,585	\$615,699	\$625,956	\$636,356	\$646,901	\$657,591	\$668,427	\$679,410	\$690,542
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Debt Service										
Bank Loan	\$243,146	\$243,146	\$243,146	\$243,146	\$243,146	\$243,146	\$243,146	\$243,146	\$243,146	\$243,146
Second Lien	\$183,663	\$183,663	\$183,663	\$183,663	\$183,663	\$183,663	\$183,663	\$183,663	\$183,663	\$183,663
Other	\$11,089	\$11,089	\$11,089	\$11,089	\$11,089	\$11,089	\$11,089	\$11,089	\$11,089	\$11,089
Total Debt Service (Must Pay)	\$437,898	\$437,898	\$437,898	\$437,898	\$437,898	\$437,898	\$437,898	\$437,898	\$437,898	\$437,898

Cash Flow (after Must Pay Debt)	\$157,714	\$167,687	\$177,801	\$188,058	\$198,458	\$209,003	\$219,693	\$230,529	\$241,512	\$252,644
Debt Service Coverage Ratio	1.36	1.38	1.41	1.43	1.45	1.48	1.50	1.53	1.55	1.58

Cash Flow Debt Payments										Cash Flow D
City of Portland	0.0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Developer Fee Loan	100.0%	\$157,714	\$167,687	\$177,801	\$188,058	\$198,458	\$209,003	\$219,693	\$230,529	\$252,644
Cash Flow Retained by Project		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Retained Cash Flow %	0%	\$1,387,258			\$1,951,576			Retained Cas		

		<u>Year 21</u>	<u>Year 22</u>	<u>Year 23</u>	<u>Year 24</u>	<u>Year 25</u>	<u>Year 26</u>	<u>Year 27</u>	<u>Year 28</u>	<u>Year 29</u>	<u>Year 30</u>
Income											
Sch. Gross Income - Residential		\$954,798	\$973,894	\$993,372	\$1,013,240	\$1,033,505	\$1,054,175	\$1,075,258	\$1,096,763	\$1,118,699	\$1,141,073
Vacancy Loss	0.0%	(\$30,554)	(\$31,165)	(\$31,788)	(\$32,424)	(\$33,072)	(\$33,734)	(\$34,408)	(\$35,096)	(\$35,798)	(\$36,514)
Other income (laundry)		\$64,193	\$65,477	\$66,786	\$68,122	\$69,484	\$70,874	\$72,292	\$73,737	\$75,212	\$76,716
TIF	75%	\$78,012	\$79,572	\$81,164	\$82,787	\$84,443	\$86,132	\$87,854	\$89,612	\$91,404	\$93,232
Effective Gross Income		\$1,066,450	\$1,087,779	\$1,109,535	\$1,131,725	\$1,154,360	\$1,177,447	\$1,200,996	\$1,225,016	\$1,249,516	\$1,274,507
Administrative											
Management Fee		\$48,055	\$49,497	\$50,982	\$52,511	\$54,087	\$55,709	\$57,380	\$59,102	\$60,875	\$62,701
Management Charges		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Marketing Expense		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Legal		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Audit & Accounting		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Admin Other		\$5,960	\$6,139	\$6,323	\$6,513	\$6,708	\$6,909	\$7,117	\$7,330	\$7,550	\$7,777
Total Administrative		\$54,015	\$55,636	\$57,305	\$59,024	\$60,795	\$62,619	\$64,497	\$66,432	\$68,425	\$70,478
Supportive Services		\$9,031	\$9,301	\$9,581	\$9,868	\$10,164	\$10,469	\$10,783	\$11,106	\$11,440	\$11,783
Utilities											
Fuel Oil		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Electric		\$23,841	\$24,556	\$25,293	\$26,051	\$26,833	\$27,638	\$28,467	\$29,321	\$30,201	\$31,107
Gas		\$23,841	\$24,556	\$25,293	\$26,051	\$26,833	\$27,638	\$28,467	\$29,321	\$30,201	\$31,107
Water / Sewer		\$23,841	\$24,556	\$25,293	\$26,051	\$26,833	\$27,638	\$28,467	\$29,321	\$30,201	\$31,107
Other		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Utilities		\$71,522	\$73,668	\$75,878	\$78,154	\$80,499	\$82,914	\$85,401	\$87,963	\$90,602	\$93,320

Maintenance	Year 21	Year 22	Year 23	Year 24	Year 25	Year 26	Year 27	Year 28	Year 29	Year 30
Janitorial	\$18,061	\$18,603	\$19,161	\$19,736	\$20,328	\$20,938	\$21,566	\$22,213	\$22,879	\$23,566
Exterminating	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Trash Removal	\$3,179	\$3,274	\$3,372	\$3,474	\$3,578	\$3,685	\$3,796	\$3,909	\$4,027	\$4,148
Security	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Grounds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Maintenance	\$35,580	\$36,648	\$37,747	\$38,880	\$40,046	\$41,247	\$42,485	\$43,759	\$45,072	\$46,424
Elevator, HVAC, pool contracts	\$19,867	\$20,463	\$21,077	\$21,709	\$22,361	\$23,032	\$23,723	\$24,434	\$25,167	\$25,922
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Maintenance	\$76,687	\$78,988	\$81,358	\$83,798	\$86,312	\$88,902	\$91,569	\$94,316	\$97,145	\$100,060

Taxes & Insurance										
Real Estate Taxes or PILOT	\$104,016	\$106,097	\$108,219	\$110,383	\$112,591	\$114,842	\$117,139	\$119,482	\$121,872	\$124,309
Payroll Taxes / Fidelity Bond / Workers Comp / Health Ins.	\$3,558	\$3,665	\$3,775	\$3,888	\$4,005	\$4,125	\$4,248	\$4,376	\$4,507	\$4,642
Insurance (property, liability)	\$29,904	\$30,801	\$31,725	\$32,677	\$33,657	\$34,667	\$35,707	\$36,778	\$37,881	\$39,018
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Taxes & Insurance	\$137,478	\$140,562	\$143,718	\$146,948	\$150,252	\$153,634	\$157,094	\$160,636	\$164,260	\$167,969

Replacement Reserves	\$15,894	\$16,371	\$16,862	\$17,368	\$17,889	\$18,425	\$18,978	\$19,547	\$20,134	\$20,738
Operating Reserves	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Total Expenses	\$364,627	\$374,526	\$384,701	\$395,160	\$405,911	\$416,962	\$428,322	\$440,001	\$452,006	\$464,347
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Net Operating Income	\$701,823	\$713,253	\$724,834	\$736,566	\$748,449	\$760,485	\$772,674	\$785,015	\$797,510	\$810,159
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Debt Service										
Bank Loan	\$243,146	\$243,146	\$243,146	\$243,146	\$243,146	\$243,146	\$243,146	\$243,146	\$243,146	\$243,146
Second Lien	\$183,663	\$183,663	\$183,663	\$183,663	\$183,663	\$183,663	\$183,663	\$183,663	\$183,663	\$183,663
Other	\$11,089	\$11,089	\$11,089	\$11,089	\$11,089	\$11,089	\$11,089	\$11,089	\$11,089	\$11,089
Total Debt Service (Must Pay)	\$437,898	\$437,898	\$437,898	\$437,898	\$437,898	\$437,898	\$437,898	\$437,898	\$437,898	\$437,898

Cash Flow (after Must Pay Debt)	\$263,925	\$275,355	\$286,936	\$298,668	\$310,551	\$322,587	\$334,776	\$347,117	\$359,612	\$372,261
Debt Service Coverage Ratio	1.60	1.63	1.66	1.68	1.71	1.74	1.76	1.79	1.82	1.85

Debt Payments										
City of Portland	0.0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Developer Fee Loan	0.0%	\$263,925	\$275,355	\$286,936	\$298,668	\$310,551	\$322,587	\$334,776	\$347,117	\$372,261
Cash Flow Retained by Project		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Cash Flow % 0%

Development Budget with Permanent Sources

Date 10/8/2025
Project Name Lambert Woods South
Project Address
Developer/Sponsor MCDP

Total Units 22
Total Square Feet 16,664

September 2025 values					Change	
					Application to Reservation	
Sources of Funds						
Permanent Financing - 1st Lien	Kennebeck Savings Const	\$3,000,000	\$136,364	\$180	\$ -	0%
Permanent Financing - City of Portland		\$2,200,000	\$100,000	\$132	\$ -	0%
Equity (LIHTC/tenant contributions)		\$220,000	\$10,000	\$13	\$ -	0%
Deferred development fee		\$175,000	\$7,955	\$11	\$ -	0%
Other	CDFI Syndication	\$2,450,000	\$111,364	\$147	\$ -	0%
Other	Foundations inc. UHAB	\$1,250,000	\$56,818	\$75	\$ -	0%
Total Sources of Funds		\$9,295,000	\$422,500	\$558	\$ -	0%

Uses of Funds

Hard Costs						
Site Improvements		\$1,566,456	\$71,203	\$94	\$ -	0%
Rehabilitation			\$0	\$0		
New Construction		\$4,730,668	\$215,030	\$284	\$ -	0%
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)	5.0%	\$314,856	\$14,312	\$19	\$ -	0%
Total Hard Costs		\$6,611,980	\$300,545	\$397	\$ -	0%

Soft Costs						
Building Permit & Fees		\$266,895	\$12,132	\$16	\$ -	0%
Survey & Engineering		\$66,000	\$3,000	\$4	\$ (43,900)	-40%
Design & Permitting (% of const exp)	13.4%	\$733,000	\$33,318	\$44	\$ -	0%
Borrower Legal (all closings, excluding syndication legal)		\$110,000	\$5,000	\$7	\$ 110,000	#DIV/0!
Title & Recording		\$21,400	\$973	\$1	\$ 21,400	#DIV/0!
Accounting		\$15,000	\$682	\$1	\$ 15,000	#DIV/0!
Construction Period Taxes		\$20,000	\$909	\$1	\$ 20,000	#DIV/0!
Construction Period Insurance		\$26,400	\$1,200	\$2	\$ 26,400	#DIV/0!
Other: FF&E, Security		\$32,500	\$1,477	\$2	\$ -	0%
Other: ALL CARRYING COSTS		\$0	\$0	\$0	\$ (46,400)	-100%
Total Soft Costs		\$1,291,195	\$58,691	\$77	\$ 102,500	9%

Financing Costs						
Construction Loan Origination Fees		\$57,000	\$2,591	\$3	\$ 57,000	#DIV/0!
Construction Period Interest		\$244,530	\$11,115	\$15	\$ 244,530	#DIV/0!
Lender Inspection Fees		\$7,394	\$336	\$0	\$ 7,394	#DIV/0!
Letter of Credit Fee		\$5,000	\$227	\$0	\$ 5,000	#DIV/0!
Permanent Loan Fee			\$0	\$0		
Construction Lender Legal		\$25,000	\$1,136	\$2	\$ 25,000	#DIV/0!
Other ALL FINANCING COSTS			\$0	\$0		
Total Financing Costs		\$338,924	\$15,406	\$20	\$ (181,400)	-35%

Miscellaneous						
Market Survey		\$10,000	\$455	\$1	\$ 10,000	#DIV/0!
Appraisal		\$25,000	\$1,136	\$2	\$ 25,000	#DIV/0!
Environmental Study		\$25,000	\$1,136	\$2	\$ 25,000	#DIV/0!
LIHTC Fees -- prepaid monitoring			\$0	\$0		
Other: Commissioning			\$0	\$0		
Relocation Costs			\$0	\$0		
Other		\$18,900	\$859	\$1	\$ 18,900	#DIV/0!
Soft Cost Contingency (% of soft costs excl Dev Fee)	4.68%	\$80,000	\$3,636	\$5	\$ 80,000	#DIV/0!
Total Miscellaneous:		\$158,900	\$7,223	\$30	\$ 158,900	#DIV/0!

Acquisition						
Acquisition: Buildings			\$0	\$0		
Acquisition: Land		\$1	\$0	\$0	\$ -	0%

Acquisition: Legal		\$0	\$0		
Other		\$0	\$0		
Total Acquisition	\$1	\$0	\$0	\$ -	0%

Reserves and Developer Fee					
Operating Deficit Escrow		\$0	\$0		
Prefunded Replacement Reserve		\$0	\$0		
Taxes & Insurance Escrow	\$44,000	\$2,000	\$3	\$ -	0%
Developer Overhead		\$0	\$0		
Developer Profit	\$850,000	\$38,636	\$51	\$ -	0%
Rent Up Reserve & Marketing		\$0	\$0		
Other		\$0	\$0		
Total Reserves and Developer Fee	\$894,000	\$40,636	\$54	\$ (80,000)	-8%

Total Uses of Funds	\$9,295,000	\$422,500	\$578	\$ -	0%
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Developer Fee Analysis: Total Fees: \$675,000
(excluding reserves & developer fee) Percent of TDC: 8.03%

Lambert Woods Housing Cooperative			
Prepared by Maine Cooperative Development Partners			
Development Proforma			
Uses	Per Unit	Total	
Acquisition	0	1	
Hard Construction Costs	215,030	4,730,668	
Site Work	71,203	1,566,456	
Construction Contingency	14,312	314,856	
Total	300,545	6,611,981	
Soft Cost Uses	Per Unit	Total	
City Fees	12,132	266,895	
Architectural & Design	33,318	733,000	
Survey and Engineering	4,995	109,900	
Carrying Costs	2,109	46,400	
Furniture, Fixtures, & Equipment	1,477	32,500	
Financing Costs	23,651	520,324	
Occupancy Reserve and Contingency	3,636	80,000	
Taxes and Insurance Escrow	2,000	44,000	
Developer Fee	38,636	850,000	
Total Soft Costs	121,955	2,683,019	
Total Development Costs	422,500	9,295,000	
Sources	Construction	Permanent	
Bank Loan	\$3,000,000	\$3,000,000	
CDFI Loans	\$2,450,000	\$2,450,000	
Foundation Investment	\$250,000	\$250,000	
Member Share Equity	\$0	\$220,000	
City of Portland Loan	\$2,200,000	\$2,200,000	
Five Together Foundation	\$1,000,000	\$1,000,000	
Deferred Developer Fee		\$175,000	
Total	\$8,900,000	\$9,295,000	
Surplus / (GAP)	\$ 455,000	\$ (0)	
	Kennebunk Savings	CDFIs	Sewell
Loan Amount	\$3,000,000	\$2,450,000	\$250,000
Collateral Position	1st	2nd	3rd
Loan Term	30	5	5
Estimated Fixed Rate	7.15%	6.39%	2.0%
Amortization Term	30	30	30
Lambert Woods Housing Cooperative			
Operating Proforma			
Home Type	# of Units	Monthly Maintenance	Annual Total
1 BR - 100%	10	2,231	267,720
2BR - 100%	10	2,550	306,000
3BR - 100%	2	2,868	68,832
Residential Gross Potential Income	22		642,552
Parking Revenue	24	150	43,200
Vacancy (3%)	3%		-20,573
Affordable Housing Tax Increment Revenue			52,500
Net Income			717,679
Expenses	Factor	Per Unit	Total
Property Management	4%	1,209	26,607
Coop TA		227	5,000
Other Admin		150	3,300
Lighting & Misc Power		600	13,200
Water & Sewer		600	13,200
Heating / Cooling		600	13,200
Solid Waste Removal		80	1,760
Payroll - Maintenance		895	19,700
Grounds		455	10,000
Repairs		500	11,000
Insurance	0.35%	753	16,557
Prop Taxes		3,182	70,000
Employee Payroll Tax		90	1,970
Replacement Reserve		400	8,800
Total Expenses		9,741	214,295

Lambert Woods Cooperative
Detailed Development Budget

Site Improvements	1,566,456
Construction	4,730,668
Construction Contingency	314,856
Subtotal Construction Costs	6,611,980
Permits & Impact Fees	266,895
Survey & Engineering	66,000
Architectural & Design	733,000
Legal	110,000
Title & Recording	21,400
Accounting	15,000
Construction Period Tax	20,000
Insurance	26,400
Soft Cost Contingency	80,000
Subtotal Soft Costs	1,338,695
Origination Fees	57,000
Construction Interest	244,530
Lender 3rd Party and Inspection	7,394
Letter of Credit	5,000
Lender Legal	25,000
Subtotal Finance Costs	338,924
Market Study	10,000
Appraisal	25,000
Environmental	25,000
FF&E	32,500
Other Misc Costs	18,900
Subtotal Miscellaneous	111,400
Acquisition: Land	1
Subtotal Acquisition	1
Tax & Insurance Reserve (T&I)	44,000
Subtotal Reserves	44,000
Subtotal Development Fee	850,000
Total Project Costs	9,295,000

Lambert Woods Housing Cooperative										
Operating Proforma										
		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9
Apartments	2%	642,552	655,403	668,511	681,881	695,519	709,429	723,618	738,090	752,852
Parking	2%	43,200	44,064	44,945	45,844	46,761	47,696	48,650	49,623	50,616
Vacancy	3%	-20,573	-20,984	-21,404	-21,832	-22,268	-22,714	-23,168	-23,631	-24,104
TIF Income	75%	52,500	54,075	55,697	57,368	59,089	60,862	62,688	64,568	66,505
	0%	0	0	0	0	0	0	0	0	0
Total Income		717,679	732,558	747,750	763,262	779,101	795,274	811,788	828,650	845,869
Expenses										
Property Management	4%	26,607	27,139	27,682	28,236	28,800	29,376	29,964	30,563	31,175
Other Admin	3%	8,300	8,549	8,805	9,070	9,342	9,622	9,911	10,208	10,514
Utilities	3%	41,360	42,601	43,879	45,195	46,551	47,948	49,386	50,868	52,394
Maintenance	3%	42,670	43,950	45,269	46,627	48,025	49,466	50,950	52,479	54,053
Insurance	3%	16,557	17,054	17,566	18,093	18,635	19,194	19,770	20,363	20,974
Prop Taxes	3%	70,000	72,100	74,263	76,491	78,786	81,149	83,584	86,091	88,674
Replacement Reserve	3%	8,800	9,064	9,336	9,616	9,904	10,202	10,508	10,823	11,148
Total Expenses		214,295	220,457	226,800	233,327	240,044	246,958	254,073	261,395	268,931
Debt Service										
Bank Loan		214,500	214,500	251,144	251,144	251,144	251,144	251,144	251,144	251,144
CDFI Loans		183,663	183,663	183,663	183,663	183,663	183,663	183,663	183,663	183,663
Foundation Investment		11,089	11,089	11,089	11,089	11,089	11,089	11,089	11,089	11,089
Total Debt Service		409,252	409,252	445,896	445,896	445,896	445,896	445,896	445,896	445,896
Cash Flow		94,133	102,849	75,054	84,039	93,161	102,420	111,819	121,360	131,042
DSCR		1.23	1.25	1.17	1.19	1.21	1.23	1.25	1.27	1.29

Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
767,909	783,267	798,933	814,911	831,210	847,834	864,790	882,086	899,728	917,722	936,077
51,628	52,661	53,714	54,788	55,884	57,001	58,142	59,304	60,490	61,700	62,934
-24,586	-25,078	-25,579	-26,091	-26,613	-27,145	-27,688	-28,242	-28,807	-29,383	-29,970
68,501	70,556	72,672	74,852	77,098	79,411	81,793	84,247	86,775	89,378	92,059
0	0	0	0	0	0	0	0	0	0	0
863,452	881,406	899,739	918,461	937,579	957,101	977,037	997,396	1,018,186	1,039,418	1,061,100
31,798	32,434	33,083	33,744	34,419	35,108	35,810	36,526	37,256	38,002	38,762
10,830	11,155	11,489	11,834	12,189	12,554	12,931	13,319	13,719	14,130	14,554
53,965	55,584	57,252	58,969	60,739	62,561	64,438	66,371	68,362	70,413	72,525
55,675	57,345	59,065	60,837	62,662	64,542	66,478	68,473	70,527	72,643	74,822
21,604	22,252	22,919	23,607	24,315	25,044	25,796	26,570	27,367	28,188	29,033
91,334	94,074	96,896	99,803	102,797	105,881	109,058	112,329	115,699	119,170	122,745
11,482	11,826	12,181	12,547	12,923	13,311	13,710	14,121	14,545	14,981	15,431
276,687	284,670	292,886	301,342	310,044	319,002	328,221	337,709	347,475	357,527	367,873
251,144	251,144	251,144	251,144	251,144	251,144	251,144	251,144	251,144	251,144	251,144
183,663	183,663	183,663	183,663	183,663	183,663	183,663	183,663	183,663	183,663	183,663
11,089	11,089	11,089	11,089	11,089	11,089	11,089	11,089	11,089	11,089	11,089
445,896	445,896	445,896	445,896	445,896	445,896	445,896	445,896	445,896	445,896	445,896
140,868	150,840	160,958	171,223	181,638	192,204	202,921	213,791	224,815	235,995	247,331
1.32	1.34	1.36	1.38	1.41	1.43	1.46	1.48	1.50	1.53	1.55

Year 21	Year 22	Year 23	Year 24	Year 25	Year 26	Year 27	Year 28	Year 29	Year 30
954,798	973,894	993,372	1,013,240	1,033,505	1,054,175	1,075,258	1,096,763	1,118,699	1,141,073
64,193	65,477	66,786	68,122	69,484	70,874	72,292	73,737	75,212	76,716
-30,570	-31,181	-31,805	-32,441	-33,090	-33,751	-34,426	-35,115	-35,817	-36,534
94,821	97,665	100,595	103,613	106,722	109,923	113,221	116,618	120,116	123,720
0	0	0	0	0	0	0	0	0	0
1,083,242	1,105,856	1,128,949	1,152,534	1,176,621	1,201,221	1,226,344	1,252,003	1,278,210	1,304,975
39,537	40,328	41,134	41,957	42,796	43,652	44,525	45,415	46,324	47,250
14,991	15,440	15,904	16,381	16,872	17,378	17,900	18,437	18,990	19,559
74,701	76,942	79,250	81,628	84,076	86,599	89,197	91,873	94,629	97,468
77,067	79,379	81,760	84,213	86,739	89,342	92,022	94,782	97,626	100,555
29,904	30,802	31,726	32,677	33,658	34,667	35,707	36,779	37,882	39,018
126,428	130,221	134,127	138,151	142,296	146,564	150,961	155,490	160,155	164,960
15,894	16,371	16,862	17,368	17,889	18,425	18,978	19,547	20,134	20,738
378,521	389,481	400,763	412,374	424,326	436,628	449,290	462,323	475,739	489,548
251,144	251,144	251,144	251,144	251,144	251,144	251,144	251,144	251,144	251,144
183,663	183,663	183,663	183,663	183,663	183,663	183,663	183,663	183,663	183,663
11,089	11,089	11,089	11,089	11,089	11,089	11,089	11,089	11,089	11,089
445,896	445,896	445,896	445,896	445,896	445,896	445,896	445,896	445,896	445,896
258,826	270,478	282,291	294,264	306,399	318,697	331,159	343,784	356,575	369,531
1.58	1.61	1.63	1.66	1.69	1.71	1.74	1.77	1.80	1.83



**Lambert
Woods South
Cooperative**

**Lambert Woods
North Apartments**

**Protecting
Wetlands,
Streams &
Forest**

Three story
“Community Flat”
buildings with
community space
on first floor

Washington Ave Extension

Community Green

Community Gardens

“Rowhome” buildings with
1 bedroom homes on 1st
floor and 3 bedroom
homes on 2&3rd floor

Lambert Woods
South Site Plan

Stream and Forest











Tax Shifts-Avoided Formula Impacts from Sheltering of Valuation: City of Portland- TIF Model - Lambert Woods South							
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	\$18,760,000	\$14,070,000	\$0	\$19,665	\$6,212	\$25,877
2	2026	\$18,760,000	\$14,070,000	\$0	\$19,665	\$6,212	\$25,878
3	2027	\$18,760,000	\$14,070,000	\$0	\$19,665	\$6,212	\$25,878
4	2028	\$18,760,000	\$14,070,000	\$32,689	\$19,665	\$6,212	\$58,567
5	2029	\$18,760,000	\$14,070,000	\$65,379	\$19,665	\$6,212	\$91,256
6	2030	\$18,760,000	\$14,070,000	\$98,068	\$19,665	\$6,212	\$123,945
7	2031	\$18,760,000	\$14,070,000	\$98,068	\$19,665	\$6,212	\$123,945
8	2032	\$18,760,000	\$14,070,000	\$98,068	\$19,665	\$6,212	\$123,945
9	2033	\$18,760,000	\$14,070,000	\$98,068	\$19,665	\$6,212	\$123,945
10	2034	\$18,760,000	\$14,070,000	\$98,068	\$19,665	\$6,212	\$123,945
11	2035	\$18,760,000	\$14,070,000	\$98,068	\$19,665	\$6,212	\$123,945
12	2036	\$18,760,000	\$14,070,000	\$98,068	\$19,665	\$6,212	\$123,945
13	2037	\$18,760,000	\$14,070,000	\$98,068	\$19,665	\$6,212	\$123,945
14	2038	\$18,760,000	\$14,070,000	\$98,068	\$19,665	\$6,212	\$123,945
15	2039	\$18,760,000	\$14,070,000	\$98,068	\$19,665	\$6,212	\$123,945
16	2040	\$18,760,000	\$14,070,000	\$98,068	\$19,665	\$6,212	\$123,945
17	2041	\$18,760,000	\$14,070,000	\$98,068	\$19,665	\$6,212	\$123,945
18	2042	\$18,760,000	\$14,070,000	\$98,068	\$19,665	\$6,212	\$123,945
19	2043	\$18,760,000	\$14,070,000	\$98,068	\$19,665	\$6,212	\$123,945
20	2044	\$18,760,000	\$14,070,000	\$98,068	\$19,665	\$6,212	\$123,945
21	2045	\$18,760,000	\$14,070,000	\$98,068	\$19,665	\$6,212	\$123,945
22	2046	\$18,760,000	\$14,070,000	\$98,068	\$19,665	\$6,212	\$123,945
23	2047	\$18,760,000	\$14,070,000	\$98,068	\$19,665	\$6,212	\$123,945
24	2048	\$18,760,000	\$14,070,000	\$98,068	\$19,665	\$6,212	\$123,945
25	2049	\$18,760,000	\$14,070,000	\$98,068	\$19,665	\$6,212	\$123,945
26	2050	\$18,760,000	\$14,070,000	\$98,068	\$19,665	\$6,212	\$123,945
27	2051	\$18,760,000	\$14,070,000	\$98,068	\$19,665	\$6,212	\$123,945
28	2052	\$18,760,000	\$14,070,000	\$98,068	\$19,665	\$6,212	\$123,945
29	2053	\$18,760,000	\$14,070,000	\$98,068	\$19,665	\$6,212	\$123,945
30	2054	\$18,760,000	\$14,070,000	\$98,068	\$19,665	\$6,212	\$123,945
30 Year TIF Total		\$562,800,000	\$422,100,000	\$2,549,765	\$589,965	\$186,361	\$3,326,091

City of Portland - TIF Model
Lambert Woods South
[\\$0 OAV as of 3/31/2025](#)
8/29/2025

City of Portland- TIF Projection Table - Lambert Woods South									
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	\$18,760,000	75.00%	\$14,070,000	11.98	\$168,559	\$168,559	\$0	\$56,186
2	2026	\$18,760,000	75.00%	\$14,070,000	12.22	\$171,930	\$171,930	\$0	\$57,310
3	2027	\$18,760,000	75.00%	\$14,070,000	12.46	\$175,368	\$175,368	\$0	\$58,456
4	2028	\$18,760,000	75.00%	\$14,070,000	12.71	\$178,876	\$178,876	\$0	\$59,625
5	2029	\$18,760,000	75.00%	\$14,070,000	12.97	\$182,453	\$182,453	\$0	\$60,818
6	2030	\$18,760,000	75.00%	\$14,070,000	13.23	\$186,102	\$186,102	\$0	\$62,034
7	2031	\$18,760,000	75.00%	\$14,070,000	13.49	\$189,824	\$189,824	\$0	\$63,275
8	2032	\$18,760,000	75.00%	\$14,070,000	13.76	\$193,621	\$193,621	\$0	\$64,540
9	2033	\$18,760,000	75.00%	\$14,070,000	14.04	\$197,493	\$197,493	\$0	\$65,831
10	2034	\$18,760,000	75.00%	\$14,070,000	14.32	\$201,443	\$201,443	\$0	\$67,148
11	2035	\$18,760,000	75.00%	\$14,070,000	14.60	\$205,472	\$205,472	\$0	\$68,491
12	2036	\$18,760,000	75.00%	\$14,070,000	14.90	\$209,581	\$209,581	\$0	\$69,860
13	2037	\$18,760,000	75.00%	\$14,070,000	15.19	\$213,773	\$213,773	\$0	\$71,258
14	2038	\$18,760,000	75.00%	\$14,070,000	15.50	\$218,049	\$218,049	\$0	\$72,683
15	2039	\$18,760,000	75.00%	\$14,070,000	15.81	\$222,409	\$222,409	\$0	\$74,136
16	2040	\$18,760,000	75.00%	\$14,070,000	16.12	\$226,858	\$226,858	\$0	\$75,619
17	2041	\$18,760,000	75.00%	\$14,070,000	16.45	\$231,395	\$231,395	\$0	\$77,132
18	2042	\$18,760,000	75.00%	\$14,070,000	16.77	\$236,023	\$236,023	\$0	\$78,674
19	2043	\$18,760,000	75.00%	\$14,070,000	17.11	\$240,743	\$240,743	\$0	\$80,248
20	2044	\$18,760,000	75.00%	\$14,070,000	17.45	\$245,558	\$245,558	\$0	\$81,853
21	2045	\$18,760,000	75.00%	\$14,070,000	17.80	\$250,469	\$250,469	\$0	\$83,490
22	2046	\$18,760,000	75.00%	\$14,070,000	18.16	\$255,479	\$255,479	\$0	\$85,160
23	2047	\$18,760,000	75.00%	\$14,070,000	18.52	\$260,588	\$260,588	\$0	\$86,863
24	2048	\$18,760,000	75.00%	\$14,070,000	18.89	\$265,800	\$265,800	\$0	\$88,600
25	2049	\$18,760,000	75.00%	\$14,070,000	19.27	\$271,116	\$271,116	\$0	\$90,372
26	2050	\$18,760,000	75.00%	\$14,070,000	19.65	\$276,538	\$276,538	\$0	\$92,179
27	2051	\$18,760,000	75.00%	\$14,070,000	20.05	\$282,069	\$282,069	\$0	\$94,023
28	2052	\$18,760,000	75.00%	\$14,070,000	20.45	\$287,710	\$287,710	\$0	\$95,903
29	2053	\$18,760,000	75.00%	\$14,070,000	20.86	\$293,465	\$293,465	\$0	\$97,822
30	2054	\$18,760,000	75.00%	\$14,070,000	21.27	\$299,334	\$299,334	\$0	\$99,778
30 Year TIF Total		\$562,800,000		\$422,100,000		\$6,838,099	\$6,838,099	\$0	\$2,279,366
30-Year Average		\$18,760,000		\$14,070,000		\$227,937	\$227,937		\$75,979

CITY OF PORTLAND

LAMBERT WOODS SOUTH 165 LAMBERT STREET
AFFORDABLE HOUSING TAX INCREMENT FINANCING DISTRICT

DEVELOPMENT PROGRAM

Date: November __, 2025

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**Lambert Woods South 165 Lambert 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 165 Lambert Street in Portland. The area includes approximately 12.73 acres located on Tax Map 385, Block A, Lot 001 and Tax Map 386, Block C 001 at 165 Lambert Street in the RN-1 Neighborhood Residential zone. Multifamily residential development is a permitted use within this zone. 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. The land is currently vacant. 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 Prosperity Place 165 Lambert Street Affordable Housing Development and Tax Increment Financing District (the “District”). The Development Program described herein will serve the purpose of administering the District as an Affordable Housing Development District pursuant to Chapter 206, subchapter 3 of Title 30-A of the Maine Revised Statutes, as amended (the “Development Program”). Upon approval by the City of Portland designating the District and adoption of this Development Program by the City, the designation

of the District and adoption of the Development Program will become final immediately, subject only to approval by the Director of the Maine State Housing Authority. The Development Program provides for affordable housing similar in some respects to the economic development incentives called municipal tax increment financing (“TIF”) similar to that adopted by a number of other Maine municipalities including the City. A Development District involves the creation of a geographically defined district in the City and the “capture” or reinvestment of some of the new increased or “incremental” tax revenues generated on the increased assessed value of property in the District to pay certain costs of the development.

The District is designed to stimulate development of affordable housing in the City by allocating certain tax revenues generated on the increased assessed value in the District to Project Costs, consisting of allowable operating costs per 30-A M.R.S.A. §5249 and described in Section 2.03 hereof by Prosperity Place GP, 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 Attachment 8 (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 165 Lambert Street involves the construction of a building on approximately 12.73 acres, into an affordable housing neighborhood. The objective of the project is that 100% 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 100% of the median income for the area as defined by the United States Department of Housing and Urban Development. This project will create ninety units of affordable limited equity cooperative housing with a mix of one to three-bedroom units and will result in a minimum of 33% of the total number of units in the District being affordable at all times. The zoning for the project assures that this number of units and this affordability objective will be met. There will be no rehabilitated units or single family homes associated with this project.

The 165 Lambert Street project is projected to have a total local increased assessed valuation at build out of approximately \$18,760,000 based upon current real estate values and City assessment practices. Based upon the estimated tax rate upon completion, the project will generate approximately a thirty-year annual average of \$227,937 in tax increment revenues to the Developer at full build out. A portion of this new revenue would be offset by increased county taxes and reduced state revenue sharing and education funding resulting from the increased state valuation, were it not included in a Development District.

“Project Costs” as defined in Title 30-A, Chapter 206, Section 5249 of the Maine Revised Statutes will include operating costs, including but not limited to property management and administration, utilities, routine repairs and maintenance, insurance, real estate taxes and funding of a projects capital reserve account.

B. Need for the Affordable Housing TIF. Over the 30-year TIF, the estimated average annual payment is \$227,937 (as set forth in Exhibit A). Developer’s Share of the Tax Increment Revenue is designated to pay Project Costs, as defined in the Credit Enhancement Agreement, for the project at 165 Lambert Street. The Tax Increment Revenue described in section 3.04 will help pay for Project Costs for a period of 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 project site, owned by the City of Portland, is currently vacant land. As a result, there is no need for a relocation plan.

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. _____, its successor or assigns, will act as property manager

operate the improvements constructed and owned by Developer and pay all maintenance and operational expenses of its facilities. The City, however, will be responsible for maintenance and operation of any part of the District that may become a public road or other public facility.

Section 2.07: Assurance of Compliance. The City hereby determines that the District and this Development Program complies with the provisions of 30-A M.R.S.A. § 4349-A (growth management). The City of Portland's Comprehensive Plan was found to be consistent with Maine's growth management Act by the State of Maine Department of Agriculture, Conservation, and Forestry on August 8, 2017. The proposed development in the District is consistent with the Comprehensive Plan, which calls for additional affordable housing in the City. The district is not in conflict with the municipal charter

Section 2.08: Program Duration. In accordance with recent changes approved by the Legislature in L.D. 1783, the duration of an affordable housing tax increment financing district may not exceed the earlier of 30 years after the Tax Year in which the affordable housing is placed in service, as evidenced by issuance of a municipal certificate of occupancy, and 35 years after the Tax Year in which the development program for the district 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 Tax Year in which the Development Program is expected to be approved by the Director of the Maine State Housing Authority begins April 1, 2025. If so, the latest possible final Tax Year of the Development Program would begin April 1, 2059.¹ Assuming the Director approves the Development Program during the April 1, 2025 Tax Year, the term of this Development Program will be thirty Tax Years and will commence on April 1 of the Tax Year during which the City issues a certificate of occupancy for the project and will end on the earlier of (i) March 31 of the thirtieth Tax Year of the term, or (ii) March 31, 2060.

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

¹ In L.D. 1783, the Legislature enacted amendments to 30-A MRSA § 5248(2)(G) which become effective September 23, 2025 and impact the start and end dates of affordable housing tax increment financing districts. Although L.D. 1783 is not currently in effect, it is anticipated to be in effect at the time the AHTIF District Program becomes effective.

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 area of the proposed Lambert Woods South 165 Lambert Street AHTIF District would be approximately 12.73 acres which represents less than 2% (or 0.0923%) of the total acreage of the City. The total area of the proposed AHTIF District (12.73) and the total area of all development districts in the City (898.2935) totals 911.0235 acres which is approximately 6.6085% (911.0235/13,785.6) of total municipal acreage of the City. The 911.0235 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 911.0235 acres is 464.8547 acres, which is 3.372% (464.8547/13,785.6) 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 (45.2548) and the proposed AHTIF District is 57.9848 acres or 0.4206% of the total acreage of the City (57.9848/13,785.6) and does not exceed 5% of the total acreage of the City;

(iii) The Original Assessed Value of the proposed Affordable Housing TIF District (\$0), combined with the Original Assessed Value of all existing Affordable Housing TIF Districts (\$5,030,461) within the City totals \$5,030,461. The taxable property value as of the April 1st before MaineHousing approval (4/1/2025) equals \$20,099,365,123. As the aggregate OAV as a percent of taxable value is 0.025%, 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 MaineHousing approval of the District.

C. Community Housing Need. The City finds that this Capital Program will meet a community housing need identified in the City's Comprehensive Plan. The Credit Enhancement Agreement provides a mechanism to ensure the ongoing affordability for a period of at least 30 (thirty) years, which mechanism is the Declaration attached hereto as Attachment 3.2. The District is primarily a residential development in which 100% 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. The project aligns with Portland's Comprehensive Plan, which was adopted by City Council on June 5, 2017, and which identified a desire to "increase, preserve, and modify the overall supply of housing City-wide to meet the needs, preferences and financial capabilities of all Portland households." Portland's economy depends upon the availability of a diverse and affordable array of rental housing options. However, Portland has the highest housing costs in the state of Maine, and rising rental housing costs have become increasingly out-of-reach for many lower- and moderate-income citizens. According to Maine State Housing Data Portal, the rent affordable to a median renter was \$1,332.18, while the median rent was \$2,206, a gap of \$873.82 per month². The project will provide affordable rental rates and restrict units to low- and moderate-income residents. The proposed development is for residential use. The building will contain affordable mixed-income rental housing, and accessory residential uses including parking. 100% of the site acreage (12.73 acres) will be used for residential or accessory uses to residential. There are no single-family owner-occupied homes, including condominiums, in this district.

² State of Maine Housing Data Portal, Snapshot View, Portland, Rental Affordability, Comparison of Median Rent and Affordable Rent Over Time, accessed on July 29, 2025 at <https://mainestatehousingdata.org/data-portal>.

Section 2.10: Designation of the District. The City, by adoption of this Development Program, hereby designates the Lambert Woods South 165 Lambert Street Affordable Housing 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 Attachment 5 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 Attachment 3.3.

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 Attachment 6 is the anticipated form of certification of Original Assessed Value by the Assessor of the City of Portland in accordance with the requirements of Title 30-A § 5250-A of the Maine Revised Statutes. All Property Tax on the Original Assessed Value shall continue to be deposited in the general fund of the City.

The City will deposit the Tax Increment Revenues (Developer's Share) as described in Section 2.02 and Section 3.04 hereof and in Exhibit A into the Project Cost Account of the Affordable Housing Development Program Fund and pay such Tax Increment (Developer's Share) to Developer in accordance with the terms of the Credit Enhancement Agreement to be entered between the City and the Developer.

Section 3.04: Estimated Increased Assessed Value; Portion Applied to Development Program. The percentage of the Increased Assessed Value of the District to be retained as Captured Assessed Value in each year is 75% (seventy-five percent). Such Captured Tax Increment Revenues will be returned to the Developer each year in the manner described below.

In the event of a revaluation of taxable property within the City, the Captured Assessed Value of this District may be adjusted in proportion to the change in taxable assessed property valued within the District in the year of the revaluation resulting from such revaluation.

The Tax Increment Revenues (Developer's Share) to be paid to the Developer each year during the term of this Development Program will be an amount which shall be captured and retained to reimburse the Developer for Project Costs pursuant to the Credit Enhancement Agreement, which will be

the entire amount of the 75% (seventy-five percent) of captured revenue. The percentage determination of the Tax Increment Revenues (Developer's Share) as determined as described above shall apply regardless whether the actual Tax Increment Revenues are more or less than the estimated or projected Tax Increment Revenues set forth in Exhibit A.

"Tax Shift Formulas" mean the formulas utilized by the State of Maine in calculating: (a) the county tax payable in accordance with 30-A M.R.S.A. § 706 and 36 M.R.S.A. §§ 305(1), 381, as amended, and any successor provisions; (b) the municipal revenue sharing distribution of the Local Government Fund in accordance with 30-A M.R.S.A. § 5681, as amended, and any successor provision, provided, however, that distribution of the Disproportionate Tax Burden Fund (the Revenue II fund), if any, shall not be taken into consideration in such calculation since taxes assessed on captured value within a tax increment financing district are included in the amounts of the property assessed in determining allocations of such Disproportionate Tax Burden Fund; and (c) State aid to education, including aid for total operating costs, total program cost allocation (taking into account the maximum local share or circuit breaker) and total debt service cost allocation (taking into account the maximum local share or circuit breaker), but not taking into account any hold harmless or hardship cushion that results in additional State aid to education to the prior year's level even through the calculation would have resulted in a reduction, all as computed in accordance with Maine Department of Education Form ED 261 or any successor form.

The amount of Tax Increment from the total Increased Assessed Value that is to be paid each year to the Developer under Credit Enhancement Agreement to pay or reimburse Project Costs is hereinafter called the "Tax Increment Revenues (Developer's Share)."

The table attached hereto as Exhibit A also sets forth: (i) the annual estimates of the Increased Assessed Value of the District resulting from implementation of the Development Program; (ii) the estimated annual Tax Increment Revenues per year on the Increased Assessed Value following implementation of the Development Program, stated respectively as (a) a total, and (b) the estimated amount of the Tax Increment Revenues (Developer's Share)

Based on the manner in which Tax Increment Revenues (Developer's Shares) are defined, a share of the incremental property tax revenues derived from the increased valuation will be returned to the Developer to cover the Project Costs as described in Section 2.03 hereof.

To comply with the provisions of the State of Maine, the Credit Enhancement Agreement includes a provision for the recapture of certain amounts relating to any affordable rental housing units that are not maintained as affordable for a period of at least thirty years.

Under this program and the Credit Enhancement Agreement, Captured Assessed Value will be 75% (seventy-five percent) of the Increased Assessed Value. Accordingly, 100% (one hundred percent) of the Tax Increment Revenues Captured Assessed Value for each year during the term of the District shall be paid to the Developer each year pursuant to the Credit Enhancement Agreement.

An Affordable Housing Development Program Fund shall be established by the City consisting of a Project Cost Account. The Project Cost Account will be pledged to and charged with payment of amounts due to Developer under the Credit Enhancement Agreement. Upon receipt of each payment of property tax with respect to property in the District, the City shall deposit into the Project Cost Account according to the terms of the Credit Enhancement Agreement 75% (seventy-five percent) of that portion of the payment constituting Tax Increment Revenues. The amounts in the Project Cost Account shall be used and applied solely to fund the payments to Developer under the Credit Enhancement Agreement.

Section 3.05: Description of Terms and Conditions of Agreements. A description of the terms and conditions of the agreements, contracts and obligations to be entered into by the City is set forth in the Credit Enhancement Agreement to be entered into by the City and the Developer which will be substantially in the form attached hereto as Attachment 8. 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, Attachment 3.5 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. Attachment 3.5 also contains a summary of the methodology and calculations utilized in calculating such estimated tax shifts.

The 165 Lambert 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 \$11.98/\$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.

Attachment 3.5 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.

Section 3.07 Specific Uses of Tax Revenue

Revenue from the Affordable Housing Tax Increment District (AHTIF) would be used to pay project operating costs as defined in Section 2.03 above. The funds received over the lifetime of the AHTIF would support the project in providing new, high quality, affordable mixed-income rental housing. Without these funds, the development of 90 units of affordable limited equity cooperative housing would not move forward.

Specific Improvements or activities to be funded with tax increment revenues	Timing of each planned improvement	Amount (\$) to be funded with tax increment revenues	Amount to be funded by other sources	Location within or outside district?	Resulting public benefit
Project Operating Costs.	Annually	\$227,937	To be determined at full build out	Within	Affordable limited equity cooperative housing units
Total Costs		\$227,937			

The development will be financed with a combination of local, state and private funding. The estimated combined total development cost for Phase 1 is \$9,295,000. At this time, it is estimated that approximately \$3,000,000 would be funded through bank financing, \$2,450,000 CDFI loans, \$1,250,000 foundation funding, \$220,000 Member Share Equity, \$2,200,000 City of Portland loan, and \$175,000 deferred developer fee. An itemized development budget for Phase 1 showing all sources and uses of funds for development is included in Attachment 3.3.

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 October __, 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 Attachment 1 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 November ____, 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 Attachment 4 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 November __, 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: **November __, 2025**

Danielle P. West, City Manager,
City of Portland, ME

CITY OF PORTLAND
Declaration of Covenants, Conditions and Restrictions for the
LAMBERT WOODS SOUTH 165 LAMBERT STREET
Affordable Housing Development and Tax Increment Financing District

This Declaration of Covenants, Conditions and Restrictions (the “Declaration”) is entered into as of _____, 2025 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 Lambert Woods Cooperative, a Maine cooperative affordable housing corporation with a mailing address of 6 City Center, Fl. 3, Portland, Maine 04101 (“Developer”).

W I T N E S S E T H

WHEREAS, the Developer acknowledges that City is providing Affordable Housing Tax Increment Financing to the Developer (the “AHTIF”) for project operating costs associated with the development of ninety (90) units of limited equity cooperative housing, to be known as the Lambert Woods Cooperative, and located at 165 Lambert Street, Portland, Maine (the “Development”), which will be constructed in two phases, the first of which shall include 22 units of housing (“Phase I”); and

WHEREAS the Developer acknowledges City’s resulting beneficial interest in the Development, and Developer acknowledges that its ownership and operation of the Development are in furtherance of discharge of the public trust; and

WHEREAS, City has provided the AHTIF to Developer in consideration of the Developer’s agreement to abide by the provisions of this Declaration.

NOW THEREFORE, City and the Developer agree as follows:

1. **Term**. The term of this Declaration will be thirty Tax Years (as that term is defined below) and will commence on April 1 of the Tax Year during which the City issued a certificate of occupancy for the Development and will end on the earlier of (i) March 31 of the thirtieth Tax Year of the term, or (i) March 31, 2060 (the “Qualified Project Period”). The period from April

1 of each year through March 31 of the next year is referred to herein as a “Tax Year.” Upon issuance of the certificate of occupancy for the Development, the parties will execute and record in the Cumberland County Registry of Deeds an amendment to this Declaration setting forth the date that the certificate of occupancy was issued.

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 Attachment 5 attached hereto and made a part hereof and shall bind all subsequent owners and holders of any interest in said real estate, except to the extent herein provided. The City may enforce the covenants set forth herein as a contract beneficiary whether or not Developer is or remains indebted to the City. The covenants of Developer set forth herein shall survive a sale, transfer, or other disposition of the Development by Developer, a foreclosure or transfer of title in lieu of foreclosure, but shall cease to apply to the Development in the event of involuntary noncompliance caused by substantial destruction, seizure, requisition, or change in law or an action of a governmental agency that prevents the City from enforcing the covenants, even though compensated by insurance.
3. **Covenants.** Developer hereby covenants and represents to the City as follows:
 - a. **Development.** The Development shall consist of the land described in Attachment 5 attached hereto, together with all buildings and improvements, which after completion of the work will contain a total of ninety (90) units of limited equity cooperative housing and related amenities. The units in the Development shall be of comparable quality and have comparable amenities. Developer shall not make any change in the number of the units in the Development.
 - b. **Use.** The Developer shall rent or make available for rental all of the units in the Development on a continuous and non-transient basis to members of the general public throughout the Qualified Project Period. Developer covenants and agrees that no change of use shall occur without the express written consent of the City.
 - c. **Low Income Units.** For a period of ninety-nine (99) years after the issuance of a certificate of occupancy for all or a portion of Phase I all of the units will be occupied by households with incomes at no more than one hundred percent (100%) of the area median income, (referred to as the “Low Income Units”).
 - i. Income and area median income shall be as determined in accordance with U.S. Department of Housing and Urban Development, as may be amended from time to time, (“HUD”) and income limits shall be adjusted for family size.
 - ii. Prior to initial occupancy and upon transfer to a new Member, the Developer shall verify that the income, based on the then current income, of each household occupying a Low Income Unit in the Development does not exceed the Applicable Income Limit (the “Determination”).

- d. **Rent Restrictions.** For a period of ninety-nine (99) years after the issuance of a certificate of occupancy for all or a portion of Phase I, the Low Income Units shall be rent-restricted. A unit is rent-restricted if the gross monthly rent does not exceed one-twelfth (1/12th) of thirty percent (30%) of the imputed income limitation applicable to the unit. The imputed income limitation is the Applicable Income Limit for the unit, except the adjustment for family size shall be based, not on the actual number of occupants, but by assuming the number of occupants as follows:

- i. For a unit without a separate bedroom, one individual.
- ii. For a unit with one or more separate bedrooms, one and one-half individuals for each separate bedroom.

Gross monthly rent shall not include any payment under Section 8 of the United States Housing Act of 1937 and associated regulations and guidance, all as may be amended from time to time ("Section 8") but shall include any utility allowance, where applicable, taking into account such determinations under Section 8.

- e. **Discrimination Prohibited.** Developer shall not segregate or physically isolate the Low Income Units from each other and from other units in the Development and the Developer shall use its best efforts to proportionately distribute the Low Income Units among each unit size in the Development. Developer shall not refuse to rent a unit in the Development to any applicant because the applicant holds a voucher or a certificate of eligibility under Section 8.
4. **Compliance.** Developer agrees to furnish to City such information as City may require in a form acceptable to City, including without limitation certifications and/or verifications of occupancy and resident income, to determine Developer's compliance with the covenants set forth herein. Information deemed acceptable by MaineHousing shall be acceptable to the City.
5. **Income Certifications/Leases.** Developer shall use residential lease forms acceptable to City and obtain written and signed certifications of residents in a form acceptable to City to determine the qualifications of the residents for occupancy of a Low Income Unit. Such leases or certifications shall contain clauses wherein each resident (a) certifies as to the accuracy of statements made relating to the resident's income, (b) agrees that resident income and other eligibility requirements shall be deemed substantial and material obligations of the tenancy, (c) agrees to comply all requests for information with respect thereto from Developer or City, and (d) agrees that failure to provide accurate information or refusal to comply with a request for information shall be deemed a violation of a substantial obligation of the tenancy. Developer covenants and agrees to take such action as City deems necessary to comply with the covenants herein or to correct or cure any failure of the Developer to comply with the covenants herein, including, without limitation, the eviction of any tenant in accordance with applicable law. Lease forms which have been approved by MaineHousing shall be deemed approved by City.
6. **Real Estate Taxes.** Developer agrees that it shall pay all real estate taxes assessed on the Development during its ownership of the Development. Nothing contained in this section shall

be deemed a waiver or limitation on Developer's right to seek abatement of property taxes if Developer believes the Development is over-assessed.

7. **Records.** Developer shall maintain and keep current all books, documents, plans and records concerning the Development, including, but not limited to, books and records related to compliance with the covenants contained in this Declaration. Such books, records, documents and plans shall be kept for: (a) a minimum of six (6) years after the expiration of the Qualified Project Period for those books, records, documents and plans pertaining to the rent and occupancy requirements described in Section 3 of this Declaration and the rent roll for all units in the Development; and (b) for a minimum of six (6) years after the end of the fiscal year or calendar year, as applicable, for all other books, records, documents and plans pertaining to the Development. Upon reasonable notice, City may audit and examine these books, records, documents and plans, and may inspect the buildings, grounds, equipment offices of the Development.
8. **Violation.** Developer shall immediately notify the City if Developer anticipates or discovers any noncompliance with any restriction or covenant in this Declaration, including, without limitation, noncompliance with the occupancy restrictions in Section 3 of this Declaration. Developer agrees to take such action as the City deems necessary to prevent noncompliance or to correct or cure any failure to comply with the covenants in this Declaration. In the event the Developer fails to comply with the covenants set forth herein, and fails to cure such non-compliance within any applicable cure period, the City shall be entitled to exercise any of its rights under the documents executed in connection with the AHTIF, maintain an action in law or in equity against the Developer to recover damages incurred by the City from such failure, including, without limitation, reasonable attorneys' fees and costs, and to require the Developer (through injunctive relief or specific performance) to comply with the provisions and covenants set forth herein and to immediately cure any failure to comply with the covenants set forth herein by the Developer.
9. **Indemnification.** Developer shall indemnify and hold City and its agents harmless from and against any and all claims, demands, liability, loss, cost or expense (including, but not limited to reasonable attorney's fees and other costs of litigation) which may be incurred by the City arising out of or in any way related to the Developer's breach of any of its obligations under this Declaration or any action taken by the City to enforce or exercise its rights under this Declaration as a result of such breach, except for claims arising from the gross negligence or willful acts of the City. The obligations under this section shall survive the termination or expiration of this Declaration as necessary to effectuate its provisions.
10. **Modifications.** This Declaration may be amended or modified, in whole or in part, only by written agreement of Developer and the City clearly expressing the intent to modify this Declaration.
11. **Severability.** The validity of any clause, part or provision of this Declaration shall not affect the validity of the remaining portions thereof.

12. **Successors and Assigns.** This Declaration shall be binding upon Developer's respective heirs, personal representatives, executors, administrators, successors and assigns and shall inure to the benefit of and be enforceable by City, its successors, transferees and assigns.
13. **Governing Law.** This Declaration shall be construed in accordance with and governed by the laws of the State of Maine.
14. **Notices.** Any notice or demand required or provided for in this Declaration shall be in writing and shall be deemed to have been sufficiently given for all purposes when hand-delivered or mailed by certified or registered United States mail, postage prepaid, or sent by overnight United States mail or overnight commercial delivery service to the Developer or the City at their respective addresses set forth herein, or at such other address as either of them may from time to time hereafter designate by notice given to the other as herein provided. The City shall endeavor to provide a copy of any notice to Developer with a copy to Counsel, or such other addresses as may from time to time hereafter be designated by notice given to the City as herein provided.
15. **Intercreditor.** This Declaration is subject to the terms and conditions of the Intercreditor and Subordination Agreement by and among MaineHousing, the City of Portland, _____, and _____ **[construction lender and any other entities providing financing will also be parties]** dated _____, _____ to be recorded in the Cumberland County Registry of Deeds herewith.

Signature pages follow.

IN WITNESS WHEREOF, this Declaration has been duly executed by the Developer and City as of _____, 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.

LAMBERT WOODS COOPERATIVE

Witness

By: _____
Name:
Its:

**State of Maine
Cumberland, ss.**

_____, 2025

Personally appeared the above named _____, Lambert Woods Cooperative, and acknowledged the foregoing instrument to be his free act and deed in said capacity and the free act and deed of said limited liability company.

Before me,

Notary Public/Attorney-at-Law

(Print or type name)

ATTACHMENT 5, as referenced in the AHTIF application for Maine Housing

Property Description of the District, including tax and municipal maps

MEMORANDUM
City Council Agenda Item

FROM: Mary Davis, Division Director

DATE: October 22, 2025

SUBJECT: Order 80-25/26 Approving the Lambert Woods South Affordable Housing Credit Enhancement Agreement with Lambert Woods Cooperative - Sponsored by the Housing & Economic Development Committee, Councilor Pious Ali, Chair.

SPONSOR: Housing and Economic Development Committee, Councilor Pious Ali, Chair. The HEDC met on July 15, 2025 and voted 4-0 to recommend approval of this item 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 10/20/2025

Final

Action 11/3/2025

Can action be taken at a later date: No State Law requires a 10-day public hearing notice for all Affordable Housing Tax Increment Financing actions. The notice was published in the Portland Press Herald.

Does this item involve a new contract with the City: Corporation Counsel will review and approve all legal documents for this transaction.

PRESENTATION: Mary Davis will be available for questions

I. SUMMARY

Approval of a Credit Enhancement Agreement with Lambert Woods Cooperative for the Lambert Woods South, 165 Lambert Street development.

II. AGENDA DESCRIPTION

This is a companion Order to the previous Order Designating Lambert Woods South 165 Lambert Street an Affordable Housing Development and Tax Increment Financing District and Adopting the Municipal Development Program for the District.

This item must be read on two separate days. It received its first reading on October 20. Five affirmative votes are required for passage after public comment.

III. BACKGROUND

IV. INTENDED RESULT AND/OR COUNCIL GOAL ADDRESSED

V. FINANCIAL IMPACT

N/A

VI. STAFF ANALYSIS AND BACKGROUND

Staff recommend approval of this Order, as a companion to the previous order designating the Affordable Housing Tax Increment Financing District and Development Program.

VII. RECOMMENDATION

Staff recommend approval of this Order, as a companion to the previous order designating the Affordable Housing Tax Increment Financing District and Development Program.

VIII. LIST ATTACHMENTS

1. Order - Approving CEA for Lambert Woods South
2. Att 8 Ex E CEA Lambert Woods South clean for council 10.15.25

Prepared by:

Mary Davis, Division Director

Date: 10/22/2025

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 LAMBERT WOODS SOUTH AFFORDABLE HOUSING
CREDIT ENHANCEMENT AGREEMENT WITH LAMBERT WOODS
COOPERATIVE**

ORDERED, that the credit enhancement agreement between the City of Portland and Lambert Woods Cooperative related to the Lambert Woods South Affordable Housing Development and Tax Increment Financing District is hereby approved and the City Manager is authorized to sign the agreement in substantially the same form as attached hereto and any other related documents that are necessary or convenient to carry out the intent of said agreement.

CREDIT ENHANCEMENT AGREEMENT

between

THE CITY OF PORTLAND, MAINE

And

LAMBERT WOODS COOPERATIVE

DATED: _____, 2025

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Section 8.3. Severability.

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Section 8.5. Counterparts.

Section 8.6. Governing Law.

Section 8.7. Notices.

Section 8.8. Amendments.

Section 8.9. Records.

Section 8.10. Reserved.

Section 8.11. Integration.

Section 8.12. Reserved.

Section 8.13. Dispute Resolution.

Section 8.14. Tax Laws and Valuation Agreement.

ATTACHMENTS (as designated in the AHTIF application to Maine Housing and attached here)

Attachment 5 Copy of District Map

Attachment 3.4 Estimated Allocation of Tax Increment and Estimated Tax Increment Revenues

THIS CREDIT ENHANCEMENT AGREEMENT dated as of _____, 2025 (the “Effective Date”), between the City of Portland, Maine, a municipal body corporate and politic and a political subdivision of the State of Maine (the “City”), and Lambert Woods Cooperative, a Maine cooperative affordable housing corporation (the “Developer”).

WITNESSETH THAT

WHEREAS, the City designated the *Lambert Woods South 165 Lambert Street Affordable Housing 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 25/26 (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.

“Authority” means the Maine State Housing Authority.

“Captured Assessed Value” means the amount, stated as a percentage, of the Increased Assessed Value of the District that is retained in each Tax Year during the term of the District, as specified in Section 2.3 hereof, to fund Project costs authorized in the Development Program. See Attachment 3.4 for further detail.

“City” shall have the meaning given such term in the first paragraph hereto.

“Current Assessed Value” means the then-current assessed real property value of the

District as determined by the City Tax Assessor as of April 1 of each Tax Year that the District remains in effect.

“Development Program” shall have the meaning given such term in the recitals hereto.

“Development Program Fund” means the Affordable Housing Development Program Fund described in the Development Program and established and maintained pursuant to Article II hereof and 30-A M.R.S.A. § 5250-A(3)(A) consisting of the account further described herein.

“Director” means the Director of the Maine State Housing Authority.

“District” shall mean the lot or parcel of land on which the Project is located. A copy of the District map is attached hereto as Attachment 5 as well as an informational map showing the Project in the District.

“Effective Date of the Development Program” means the start date identified in Section 2.08 of the Development Program.

“Fiscal Year” means July 1 to June 30 each year or such other fiscal year as the City may from time to time establish.

“Increased Assessed Value” means, for each Fiscal Year during the term of this Agreement, the amount by which the Current Assessed Value for such year exceeds the Original Assessed Value. If the Current Assessed Value is less than or equal to the Original Assessed Value in any given Tax Year, there is no Increased Assessed Value in that year.

“Original Assessed Value” means Zero Dollars (\$0), 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 Attachment 3.4 for further detail.

“Project” means the planned construction of a ninety (90) unit limited equity cooperative housing project to be named Lambert Woods South located in the District.

“Project Cost Account” means the project cost account associated with the Project as described in the Development Program and established and maintained pursuant to Title 30-A M.R.S.A. § 5250-A(3)(A)(1) and Article II hereof.

“Property Taxes” means any and all *ad valorem* real property taxes levied, charged or assessed against the Project located in the District by the City, or on its behalf.

“State” means the State of Maine

“Tax Increment Revenues” means that portion of all real property taxes assessed and paid to the City in any Tax Year, in excess of any state, or special district tax, upon the Increased Assessed Value.

“Tax Payment Date” means the later of the date(s) on which property taxes levied by the City are due and payable, in full, from owners of property located within the City, or are actually paid to the City with respect to taxable property located within the District.

“Tax Year” shall have the meaning given such term in 30-A M.R.S.A. § 5246(16), as amended, to wit: April 1 to March 31.

Section 1.2. Interpretation and Construction.

In this Agreement, unless the context otherwise requires:

(a) The terms “hereby,” “hereof,” “hereto,” “herein,” “hereunder” and any similar terms, as used in this Agreement, refer to this Agreement, and the term “hereafter” means after, and the term “heretofore” means before, the date of delivery of this Agreement.

(b) Words importing a particular gender mean and include correlative words of every other gender and words importing the singular number mean and include the plural number and vice versa.

(c) Words importing persons mean and include firms, associations, partnerships (including limited partnerships), trusts, corporations and other legal entities, including public or governmental bodies, as well as any natural persons.

(d) Any headings preceding the texts of the several Articles and Sections of this Agreement, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this Agreement, nor shall they affect its meaning, construction or effect.

(e) All approvals, consents and acceptances required to be given or made by any signatory hereto shall not be withheld unreasonably.

(f) All notices to be given hereunder shall be given in writing and, unless a certain number of days is specified, within a reasonable time.

(g) If any clause, provision or Section of this Agreement shall be ruled invalid by any court of competent jurisdiction, the invalidity of such clause, provision or Section shall not affect any of the remaining provisions hereof.

ARTICLE II

AFFORDABLE HOUSING DEVELOPMENT PROGRAM FUND AND FUNDING REQUIREMENTS

Section 2.1. Creation of Development Program Fund.

Within sixty (60) days after the Effective Date of the Development Program, the City shall create and establish a segregated fund in the name of the City designated as the “Lambert Woods South 165 Lambert 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 (collectively the “CEA Years”), the City shall retain in the District seventy-five percent (75%) of the Increased Assessed Value as Captured Assessed Value. The remaining twenty-five percent (25%) of the Increased Assessed Value shall constitute Non-Captured Increased Assessed Value.

In the event of a revaluation of taxable property within the City, the Captured Assessed Value of this District may be adjusted in proportion to the change in taxable assessed property valued within the District in the year of the revaluation resulting from such revaluation.

(b) For each of the CEA Years, the City shall deposit into the Development Program Fund contemporaneously with each payment of Property Taxes during the term of this Agreement an amount equal to seventy-five percent (75%) of that portion of the payment of Property Taxes constituting Tax Increment Revenues. The City shall deposit such seventy-five percent (75%) portion into the Project Cost Account. The remaining twenty-five percent (25%) portion of the property tax payment constituting Tax Increment Revenues, which arise from Non-Captured Increased Assessed Value, shall be deposited into the City’s general fund.

(c) Notwithstanding anything herein to the contrary, if the District property becomes exempt from the obligation to pay property taxes, after application by the owner of the District property to the City for such exemption, then upon the granting of such exemption, this Agreement shall terminate and no further deposit or payment obligations on the part of the City shall exist.

(d) Any and all revenues resulting from investment earnings on deposits in the Development Program Fund shall be retained in the Development Program Fund and applied for Development Program purposes relating to the Development Program Fund as prescribed by 30-A M.R.S.A Section 5250-A(3), subject to the payment obligations set forth in Article III below.

Section 2.4. Use of Monies in Development Program Fund.

All monies in the Development Program Fund that are allocable to and/or deposited in the Project Cost Account shall in all cases be used and applied to fund fully the City's payment obligations to Developer as described in Articles II and III hereof. Developer shall be obligated to use such payments for operating costs of the Project and credit enhancement pursuant to the Development Program and Title 30-A M.R.S.A. § 5249.

Section 2.5. Monies Held for Benefit of Developer.

All monies required to be deposited with or paid into the Project Cost Account under the provisions hereof and the provisions of the Development Program shall be held by the City for the benefit of Developer, subject to the payment obligations set forth in Article III below.

ARTICLE III PAYMENT OBLIGATIONS

Section 3.1. Developer Payments.

(a) On an annual basis, the City agrees to pay Developer, within thirty (30) days of the end of each Fiscal Year, all amounts then on deposit in the Project Cost Account.

(b) Notwithstanding anything to the contrary contained herein, if, with respect to any Tax Payment Date, any portion of the property taxes assessed against real property located in the District remain unpaid, because of a bona fide valuation dispute being pursued by Developer, the property taxes actually paid with respect to such Tax Payment Date shall, first, be applied to taxes due on account of Original Assessed Value and deposited into the City's general fund; and second, shall constitute payment of Property Taxes with respect to Non-Captured Increased Assessed Value and deposited into the City's general fund; and third, shall constitute payment of Property Taxes with respect to Captured Assessed Value, to be applied to payment of Developer's share of the Tax Increment Revenues for the year concerned and deposited into Project Cost Account.

(c) Notwithstanding anything to the contrary contained herein, if, with respect to any Tax Payment Date, any portion of the property taxes assessed against real property located in the District remain due to the City from and unpaid by Developer, for any reason other than a bona fide valuation dispute, or if any portion of any other fee or charge due to the City by Developer including but not limited to sewer and stormwater fees, ambulance fees, or assessments, remain unpaid, no payment of Developer's share of the Tax Increment Revenues for the year concerned will be deposited into the Project Cost Account until such property taxes assessed against real property located in the District, and other fees, charges, and assessments are paid in full.

(d) Annually, Developer will provide financial statements as back-up documentation of Project Costs for its TIF payments, which documentation will be kept confidential by the City.

(e) Prior to receiving the first payment under this Agreement, Developer shall provide evidence reasonably satisfactory to the City of the Developer's ability to complete the Project in accordance with State law. Reasonably satisfactory evidence shall include documentation that the Developer has closed on complete financing for the Project.

(f) On a bi-weekly basis during the course of construction of the Project, Developer must provide documentation in a form reasonably satisfactory to the City demonstrating that all firms employed in the construction phase of the Project have compensated their employees, at all relevant times, the current wage rates and fringe benefits as required under applicable state prevailing wage law, 26 M.R.S. §1306, or the City's minimum wage requirements set forth in Chapter 33, Sections 1-12 of the Portland City Code, whichever is greater.

(g) Developer must provide evidence reasonably satisfactory to the City demonstrating that the Project was designed, constructed and rehabilitated in accordance with the City's Green Building Code set forth in Chapter 6, Article VII, of the Portland City Code.

Section 3.2. Failure to Make Payment.

In the event the City should fail to, or be unable to, make any of the payments at the time and in the amount required under the foregoing provisions of this Article III including in the event that the amount deposited into the Project Cost Account is insufficient to reimburse Developer for the full amount due to Developer under this Agreement, the amount or installment so unpaid shall continue as a limited obligation of the City, under the terms and conditions hereinafter set forth, until the amount unpaid shall have been fully paid. Developer shall have the right to initiate and maintain an action to specifically enforce the City's obligations hereunder, including without limitation, the City's obligation to deposit Tax Increment Revenues to the Project Cost Account and its obligation to make payment out of the Project Cost Account to Developer.

Section 3.3. Manner of Payments.

The payments provided for in this Article III shall be paid directly to Developer at the address specified in Section 8.7 hereof in the manner provided hereinabove by check drawn on the City.

Section 3.4. Obligations Unconditional.

Subject to Developer's compliance with the terms and conditions of this Agreement, the obligations of the City to make the payments described in this Agreement in accordance with the terms hereof shall be absolute and unconditional, and the City shall not suspend or discontinue any payment hereunder or terminate this Agreement for any cause, other than pursuant to this Agreement or by court order or by reason of a final judgment by a court of competent jurisdiction that the District is invalid or otherwise illegal.

Section 3.5. Limited Obligation.

The City's obligations of payment hereunder shall be limited obligations of the City payable solely from Tax Increment Revenues pledged therefor under this Agreement. The City's obligations hereunder shall not constitute a general debt or a general obligation or charge against or pledge of the faith and credit or taxing power of the City, the State of Maine, or of any municipality or political subdivision thereof, but shall be payable solely from that portion of Tax Increment Revenues payable to Developer hereunder, whether or not actually deposited into the Project Cost Account in the Development Program Fund. This Agreement shall not directly, indirectly or contingently obligate the City, the State of Maine, or any other City or political subdivision to levy or to pledge any form of taxation whatever therefor or to make any appropriation for their payment, excepting the pledge of the Tax Increment Revenues established under this Agreement.

ARTICLE IV PLEDGE AND SECURITY INTEREST

Section 4.1. Pledge of and Grant of Security Interest in Project Cost Account.

In consideration of this Agreement and other valuable consideration and for the purpose of securing payment of the amounts provided for hereunder to Developer by the City, according to

the terms and conditions contained herein, and in order to secure the performance and observance of all of the City's covenants and agreements contained herein, the City does hereby grant a security interest in and pledge Project Cost Account described in Section 2.1 hereof and all sums of money and other securities and investments therein to Developer.

Section 4.2. Perfection of Interest.

(a) Upon written request by Developer, the City will establish the Project Cost Account described in Section 2.1 hereof as a segregated fund under the control of an escrow agent, trustee or other fiduciary selected by Developer so as to perfect Developer's interest therein. The cost of establishing and monitoring such a fund (including the cost of counsel to the City with respect thereto) shall be borne exclusively by Developer. In the event such a fund is established under the control of a trustee or fiduciary, the City shall cooperate with Developer in causing appropriate financing statements and continuation statements naming Developer, or its designee, as pledgee of all such amounts from time to time on deposit in the fund to be duly filed and recorded in the appropriate state offices as required by and permitted under the provisions of the Maine Uniform Commercial Code or other similar law as adopted in the State of Maine and any other applicable jurisdiction, as from time to time amended, in order to perfect and maintain the security interests created hereunder.

(b) In the event Developer requires the establishment of a segregated fund in accordance with this Section 4.2, the City's responsibility shall be expressly limited to delivering the amounts required by this Agreement to the escrow agent, trustee or other fiduciary designated by Developer. The City shall have no liability for payment over of the funds concerned to Developer by any such escrow agent, trustee or other fiduciary, or for any misappropriation, investment losses or other losses in the hands of such escrow agent, trustee or other fiduciary. Notwithstanding any change in the identity of Developer's designated escrow agent, trustee or other fiduciary, the City shall have no liability for misdelivery of funds if delivered in accordance with Developer's most recent written designation or instructions actually received by the City.

Section 4.3. Further Instruments.

The City shall, upon the reasonable request of Developer, from time to time execute and deliver such further instruments and take such further action as may be reasonable and as may be required to carry out the provisions of this Agreement; provided, however, that no such instruments or actions shall pledge the credit of the City; and provided further that the cost of executing and delivering such further instruments (including the reasonable and related costs of counsel to the City with respect thereto) shall be borne exclusively by Developer.

Section 4.4. No Disposition of Project Cost Account.

Except as permitted hereunder, the City shall not sell, lease, pledge, assign or otherwise dispose, encumber or hypothecate any interest in the Project Cost Account and will promptly pay or cause to be discharged or make adequate provision to discharge any lien, charge or encumbrance on any part thereof not permitted hereby.

Section 4.5. Access to Books and Records.

All books, records and documents in the possession of either of the parties to this Agreement relating to the District, the Development Program, this Agreement and the monies,

revenues and receipts on deposit or required to be deposited into the Project Cost Account shall at all reasonable times and upon reasonable notice be open to inspection by both parties to this Agreement, and the agents and employees of the parties to this Agreement.

ARTICLE V DEFAULTS AND REMEDIES

Section 5.1. Events of Default.

Each of the following events shall constitute and be referred to in this Agreement as an “Event of Default”:

- (a) Any failure by the City to pay any amounts due to Developer when the same shall become due and payable;
- (b) Any failure by the City to make deposits into the Project Cost Account as and when due;
- (c) Any failure by the City or Developer to observe and perform in all material respects any covenant, condition, agreement or provision contained herein on the part of the City or Developer to be observed or performed, which failure is not cured within thirty (30) days following written notice thereof; and
- (d) If a decree or order of a court or agency or supervisory authority having jurisdiction in the premises of the appointment of a conservator or receiver or liquidator of, any insolvency, readjustment of debt, marshaling of assets and liabilities or similar proceedings, or for the winding up or liquidation of Developer's affairs shall have been entered against the Developer or the Developer shall have consented to the appointment of a conservator or receiver or liquidator in any such proceedings of or relating to the Developer or of or relating to all or substantially all of its property, including without limitation the filing of a voluntary petition in bankruptcy by the Developer or the failure by the Developer to have an involuntary petition in bankruptcy dismissed within a period of ninety (90) consecutive days following its filing or in the event an order for release has been entered under the Bankruptcy Code with respect to the Developer.
- (e) If any secured lender of Developer accelerates the indebtedness owed to it;
- (f) If any written representation or warranty given to the City by Developer is knowingly incorrect or incomplete in any material respect, other than statements made about or in agreements with the City that were later changed by mutual consent;
- (g) If Developer fails to maintain adequate surety bonding during construction at the levels and terms as may be required from time to time by the Developer's secured lenders and/or Developer allows mechanics' liens to encumber the Project for a period of more than ninety (90) days.
- (h) Any discontinuance of the District property as “affordable housing,” pursuant to the definition contained in Title 30-A M.R.S.A. Section 5246.

Section 5.2. Remedies on Default.

Subject to the provisions contained in Section 8.13, whenever any Event of Default described in Section 5.1 hereof shall have occurred and be continuing, the nondefaulting party, following the expiration of any applicable cure period, shall have all rights and remedies available to it at law or in equity, including the rights and remedies available to a secured party under the laws of the State of Maine, and may take whatever action as may be necessary or desirable to collect the amount then due and thereafter to become due, to specifically enforce the performance or observance of any obligations, agreements or covenants of the nondefaulting party under this Agreement and any documents, instruments and agreements contemplated hereby or to enforce any rights or remedies available hereunder. Further, the non-defaulting party may elect to terminate this Agreement upon 30 days' written notice to the defaulting party.

Section 5.3. Remedies Cumulative.

Subject to the provisions of Section 8.13 below concerning dispute resolution, no remedy herein conferred upon or reserved to any party is intended to be exclusive of any other available remedy or remedies but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law, in equity or by statute. Delay or omission to exercise any right or power accruing upon any Events of Default to insist upon the strict performance of any of the covenants and agreements herein set forth or to exercise any rights or remedies upon the occurrence of an Event of Default shall not impair any such right or power or be considered or taken as a waiver or relinquishment for the future of the right to insist upon and to enforce, from time to time and as often as may be deemed expedient, by injunction or other appropriate legal or equitable remedy, strict compliance by the parties hereto with all of the covenants and conditions hereof, or of the rights to exercise any such rights or remedies, if such Events of Default be continued or repeated.

ARTICLE VI EFFECTIVE DATE, TERM AND TERMINATION

Section 6.1. Effective Date and Term.

The term of this Agreement will be thirty Tax Years and will commence on April 1 of the Tax Year during which the City issued a certificate of occupancy for the Development and will end on the earlier of (i) March 31 of the thirtieth Tax Year of the term, or (ii) March 31, 2060 (the "Term"). Upon the issuance of the certificate of occupancy for the Project, the parties will execute an amendment to this Agreement setting forth the date that the certificate of occupancy was issued. 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. Upon receipt of such approval, this Agreement shall remain in full force until expiration of the Term and upon the payment of all amounts due to Developer hereunder and the performance of all obligations on the part of the City hereunder, unless even sooner terminated pursuant to Section 3.4 or any other applicable provision of this Agreement.

The City may terminate this Agreement by delivering written notice of such termination to Developer in the event that Developer does not receive a certificate of occupancy for the Project by June 30, 2027.

Section 6.2. Termination by City.

Notwithstanding anything to the contrary in this Agreement, in the event that the Declaration, as that term is defined below, is terminated by foreclosure of a lien on the Project that has priority over the Declaration, the City shall have the right to terminate this Agreement by providing Developer with 30 days written notice prior to the effective date of termination, except that in the event that the foreclosing lienholder agrees (for itself, its successors, assigns, and transferees) to be bound by the terms of this Agreement and that the Declaration (as described in Section 8.15 hereof) shall remain in full force and effect, then this Agreement shall remain in full force and effect and City shall have no right to terminate this Agreement.

Section 6.3. Cancellation and Expiration of Term.

At the acceleration, termination or other expiration of this Agreement in accordance with the provisions of this Agreement, the City and Developer shall each execute and deliver such documents and take or cause to be taken such actions as may be necessary to evidence the termination of this Agreement.

ARTICLE VII ASSIGNMENT AND PLEDGE OF DEVELOPER'S INTEREST

Section 7.1. Consent to Pledge, Collateral Assignment Or Grant of a Security Interest.

The City hereby acknowledges that Developer may pledge, assign and grant a security interest in its right, title and interest in, to and under this Agreement as collateral for financing by a bank, financial institution, Maine State Housing Authority, or other public and private lending institutions and organizations to Developer for the Project, although no obligation is hereby imposed on Developer to make such assignment or pledge. Recognizing this possibility, the City does hereby consent and agree to the pledge and assignment of and the grant of a security interest in all Developer's right, title and interest in, to and under this Agreement and in, and to the payments to be made to Developer hereunder, to third parties as collateral or security for indebtedness or otherwise, on one or more occasions during the term hereof. The City agrees upon request to execute and deliver any assignments, pledge agreements, consents or other confirmations required by the prospective pledgee or assignee or secured party, including without limitation recognition of the pledgee or assignee or secured party as the holder of all right, title and interest herein and as the payee of amounts due and payable hereunder and any and all such other documentation as shall confirm to such pledgee or assignee or secured party the position of such assignee or pledgee or secured party and the irrevocable and binding nature of this Agreement, and provide to the pledgee or assignee such rights and/or remedies as the parties may reasonably deem necessary for establishing, perfection and protection of its interest herein. Developer shall be responsible for the City's necessary and reasonable costs of counsel with respect to any such pledge or assignment.

Section 7.2. Transfer.

Except as specified in Section 7.1 hereof, Developer shall not transfer or assign any portion of its rights in, to and under this Agreement without the prior written consent of the City, which consent shall not be unreasonably withheld, conditioned or delayed.

ARTICLE VIII MISCELLANEOUS

Section 8.1. Successors.

In the event of the dissolution, merger or consolidation of the City or Developer, the covenants, stipulations, promises and agreements set forth herein, by or on behalf of or for the benefit of such party shall bind or inure to the benefit of the successors and assigns thereof from time to time and any entity, officer, board, commission, agency or instrumentality to whom or to which any power or duty of such party shall be transferred.

Section 8.2. Parties-in-Interest.

Except as herein otherwise specifically provided, nothing in this Agreement expressed or implied is intended or shall be construed to confer upon any person, firm or corporation other than the City and Developer any right, remedy or claim under or by reason of this Agreement, it being intended that this Agreement shall be for the sole and exclusive benefit of the City and Developer.

Section 8.3. Severability.

In case any one or more of the provisions of this Agreement shall, for any reason, be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Agreement and this Agreement shall be construed and enforced as if such illegal or invalid provision had not been contained herein.

Section 8.4. No Personal Liability of Officials of the City.

(a) No covenant, stipulation, obligation or agreement of the City contained herein shall be deemed to be a covenant, stipulation or obligation of any present or future elected or appointed official, officer, agent, servant or employee of the City in his or her individual capacity, and neither the City Council nor any official, officer, employee or agent of the City shall be liable personally with respect to this Agreement or be subject to any personal liability or accountability by reason hereof.

(b) No covenant, stipulation, obligation or agreement of Developer contained herein shall be deemed to be a covenant, stipulation or obligation of any present or future officer, agent, servant or employee of Developer in his or her individual capacity, and no official, officer, employee or agent of Developer shall be liable personally with respect to this Agreement or be subject to any personal liability or accountability by reason hereof.

Section 8.5. Counterparts.

This Agreement may be executed in any number of counterparts, each of which, when so executed and delivered, shall be an original, but such counterparts shall together constitute but one and the same Agreement.

Section 8.6. Governing Law.

The laws of the State of Maine shall govern the construction and enforcement of this Agreement.

Section 8.7. Notices.

All notices, certificates, requests, requisitions or other communications by the City or Developer pursuant to this Agreement shall be in writing and shall be sufficiently given and shall be deemed given when mailed by first class mail, postage prepaid, addressed as follows:

If to the City:

City of Portland
Attn. Housing and Community Development Division
389 Congress Street
Portland, ME 04101

With a copy to:

Corporation Counsel's Office
389 Congress Street
Portland, Maine 04101

If to Developer:

Lambert Woods Cooperative
c/o Maine Cooperative Development Partners LLC
6 City Center, Fl. 3
Portland, Maine 04101

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 Attachment 3.2.

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:

LAMBERT WOODS COOPERATIVE

By: _____
Name:
Its:

Attachment 5

Copy of District Map

Attachment 3.4

Estimated Allocation of Tax Increment and Estimated Tax Increment Revenues

MEMORANDUM
City Council Agenda Item

FROM: Mary Davis, Division Director

DATE: October 22, 2025

SUBJECT: Order 81-25/26 Appropriating \$2,200,000 from the Jill C. Duson Housing Trust Fund to Lambert Woods Cooperative RE: Lambert Woods South 165 Lambert Street - Sponsored by the Housing and Economic Development Committee, Councilor Pious Ali, Chair

SPONSOR: Housing and Economic Development Committee, Councilor Pios Ali, Chair, The HEDC met on July 15, 2025 and voted 4-0 to recommend this item for 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 10/20/2025

Final Action 11/3/2025

Can action be taken at a later date: No

Does this item involve a new contract with the City: Corporation Counsel will review and approve all legal documents required by this transaction.

PRESENTATION: Mary Davis will be available for questions.

I. SUMMARY

Approval of financing in the amount of \$2.2 million from the Jill C. Duson Housing Trust Fund for the Lambert Woods South, 165 Lambert Street development.

II. AGENDA DESCRIPTION

The Housing and Economic Development Committee met on July 15, 2025, and voted 4-0 to recommend this item for approval by the City Council.

Maine Cooperative Development Partners, LLC, (MCDP) has development approval for 90 Cooperative Housing homes in eight buildings to be built on property at 165 Lambert Street. The project will be completed in phases. The first phase will include 22 homes, a parking lot and significant right-of-way improvements (drainage, sidewalk, bus shelter, and street parking) along Washington Ave Ext. and has an estimated development budget of \$8 - 8.5 million. The proposed financing package includes bank financing, member share equity, \$1,000,000 of foundation funds a Credit Enhancement Agreement/Affordable Housing Tax Increment Financing District and a \$2.2 million loan from the City's Jill C. Duson Housing Trust Fund. After the transfer of the property by the City to MCDP, MCDP will transfer the property to Lambert Woods Cooperative.

If the City approves the funding for the first phase, construction is expected to begin in about 6 months and be completed within 10 months. After the first two buildings are occupied, MCDP will move on to secure financing that will allow the next two buildings to be constructed, and will continue with the phased construction plan until all eight buildings are completed. Later phases may be consolidated depending on financing options, strength of the market, construction costs, interest rates, etc.

The loan from the Jill C. Duson Housing Trust Fund will be in the amount of \$2.2 million dollars at 0% interest over 30 years. When the project is completed, MCDP will begin to make payments on the City loan out of

surplus cash flow after repayment of the deferred developer fee or pay the loan in full through a project refinancing. See Background Section for more detailed repayment terms.

This item must be read on two separate days. It received its first reading on October 20. Five affirmative votes are required for passage after public comment.

III. BACKGROUND

For 99 years after completion and transfer to the limited equity cooperative, all of the units will be affordable to households earning at or below 100% of the area median income (\$127,500). At the time of initial sale, up to 20% of the membership interests may be sold to households earning up to 120% of the area median income (\$153,000 family of 4). All subsequent sales will be to households earning at or below 100% of the area median income. For the purposes of this project, affordable means that the percentage of income a household pays for housing costs (including cooperative fees, housing expenses, utilities) shall not exceed 30% of the household's gross monthly income.

Loan Repayment Terms:

Repayment of the loan will be made out of surplus cash flow. While deferred developer fee is owed, developer fee and City loan repayment to be paid annually from surplus cashflow, divided 30% to deferred developer fee, 30% to City of Portland and 40% retained by cooperative. During the first four years after the issuance of the Certificate of Occupancy for Phase I, the cooperative will receive its 40% share of surplus cashflow. The remaining 60% will be retained in a Future Construction Account. After 4 years, if no firm plans are in place to move forward with construction of the remaining units, then the accumulated amount in the Future Construction Account will be divided evenly between MCDP and the City to retire debt. If after 10 years the full 90 units have not been built, then the accumulated remaining amount in the Future Construction Account will be released to retire any remaining City debt.

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.

V. FINANCIAL IMPACT

N/A

VI. STAFF ANALYSIS AND BACKGROUND

VII. RECOMMENDATION

Staff is requesting approval by the City Council.

VIII. LIST ATTACHMENTS

1. Order - Appropriating 2.2M from Dusen HTF for Lambert Woods South
2. 00 Final LWS UW Memo 10825
3. Lambert Coop South 22 units
4. PSA RFP attachments
5. 1st Amendment PSA executed on 5/10/22
6. Second Amendment P&S 165 Lambert St
7. Third Amend PSA 165 Lambert St

Prepared by:

Mary Davis, Division Director

Date: 10/22/2025

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 APPROPRIATING \$2,200,000 FROM THE JILL C. DUSON HOUSING TRUST
FUND TO LAMBERT WOODS COOPERATIVE
RE: LAMBERT WOODS SOUTH 165 LAMBERT STREET**

ORDERED, that \$2,200,000 from the Jill C. Duson Housing Trust Fund is hereby appropriated to Lambert Woods Cooperative for development costs for the project called Lambert Woods South at 165 Lambert Street; and

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

To: Mary Davis, City of Portland
From: Anne Boynton, Urban Ventures, Inc.
Re: Lambert Woods South Cooperative
Date: 10/8/25

Maine Cooperative Development Partners (MCDP) requests \$2.2 million in Housing Trust Funds as a construction/permanent loan for a 22-unit Phase I cooperative development on the Lambert Woods South site. MCDP also requests an Affordable Housing TIF of 75% for 30 years for the full site, covering all phases of the development. This would support a proposed new construction limited equity cooperative housing development serving households at 100% of AMI on the Lambert Woods South site (with up to 20% of the initial sales to households at 120% AMI). The envisioned final build-out is for a 90 unit co-op in multiple phases.

The undeveloped parcel was awarded to Maine Cooperative Development Partners (MCDP), along with the (now) Lambert Woods North site, for a proposed limited equity cooperative development. The development of the parcel has been divided, with Lambert SOUTH proposed for development as a cooperative and Lambert NORTH proposed for a rental housing development via a Joint Venture with Preservation of Affordable Housing (POAH) which is described in previously distributed materials.

The principals of MCDP are Matthew Peters, Liz Trice, and Brian Eng. Matthew Peters worked for Avesta for 8 years and is now also Executive Director of the Freeport Housing Trust. Brian and Liz bring complementary development and public sector experience.

As requested, the City is asked to provide financing of \$100,000 per unit. This subsidy is in addition to the City subsidy by transfer of the land, and the requested 75% TIF, which is currently estimated in year one to be \$52,500, or \$2,386 per unit.

Permanent Sources and Uses

Permanent Sources:		Permanent Uses:	
Kennebunk 1 st mortgage	\$3,000,000	Acquisition	\$1
CDFI 2 nd mortgage loan	\$2,450,000	Construction hard costs	\$6,297,124
City of Portland HTF	\$2,200,000	Hard & Soft Contingency	\$394,856
Foundations (Sewell, UHAB)	\$1,250,000	Soft costs	\$1,709,019
Co-op Share Equity	\$220,000	Capitalized Reserves	\$44,000
Deferred Developer Fee	\$175,000	Developer Fee	\$850,000
Total Sources:	\$9,295,000	Total Uses:	\$9,295,000

Kennebunk Savings has issued a commitment letter dated 9/29/25 for a construction/permanent loan in the amount of \$3 million, with a 3-year interest only period and a total term of 30 years. Kennebunk has offered two different interest rate options, but ultimately, the interest rate is variable (without caps) after no more than 5 years. The CDFI loan will be shared among five CDFIs and a local foundation, administered by Cooperative Fund of New England. MCDP does not yet have a term sheet for the participation loan, but has provided letters of interest from most of the anticipated loan participants.

CDFI's have relatively short-term capital and the term is likely to be 5 years. MCDP states the CDFI's will be interested in refinancing at the end of the term. The Sewell Foundation issued a letter of interest dated 7/2025 in the amount of \$250,000. The UHAB foundation has an existing loan to the project of approximately \$894,000. This funding was originally envisioned as pre-development funding, and has been essential operating capital for MCDP to advance all its projects. The term has been extended multiple times and is now 2027. MCDP states UHAB has expressed interest in extending its loan. MCDP has agreed to defer 20.6% of its developer fee, bringing their cash out developer fee to 8% of TDC and \$30,682/unit.

The \$2.2 million permanent funding request to City of Portland is an average per-unit subsidy of \$100,000 for the Phase I co-op. Because the standard subsidy used to produce affordable housing, LIHTC funding, is not available to moderate-income projects, the City is requested to fill the gap between the development cost of the units and what is affordable to moderate-income households from the combination of capital subsidy, TIF operating subsidy, and donation of land.

Cooperative Share Equity is based on an average share price of \$10,000. Soft marketing to date has generated an interest list of 410 households, with current deposits of \$500 from 26 households.

MCDP hopes to finance 68 additional units (for a total of 90 units) in a subsequent phase (or phases) of the co-op with HUD's 213 Cooperative Housing program. This program has not seen much action since the 1970s, but MCDP is working with a mortgage originator who has identified HUD staff who want to see the program revived. Nationally, two 213 projects closed in FY24. A successful Phase I will demonstrate demand for this product that is new to the market in Maine.

For analysis of "Uses," see Development Budget.

Development Budget

Construction Costs:

Construction costs are estimated by Backyard ADU dated 9/18/25 and will be manufactured off-site in part and assembled on-site. This estimate includes provision for prevailing wage requirements. MCDP says that Backyard ADU anticipates contracting with Professional Building Systems, Inc., a Pennsylvania-based modular builder, but has not made a final decision. MCDP has done no due diligence on this supplier of modular components.

Total construction cost divided among the 22 residential units is \$300,545, including \$71,203/unit in site development expenses and \$215,000 for hard construction per unit is significantly **lower** than other recent projects, reflective of savings from manufactured components and smaller unit size. Contractor profit and overhead are estimated at 4.7%, far below the industry standard of 14% (maximum) for contractors using stick-built construction techniques.

Soft Costs:

Soft costs fall broadly within industry standards. One exception is architectural, which at over \$33,000 per unit is very high. MCDP states this is because, "Extensive site design work and ideation around building design and lots of work with the neighborhood and planning board was required." This first phase is bearing the cost of over \$500,000 in early architectural work for the originally envisioned 90 unit development. This architectural work was used for planning approval but not used for the buildings

since modular was ultimately pursued. Total developer fee of \$850,000 is 10% of total development costs, excluding reserves and developer fee. This is at the high end of industry standards. MCDP is showing a deferral of \$175,000 of the total fee.

Contingency:

MCDP is budgeting an industry-standard 5% hard cost contingency. Backyard ADU is carrying an additional 4.7% contingency. A combined contingency approaching 10% is good planning considering the continued high level of economic uncertainty, and persistent inflationary pressures in the construction industry.

Soft cost contingency is \$80,000, which is just less than 5% of soft costs. This is close to industry standard, and probably adequate, given the stage of project development.

Acquisition:

The site is owned by the City, which awarded it to Maine Cooperative Development Partners for the development of a limited equity cooperative. The donation of the land is an important part of the subsidy package that keeps the rents affordable. There is no current appraisal of the land, but for insight on how important the land subsidy is, there are currently 2 single family lots listed for sale in north Portland on Zillow (9/9/25), ranging in size from .19 acres to .30 acres and ranging in price from \$175,000 to \$300,000. MCDP plans to develop about 4 acres of the almost 18 acre total parcel, preserving substantial green space and wetlands. Roughly estimating the value of 1/10 of an acre at \$100,000, the 4 acres being developed would have an estimated value of \$4 million.

Operating Budget & 20 Year Cashflow Projection

Project Income:

A market study has been provided dated February 15, 2023. This is too old to be of use in understanding the competitiveness of the project's cost structure in the current market.

In the chart below, projected rents are compared with rents affordable to households at 80% and 100% of Area Median Income (AMI) where "affordable" is defined as paying 30% of income to housing expenses. For each unit size, the projected rent falls above 80% AMI and below 100% AMI.

Projected Rents:

Unit Type:	Projected Rent	Affordable at 80% AMI	Affordable at 100% AMI
1 bedroom (10 units)	\$2,231	\$1,948	\$2,435
2 bedroom (10 units)	\$2,550	\$2,338	\$2,922
3 bedroom (2 units)	\$2,868	\$2,700	\$3,375

The financing of housing cooperatives can be structured in several different ways, some with more similarity to a condominium and some with more similarity to rental housing. A co-op is financed more like a condo when each co-op member buys a large share and gets an individual loan on that share, like a mortgage on a condo. A co-op is financed more like a rental property when each member buys a relatively small share (more like a downpayment, typically paid with household savings) and the majority

of the debt is held collectively. Lambert South is structured more like a rental property, with all but the \$10,000 co-op share price financed through organizational debt. Individual co-op members will buy shares for \$10,000, functionally similar to a downpayment. Co-op members will make monthly payments to co-op carrying charges, very similar in scale to rent, which will cover the operating expenses of the project and the mortgage payments. Hence, though the co-op members will own the property, the operating budget analysis will be very similar to a rental property.

MCDP's experience with condo sales at their Dougherty site sheds some limited light on demand for modular units: 15 of the 20 Dougherty units have been reserved, including all three-bedroom units and 3 of the 8 one-bedroom units. MCDP is optimistic that one-bedroom units will be fully reserved once a one-bedroom unit is available to view.

Residential vacancy is budgeted at 3%, substantially below the **rental** industry standard of 5%. Since the cooperative is a form of ownership, with a limited equity share value, it is plausible that turnover will be lower than in rental properties. However, it is also a new form of ownership for the City of Portland, so buyers will likely not have experienced this structure before, making it hard to predict market behavior.

Like Lambert North, this property is an experiment in demand for housing with limited parking in a car-dependent location. Phase I will have more conventional parking ratios, with 24 on-site spots (1.09 dedicated spots per unit) available for rent for \$150/month. There will also be 14 street spots (subject to snow restrictions), which will be free and available to both Lambert North and Lambert South residents. The bus line stops at the site and will be improved with a bus shelter. The site's walk score of 14 (considered "car dependent"), transit score of 31 ("some transit"), and bike score of 32 ("somewhat bike-able") suggest this location will be a challenge for those without a car. The 2023 market study says of the location, "Despite a bus route servicing the area, most will need a car for daily activities & employment," and "There is a lack of retail and employment in the immediate vicinity. The property is more isolated than other locations in the City of Portland."

Operating Expense

The pro forma reflects a per-unit operating cost of \$9,687 which appears moderate in the current climate. (For comparison, Lambert North per unit cost is budgeted at \$10,169). Of that, \$3,182 per unit is real estate taxes, leaving funds for other operating expenses a slender \$6,505. All utilities are included, with an estimated utility expense per unit (including common spaces) of \$1,800/unit/year, or just \$150 per unit per month. (For comparison, Lambert North has an "all in" projected utility expense, combining renter utility allowance and owner-paid utilities of \$283 per month.) While solar is anticipated and will reduce utility costs, this is another way in which Lambert South is an experiment.

MCDP anticipates using Preservation Management for property management. The administrative fee is budgeted at 4% of gross income, lower than is typical for LIHTC rental projects due to the anticipated greater stability of residents and absence of complex tax credit monitoring requirements. Grounds costs appear very minimal, budgeted at \$10,000 despite significant exterior amenities to maintain, including interior roadways and parking. (For comparison, Lambert North per unit grounds expense is \$78,563, almost eight times Lambert South.)

20 Year Cashflow & Debt Service Coverage Ratio (DSCR)

75% 30 Year TIF: A 75% TIF generates a year 1 DSCR of 1.15 on all “must pay” debt (all lenders except City and deferred developer fee). The City’s TIF Model spreadsheets are based on the 90 unit build out, but taking the proportional value for the 22-unit Phase I development, the year one value of a 75% TIF would be \$52,500 and the 30 year value of the TIF would be \$2,129,826. The year one 75% TIF provides the equivalent of a year one subsidy of \$2,386 per residential unit, and the total TIF subsidy is projected to be \$96,810 per unit over the 30-year term.

Developer Financials

MCDP is a young organization and has not yet had an audit. Their 2024 Income/Expense shows no operating income and \$13,515 in expenses. However, that dramatically understates their activity. Consistent with GAAP, their project-related predevelopment expenditures are accounted for on their balance sheet, in project pre-development accounts, one each for Lambert North and Lambert South. Douglass Commons condo construction activity has been moved to a different holding company. MCDP’s 2024 Equity position (equivalent to a non-profit’s “Net Assets”) was \$262,752. MCDP ended 2024 with \$101,555 in current assets (cash holdings) and current term liabilities of \$49,981 for a current ratio of 2.03.

For 2025 through July 31, 2025, the Profit and Loss statement again reflects no income and limited (\$6,068) expenses. The action, again, is reflected on the Balance Sheet, where MCDP’s equity position has declined modestly to \$204,620. MCDP shows current assets (cash & equivalents) of \$57,803, and current liabilities of \$14,000. The resulting current ratio is 4.13.

A substantial portion of MCDP’s predevelopment funding has come from a subsidiary of UHAB, which lent the young organization up to \$1,235,000 at 1.5% interest. The current balance on that loan is \$894,104. The original two-year term of the predevelopment loan came due in 2023 and has been extended to 2027.

While MCDP is young, its financial transactions are increasingly complicated, and it will lay important groundwork for future financial stability to get an audit for operations through end of 2025.

Recommendations

The developer must at a minimum meet three primary criteria for an AHTIF approval:

1. Community Need: “...site-specific AHTIF designations must address an identified community need.”

MCDP proposes 22 units of workforce housing for households at 100% – 120% AMI, in Phase I of what is planned to be a 90-unit development. Workforce 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 financial projections demonstrate that a 75% TIF will be necessary for the project to proceed. The TIF functions to support the cashflow of the project and demonstrates a cashflow cushion to the mortgage lender to meet the lender's underwriting standards, in this case, an anticipated requirement of 1.15 DSCR on the combined "must pay" mortgage debt. While the 30-year pro forma based on MCDP's budget shows cashflow ballooning to an unacceptably high 1.85 in year 30, given the risk of this new ownership type, the aggressive assumptions the developer has made about operating costs, and the variable rate financing, the 75% 30-year TIF is necessary to protect the viability of this project.

3. Financial Capacity: "The applicant must demonstrate financial capacity to support their project."

MCDP's financial statements have gradually improved over its few years of operations. MCDP principals have successfully used their ties in the development community to move projects forward, alone or in partnership. While they do not have deep pockets, they have demonstrated a capacity to support their project through determination, persistence, and creative financing strategies.

I recommend a 75% AHTIF with a 30-year term, and a \$2.2 million loan from the Jill C. Duson Housing Trust Fund at 0% interest, with a 30-year term on the conditions outlined below. Repayment of the loan will be made out of surplus cash flow. While deferred developer fee is owed, developer fee and City loan repayment to be paid annually from surplus cashflow, divided 30% to deferred developer fee, 30% to City of Portland and 40% retained by cooperative. During the first four years after the issuance of the Certificate of Occupancy for Phase I, the cooperative will receive its 40% share of surplus cashflow. The remaining 60% will be retained in a Future Construction Account. After 4 years, if no firm plans are in place to move forward with construction of the remaining units, then the accumulated amount in the Future Construction Account will be divided evenly between MCDP and the City to retire debt. If after 10 years the full 90 units have not been built, then the accumulated remaining amount in the Future Construction Account will be released to retire any remaining City debt. Loan closing and finalization of the TIF is conditioned upon satisfactory review of the following:

- Review of all final co-op documents, including house rules;
- Updated organizational financial statements, including most recent quarterly financials, from MCDP within two months of closing;
- Contract between Backyard ADU and the selected modular builder, and review of modular builder;
- Updated Note and Loan Agreement between MCDP and Homeownership Lending LLC demonstrating that MCDP is not in default;
- Financing commitments for all sources on terms and conditions acceptable to the City of Portland;

- 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.

Project Operating Pro Forma

Date October 8, 2025
 Project Name Lambert Woods South
 Project Address _____
 Developer/Sponsor MCDP

Rental Income

Unit Type	Number of Units	Per Unit Sq Ft	Total Sq Ft	Restriction on % Median Inc.	Per Unit Monthly Gross Rent	Utility Deductions	Rent Subsidy	Per Unit Monthly Net Rent	Per Unit Net Rent Per Sq Ft	Total Monthly Net Income	Total Annual Net Rent
1 BR	10		0	100%	\$2,231			\$2,231	#DIV/0!	\$22,310	\$267,720
2 BR	10		0	100%	\$2,550			\$2,550	#DIV/0!	\$25,500	\$306,000
3 BR	2		0	100%	\$2,868			\$2,868	#DIV/0!	\$5,736	\$68,832
Total:	22		0							\$53,546	\$642,552

\$0

Operating Expenses

Rent Increase Rate	2.0%
Expenses Increase Rate	3.0%

Declining Balance TIF year 1 75% year 11 75% year 21 75%

Note: Year 1 is the first full year of stabilized operations

		<u>Year 1</u>	<u>Year 1/Unit</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>	<u>Year 6</u>	<u>Year 7</u>	<u>Year 8</u>	<u>Year 9</u>	<u>Year 10</u>
Income												
Sch. Gross Income - Residential		\$642,552	\$29,207	\$655,403	\$668,511	\$681,881	\$695,519	\$709,429	\$723,618	\$738,090	\$752,852	\$767,909
<u>Vacancy Loss</u>	3.2%	(\$20,562)	(\$935)	(\$20,973)	(\$21,392)	(\$21,820)	(\$22,257)	(\$22,702)	(\$23,156)	(\$23,619)	(\$24,091)	(\$24,573)
Other income (parking)	150	\$43,200	\$1,964	\$44,064	\$44,945	\$45,844	\$46,761	\$47,696	\$48,650	\$49,623	\$50,616	\$51,628
TIF (inflated at 2%)	75%	\$52,500	\$2,386	\$53,550	\$54,621	\$55,713	\$56,828	\$57,964	\$59,124	\$60,306	\$61,512	\$62,742
Effective Gross Income		\$717,690	\$32,622	\$732,044	\$746,685	\$761,619	\$776,851	\$792,388	\$808,236	\$824,401	\$840,889	\$857,706

Administrative												
Management Fee	4.1%	\$26,607	\$1,209	\$27,405	\$28,227	\$29,074	\$29,946	\$30,845	\$31,770	\$32,723	\$33,705	\$34,716
Management Charges	0.0%		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Marketing Expense			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Legal			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Audit & Accounting			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Admin Other		\$3,300	\$150	\$3,399	\$3,501	\$3,606	\$3,714	\$3,826	\$3,940	\$4,059	\$4,180	\$4,306
Total Administrative		\$29,907	\$1,359	\$30,804	\$31,728	\$32,680	\$33,661	\$34,670	\$35,711	\$36,782	\$37,885	\$39,022

Cooperative TA		\$5,000	\$227	\$5,150	\$5,305	\$5,464	\$5,628	\$5,796	\$5,970	\$6,149	\$6,334	\$6,524
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Utilities												
Fuel Oil			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
"Heating/Cooling"		\$13,200	\$600	\$13,596	\$14,004	\$14,424	\$14,857	\$15,302	\$15,761	\$16,234	\$16,721	\$17,223
Electric		\$13,200	\$600	\$13,596	\$14,004	\$14,424	\$14,857	\$15,302	\$15,761	\$16,234	\$16,721	\$17,223
Water / Sewer		\$13,200	\$600	\$13,596	\$14,004	\$14,424	\$14,857	\$15,302	\$15,761	\$16,234	\$16,721	\$17,223
Other			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Utilities		\$39,600	\$1,800	\$40,788	\$42,012	\$43,272	\$44,570	\$45,907	\$47,284	\$48,703	\$50,164	\$51,669

Total/sq ft incl Utiltiy Allowance \$2.38 16,664

Maintenance	Year 1	Year 1/Unit	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Grounds	\$10,000	\$455	\$10,300	\$10,609	\$10,927	\$11,255	\$11,593	\$11,941	\$12,299	\$12,668	\$13,048
Janitorial		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Trash Removal	\$1,760	\$80	\$1,813	\$1,867	\$1,923	\$1,981	\$2,040	\$2,102	\$2,165	\$2,230	\$2,296
Security		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Equipment & Supplies		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Maintenance	\$19,700	\$895	\$20,291	\$20,900	\$21,527	\$22,173	\$22,838	\$23,523	\$24,229	\$24,955	\$25,704
Maintenance Contracts	\$11,000	\$500	\$11,330	\$11,670	\$12,020	\$12,381	\$12,752	\$13,135	\$13,529	\$13,934	\$14,353
Other		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Maintenance	\$42,460	\$1,930	\$43,734	\$45,046	\$46,397	\$47,789	\$49,223	\$50,699	\$52,220	\$53,787	\$55,401

Taxes & Insurance											
Real Estate Taxes 2%	\$70,000	\$3,182	\$71,400	\$72,828	\$74,285	\$75,770	\$77,286	\$78,831	\$80,408	\$82,016	\$83,656
Payroll Taxes / Fidelity Bond / Workers Comp / Health Ins.	\$1,970	\$90	\$2,029	\$2,090	\$2,153	\$2,217	\$2,284	\$2,352	\$2,423	\$2,496	\$2,570
Insurance (property, liability)	\$16,557	\$753	\$17,054	\$17,565	\$18,092	\$18,635	\$19,194	\$19,770	\$20,363	\$20,974	\$21,603
Other		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Taxes & Insurance	\$88,527	\$4,024	\$90,483	\$92,483	\$94,530	\$96,623	\$98,764	\$100,954	\$103,194	\$105,486	\$107,830

Replacement Reserves	\$8,800	\$400	\$9,064	\$9,336	\$9,616	\$9,904	\$10,202	\$10,508	\$10,823	\$11,148	\$11,482
Operating Reserves		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Total Expenses	\$214,294	\$9,741	\$220,023	\$225,910	\$231,959	\$238,174	\$244,562	\$251,126	\$257,871	\$264,803	\$271,927
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Net Operating Income	\$503,396	\$22,882	\$512,021	\$520,776	\$529,660	\$538,677	\$547,826	\$557,110	\$566,529	\$576,085	\$585,779
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Debt Service											
Bank Loan	\$243,146	\$11,052	\$243,146	\$243,146	\$243,146	\$243,146	\$243,146	\$243,146	\$243,146	\$243,146	\$243,146
CDFI Loan	\$183,663	\$8,348	\$183,663	\$183,663	\$183,663	\$183,663	\$183,663	\$183,663	\$183,663	\$183,663	\$183,663
"Foundation Investment"	\$11,089	\$504	\$11,089	\$11,089	\$11,089	\$11,089	\$11,089	\$11,089	\$11,089	\$11,089	\$11,089
Total Debt Service (Must Pay)	\$437,898	\$19,904	\$437,898	\$437,898	\$437,898	\$437,898	\$437,898	\$437,898	\$437,898	\$437,898	\$437,898

Cash Flow (after Must Pay Debt)	\$65,498	\$2,977	\$74,123	\$82,878	\$91,762	\$100,779	\$109,928	\$119,212	\$128,631	\$138,187	\$147,881
Debt Service Coverage Ratio	1.15		1.17	1.19	1.21	1.23	1.25	1.27	1.29	1.32	1.34

Cash Flow Debt Payments											
City of Portland	0.0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Developer Fee Loan	#####	\$65,498	\$2,977	\$74,123	\$82,878	\$91,762	\$100,779	\$109,928	\$119,212	\$128,631	\$147,881
Cash Flow Retained by Project		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Retained Cash Flow % 0%

		<u>Year 11</u>	<u>Year 12</u>	<u>Year 13</u>	<u>Year 14</u>	<u>Year 15</u>	<u>Year 16</u>	<u>Year 17</u>	<u>Year 18</u>	<u>Year 19</u>	<u>Year 20</u>
Income											
Sch. Gross Income - Residential		\$783,267	\$798,933	\$814,911	\$831,210	\$847,834	\$864,790	\$882,086	\$899,728	\$917,722	\$936,077
Vacancy Loss	3.2%	(\$25,065)	(\$25,566)	(\$26,077)	(\$26,599)	(\$27,131)	(\$27,673)	(\$28,227)	(\$28,791)	(\$29,367)	(\$29,954)
Other income (laundry)		\$52,661	\$53,714	\$54,788	\$55,884	\$57,001	\$58,142	\$59,304	\$60,490	\$61,700	\$62,934
TIF	75%	\$63,997	\$65,277	\$66,583	\$67,914	\$69,273	\$70,658	\$72,071	\$73,513	\$74,983	\$76,483
Effective Gross Income		\$874,861	\$892,358	\$910,205	\$928,409	\$946,977	\$965,917	\$985,235	\$1,004,940	\$1,025,039	\$1,045,539
Administrative											
Management Fee		\$35,758	\$36,830	\$37,935	\$39,073	\$40,245	\$41,453	\$42,696	\$43,977	\$45,297	\$46,656
Management Charges		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Marketing Expense		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Legal		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Audit & Accounting		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Admin Other		\$4,435	\$4,568	\$4,705	\$4,846	\$4,992	\$5,141	\$5,296	\$5,454	\$5,618	\$5,787
Total Administrative		\$40,193	\$41,398	\$42,640	\$43,919	\$45,237	\$46,594	\$47,992	\$49,432	\$50,915	\$52,442
Supportive Services		\$6,720	\$6,921	\$7,129	\$7,343	\$7,563	\$7,790	\$8,024	\$8,264	\$8,512	\$8,768
Utilities											
Fuel Oil		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Electric		\$17,740	\$18,272	\$18,820	\$19,385	\$19,966	\$20,565	\$21,182	\$21,818	\$22,472	\$23,146
Gas		\$17,740	\$18,272	\$18,820	\$19,385	\$19,966	\$20,565	\$21,182	\$21,818	\$22,472	\$23,146
Water / Sewer		\$17,740	\$18,272	\$18,820	\$19,385	\$19,966	\$20,565	\$21,182	\$21,818	\$22,472	\$23,146
Other		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Utilities		\$53,219	\$54,816	\$56,460	\$58,154	\$59,899	\$61,696	\$63,546	\$65,453	\$67,416	\$69,439

Maintenance	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
Janitorial	\$13,439	\$13,842	\$14,258	\$14,685	\$15,126	\$15,580	\$16,047	\$16,528	\$17,024	\$17,535
Exterminating	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Trash Removal	\$2,365	\$2,436	\$2,509	\$2,585	\$2,662	\$2,742	\$2,824	\$2,909	\$2,996	\$3,086
Security	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Grounds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Maintenance	\$26,475	\$27,269	\$28,087	\$28,930	\$29,798	\$30,692	\$31,613	\$32,561	\$33,538	\$34,544
Elevator, HVAC, pool contracts	\$14,783	\$15,227	\$15,683	\$16,154	\$16,638	\$17,138	\$17,652	\$18,181	\$18,727	\$19,289
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Maintenance	\$57,063	\$58,775	\$60,538	\$62,354	\$64,225	\$66,151	\$68,136	\$70,180	\$72,285	\$74,454

Taxes & Insurance										
Real Estate Taxes or PILOT	\$85,330	\$87,036	\$88,777	\$90,552	\$92,364	\$94,211	\$96,095	\$98,017	\$99,977	\$101,977
Payroll Taxes / Fidelity Bond / Workers Comp / Health Ins.	\$2,648	\$2,727	\$2,809	\$2,893	\$2,980	\$3,069	\$3,161	\$3,256	\$3,354	\$3,454
Insurance (property, liability)	\$22,251	\$22,919	\$23,606	\$24,315	\$25,044	\$25,795	\$26,569	\$27,366	\$28,187	\$29,033
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Taxes & Insurance	\$110,228	\$112,682	\$115,192	\$117,760	\$120,387	\$123,075	\$125,825	\$128,639	\$131,518	\$134,464

Replacement Reserves	\$11,826	\$12,181	\$12,547	\$12,923	\$13,311	\$13,710	\$14,121	\$14,545	\$14,981	\$15,431
Operating Reserves	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Total Expenses	\$279,249	\$286,773	\$294,506	\$302,453	\$310,621	\$319,016	\$327,645	\$336,513	\$345,628	\$354,997
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Net Operating Income	\$595,612	\$605,585	\$615,699	\$625,956	\$636,356	\$646,901	\$657,591	\$668,427	\$679,410	\$690,542
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Debt Service										
Bank Loan	\$243,146	\$243,146	\$243,146	\$243,146	\$243,146	\$243,146	\$243,146	\$243,146	\$243,146	\$243,146
Second Lien	\$183,663	\$183,663	\$183,663	\$183,663	\$183,663	\$183,663	\$183,663	\$183,663	\$183,663	\$183,663
Other	\$11,089	\$11,089	\$11,089	\$11,089	\$11,089	\$11,089	\$11,089	\$11,089	\$11,089	\$11,089
Total Debt Service (Must Pay)	\$437,898	\$437,898	\$437,898	\$437,898	\$437,898	\$437,898	\$437,898	\$437,898	\$437,898	\$437,898

Cash Flow (after Must Pay Debt)	\$157,714	\$167,687	\$177,801	\$188,058	\$198,458	\$209,003	\$219,693	\$230,529	\$241,512	\$252,644
Debt Service Coverage Ratio	1.36	1.38	1.41	1.43	1.45	1.48	1.50	1.53	1.55	1.58

Cash Flow Debt Payments										Cash Flow D
City of Portland	0.0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Developer Fee Loan	100.0%	\$157,714	\$167,687	\$177,801	\$188,058	\$198,458	\$209,003	\$219,693	\$230,529	\$252,644
Cash Flow Retained by Project		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Retained Cash Flow %	0%	\$1,387,258			\$1,951,576			Retained Cas		

		<u>Year 21</u>	<u>Year 22</u>	<u>Year 23</u>	<u>Year 24</u>	<u>Year 25</u>	<u>Year 26</u>	<u>Year 27</u>	<u>Year 28</u>	<u>Year 29</u>	<u>Year 30</u>
Income											
Sch. Gross Income - Residential		\$954,798	\$973,894	\$993,372	\$1,013,240	\$1,033,505	\$1,054,175	\$1,075,258	\$1,096,763	\$1,118,699	\$1,141,073
Vacancy Loss	0.0%	(\$30,554)	(\$31,165)	(\$31,788)	(\$32,424)	(\$33,072)	(\$33,734)	(\$34,408)	(\$35,096)	(\$35,798)	(\$36,514)
Other income (laundry)		\$64,193	\$65,477	\$66,786	\$68,122	\$69,484	\$70,874	\$72,292	\$73,737	\$75,212	\$76,716
TIF	75%	\$78,012	\$79,572	\$81,164	\$82,787	\$84,443	\$86,132	\$87,854	\$89,612	\$91,404	\$93,232
Effective Gross Income		\$1,066,450	\$1,087,779	\$1,109,535	\$1,131,725	\$1,154,360	\$1,177,447	\$1,200,996	\$1,225,016	\$1,249,516	\$1,274,507
Administrative											
Management Fee		\$48,055	\$49,497	\$50,982	\$52,511	\$54,087	\$55,709	\$57,380	\$59,102	\$60,875	\$62,701
Management Charges		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Marketing Expense		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Legal		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Audit & Accounting		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Admin Other		\$5,960	\$6,139	\$6,323	\$6,513	\$6,708	\$6,909	\$7,117	\$7,330	\$7,550	\$7,777
Total Administrative		\$54,015	\$55,636	\$57,305	\$59,024	\$60,795	\$62,619	\$64,497	\$66,432	\$68,425	\$70,478
Supportive Services		\$9,031	\$9,301	\$9,581	\$9,868	\$10,164	\$10,469	\$10,783	\$11,106	\$11,440	\$11,783
Utilities											
Fuel Oil		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Electric		\$23,841	\$24,556	\$25,293	\$26,051	\$26,833	\$27,638	\$28,467	\$29,321	\$30,201	\$31,107
Gas		\$23,841	\$24,556	\$25,293	\$26,051	\$26,833	\$27,638	\$28,467	\$29,321	\$30,201	\$31,107
Water / Sewer		\$23,841	\$24,556	\$25,293	\$26,051	\$26,833	\$27,638	\$28,467	\$29,321	\$30,201	\$31,107
Other		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Utilities		\$71,522	\$73,668	\$75,878	\$78,154	\$80,499	\$82,914	\$85,401	\$87,963	\$90,602	\$93,320

Maintenance	Year 21	Year 22	Year 23	Year 24	Year 25	Year 26	Year 27	Year 28	Year 29	Year 30
Janitorial	\$18,061	\$18,603	\$19,161	\$19,736	\$20,328	\$20,938	\$21,566	\$22,213	\$22,879	\$23,566
Exterminating	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Trash Removal	\$3,179	\$3,274	\$3,372	\$3,474	\$3,578	\$3,685	\$3,796	\$3,909	\$4,027	\$4,148
Security	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Grounds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Maintenance	\$35,580	\$36,648	\$37,747	\$38,880	\$40,046	\$41,247	\$42,485	\$43,759	\$45,072	\$46,424
Elevator, HVAC, pool contracts	\$19,867	\$20,463	\$21,077	\$21,709	\$22,361	\$23,032	\$23,723	\$24,434	\$25,167	\$25,922
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Maintenance	\$76,687	\$78,988	\$81,358	\$83,798	\$86,312	\$88,902	\$91,569	\$94,316	\$97,145	\$100,060

Taxes & Insurance										
Real Estate Taxes or PILOT	\$104,016	\$106,097	\$108,219	\$110,383	\$112,591	\$114,842	\$117,139	\$119,482	\$121,872	\$124,309
Payroll Taxes / Fidelity Bond / Workers Comp / Health Ins.	\$3,558	\$3,665	\$3,775	\$3,888	\$4,005	\$4,125	\$4,248	\$4,376	\$4,507	\$4,642
Insurance (property, liability)	\$29,904	\$30,801	\$31,725	\$32,677	\$33,657	\$34,667	\$35,707	\$36,778	\$37,881	\$39,018
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Taxes & Insurance	\$137,478	\$140,562	\$143,718	\$146,948	\$150,252	\$153,634	\$157,094	\$160,636	\$164,260	\$167,969

Replacement Reserves	\$15,894	\$16,371	\$16,862	\$17,368	\$17,889	\$18,425	\$18,978	\$19,547	\$20,134	\$20,738
Operating Reserves	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Total Expenses	\$364,627	\$374,526	\$384,701	\$395,160	\$405,911	\$416,962	\$428,322	\$440,001	\$452,006	\$464,347
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Net Operating Income	\$701,823	\$713,253	\$724,834	\$736,566	\$748,449	\$760,485	\$772,674	\$785,015	\$797,510	\$810,159
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Debt Service										
Bank Loan	\$243,146	\$243,146	\$243,146	\$243,146	\$243,146	\$243,146	\$243,146	\$243,146	\$243,146	\$243,146
Second Lien	\$183,663	\$183,663	\$183,663	\$183,663	\$183,663	\$183,663	\$183,663	\$183,663	\$183,663	\$183,663
Other	\$11,089	\$11,089	\$11,089	\$11,089	\$11,089	\$11,089	\$11,089	\$11,089	\$11,089	\$11,089
Total Debt Service (Must Pay)	\$437,898	\$437,898	\$437,898	\$437,898	\$437,898	\$437,898	\$437,898	\$437,898	\$437,898	\$437,898

Cash Flow (after Must Pay Debt)	\$263,925	\$275,355	\$286,936	\$298,668	\$310,551	\$322,587	\$334,776	\$347,117	\$359,612	\$372,261
Debt Service Coverage Ratio	1.60	1.63	1.66	1.68	1.71	1.74	1.76	1.79	1.82	1.85

Debt Payments										
City of Portland	0.0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Developer Fee Loan	0.0%	\$263,925	\$275,355	\$286,936	\$298,668	\$310,551	\$322,587	\$334,776	\$347,117	\$372,261
Cash Flow Retained by Project		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Debt Flow % 0%

Development Budget with Permanent Sources

Date 10/8/2025
Project Name Lambert Woods South
Project Address
Developer/Sponsor MCDP

Total Units 22
Total Square Feet 16,664

September 2025 values					Change	
					Application to Reservation	
Sources of Funds						
Permanent Financing - 1st Lien	Kennebeck Savings Const	\$3,000,000	\$136,364	\$180	\$ -	0%
Permanent Financing - City of Portland		\$2,200,000	\$100,000	\$132	\$ -	0%
Equity (LIHTC/tenant contributions)		\$220,000	\$10,000	\$13	\$ -	0%
Deferred development fee		\$175,000	\$7,955	\$11	\$ -	0%
Other	CDFI Syndication	\$2,450,000	\$111,364	\$147	\$ -	0%
Other	Foundations inc. UHAB	\$1,250,000	\$56,818	\$75	\$ -	0%
Total Sources of Funds		\$9,295,000	\$422,500	\$558	\$ -	0%

Uses of Funds

Hard Costs						
Site Improvements		\$1,566,456	\$71,203	\$94	\$ -	0%
Rehabilitation			\$0	\$0		
New Construction		\$4,730,668	\$215,030	\$284	\$ -	0%
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)	5.0%	\$314,856	\$14,312	\$19	\$ -	0%
Total Hard Costs		\$6,611,980	\$300,545	\$397	\$ -	0%

Soft Costs						
Building Permit & Fees		\$266,895	\$12,132	\$16	\$ -	0%
Survey & Engineering		\$66,000	\$3,000	\$4	\$ (43,900)	-40%
Design & Permitting (% of const exp)	13.4%	\$733,000	\$33,318	\$44	\$ -	0%
Borrower Legal (all closings, excluding syndication legal)		\$110,000	\$5,000	\$7	\$ 110,000	#DIV/0!
Title & Recording		\$21,400	\$973	\$1	\$ 21,400	#DIV/0!
Accounting		\$15,000	\$682	\$1	\$ 15,000	#DIV/0!
Construction Period Taxes		\$20,000	\$909	\$1	\$ 20,000	#DIV/0!
Construction Period Insurance		\$26,400	\$1,200	\$2	\$ 26,400	#DIV/0!
Other: FF&E, Security		\$32,500	\$1,477	\$2	\$ -	0%
Other: ALL CARRYING COSTS		\$0	\$0	\$0	\$ (46,400)	-100%
Total Soft Costs		\$1,291,195	\$58,691	\$77	\$ 102,500	9%

Financing Costs						
Construction Loan Origination Fees		\$57,000	\$2,591	\$3	\$ 57,000	#DIV/0!
Construction Period Interest		\$244,530	\$11,115	\$15	\$ 244,530	#DIV/0!
Lender Inspection Fees		\$7,394	\$336	\$0	\$ 7,394	#DIV/0!
Letter of Credit Fee		\$5,000	\$227	\$0	\$ 5,000	#DIV/0!
Permanent Loan Fee			\$0	\$0		
Construction Lender Legal		\$25,000	\$1,136	\$2	\$ 25,000	#DIV/0!
Other ALL FINANCING COSTS			\$0	\$0		
Total Financing Costs		\$338,924	\$15,406	\$20	\$ (181,400)	-35%

Miscellaneous						
Market Survey		\$10,000	\$455	\$1	\$ 10,000	#DIV/0!
Appraisal		\$25,000	\$1,136	\$2	\$ 25,000	#DIV/0!
Environmental Study		\$25,000	\$1,136	\$2	\$ 25,000	#DIV/0!
LIHTC Fees -- prepaid monitoring			\$0	\$0		
Other: Commissioning			\$0	\$0		
Relocation Costs			\$0	\$0		
Other		\$18,900	\$859	\$1	\$ 18,900	#DIV/0!
Soft Cost Contingency (% of soft costs excl Dev Fee)	4.68%	\$80,000	\$3,636	\$5	\$ 80,000	#DIV/0!
Total Miscellaneous:		\$158,900	\$7,223	\$30	\$ 158,900	#DIV/0!

Acquisition						
Acquisition: Buildings			\$0	\$0		
Acquisition: Land		\$1	\$0	\$0	\$ -	0%

Acquisition: Legal		\$0	\$0		
Other		\$0	\$0		
Total Acquisition	\$1	\$0	\$0	\$ -	0%

Reserves and Developer Fee					
Operating Deficit Escrow		\$0	\$0		
Prefunded Replacement Reserve		\$0	\$0		
Taxes & Insurance Escrow	\$44,000	\$2,000	\$3	\$ -	0%
Developer Overhead		\$0	\$0		
Developer Profit	\$850,000	\$38,636	\$51	\$ -	0%
Rent Up Reserve & Marketing		\$0	\$0		
Other		\$0	\$0		
Total Reserves and Developer Fee	\$894,000	\$40,636	\$54	\$ (80,000)	-8%

Total Uses of Funds	\$9,295,000	\$422,500	\$578	\$ -	0%
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Developer Fee Analysis: Total Fees: \$675,000
(excluding reserves & developer fee) Percent of TDC: 8.03%

Lambert Woods Housing Cooperative			
Prepared by Maine Cooperative Development Partners			
Development Proforma			
Uses	Per Unit	Total	
Acquisition	0	1	
Hard Construction Costs	215,030	4,730,668	
Site Work	71,203	1,566,456	
Construction Contingency	14,312	314,856	
Total	300,545	6,611,981	
Soft Cost Uses			
	Per Unit	Total	
City Fees	12,132	266,895	
Architectural & Design	33,318	733,000	
Survey and Engineering	4,995	109,900	
Carrying Costs	2,109	46,400	
Furniture, Fixtures, & Equipment	1,477	32,500	
Financing Costs	23,651	520,324	
Occupancy Reserve and Contingency	3,636	80,000	
Taxes and Insurance Escrow	2,000	44,000	
Developer Fee	38,636	850,000	
Total Soft Costs	121,955	2,683,019	
Total Development Costs	422,500	9,295,000	
Sources			
	Construction	Permanent	
Bank Loan	\$3,000,000	\$3,000,000	
CDFI Loans	\$2,450,000	\$2,450,000	
Foundation Investment	\$250,000	\$250,000	
Member Share Equity	\$0	\$220,000	
City of Portland Loan	\$2,200,000	\$2,200,000	
Five Together Foundation	\$1,000,000	\$1,000,000	
Deferred Developer Fee		\$175,000	
Total	\$8,900,000	\$9,295,000	
Surplus / (GAP)	\$ 455,000	\$ (0)	
	Kennebunk Savings	CDFIs	Sewell
Loan Amount	\$3,000,000	\$2,450,000	\$250,000
Collateral Position	1st	2nd	3rd
Loan Term	30	5	5
Estimated Fixed Rate	7.15%	6.39%	2.0%
Amortization Term	30	30	30
Lambert Woods Housing Cooperative			
Operating Proforma			
Home Type	# of Units	Monthly Maintenance	Annual Total
1 BR - 100%	10	2,231	267,720
2BR - 100%	10	2,550	306,000
3BR - 100%	2	2,868	68,832
Residential Gross Potential Income	22		642,552
Parking Revenue	24	150	43,200
Vacancy (3%)	3%		-20,573
Affordable Housing Tax Increment Revenue			52,500
Net Income			717,679
Expenses			
	Factor	Per Unit	Total
Property Management	4%	1,209	26,607
Coop TA		227	5,000
Other Admin		150	3,300
Lighting & Misc Power		600	13,200
Water & Sewer		600	13,200
Heating / Cooling		600	13,200
Solid Waste Removal		80	1,760
Payroll - Maintenance		895	19,700
Grounds		455	10,000
Repairs		500	11,000
Insurance	0.35%	753	16,557
Prop Taxes		3,182	70,000
Employee Payroll Tax		90	1,970
Replacement Reserve		400	8,800
Total Expenses		9,741	214,295

Lambert Woods Cooperative
Detailed Development Budget

Site Improvements	1,566,456
Construction	4,730,668
Construction Contingency	314,856
Subtotal Construction Costs	6,611,980
Permits & Impact Fees	266,895
Survey & Engineering	66,000
Architectural & Design	733,000
Legal	110,000
Title & Recording	21,400
Accounting	15,000
Construction Period Tax	20,000
Insurance	26,400
Soft Cost Contingency	80,000
Subtotal Soft Costs	1,338,695
Origination Fees	57,000
Construction Interest	244,530
Lender 3rd Party and Inspection	7,394
Letter of Credit	5,000
Lender Legal	25,000
Subtotal Finance Costs	338,924
Market Study	10,000
Appraisal	25,000
Environmental	25,000
FF&E	32,500
Other Misc Costs	18,900
Subtotal Miscellaneous	111,400
Acquisition: Land	1
Subtotal Acquisition	1
Tax & Insurance Reserve (T&I)	44,000
Subtotal Reserves	44,000
Subtotal Development Fee	850,000
Total Project Costs	9,295,000

Lambert Woods Housing Cooperative										
Operating Proforma										
		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9
Apartments	2%	642,552	655,403	668,511	681,881	695,519	709,429	723,618	738,090	752,852
Parking	2%	43,200	44,064	44,945	45,844	46,761	47,696	48,650	49,623	50,616
Vacancy	3%	-20,573	-20,984	-21,404	-21,832	-22,268	-22,714	-23,168	-23,631	-24,104
TIF Income	75%	52,500	54,075	55,697	57,368	59,089	60,862	62,688	64,568	66,505
	0%	0	0	0	0	0	0	0	0	0
Total Income		717,679	732,558	747,750	763,262	779,101	795,274	811,788	828,650	845,869
Expenses										
Property Management	4%	26,607	27,139	27,682	28,236	28,800	29,376	29,964	30,563	31,175
Other Admin	3%	8,300	8,549	8,805	9,070	9,342	9,622	9,911	10,208	10,514
Utilities	3%	41,360	42,601	43,879	45,195	46,551	47,948	49,386	50,868	52,394
Maintenance	3%	42,670	43,950	45,269	46,627	48,025	49,466	50,950	52,479	54,053
Insurance	3%	16,557	17,054	17,566	18,093	18,635	19,194	19,770	20,363	20,974
Prop Taxes	3%	70,000	72,100	74,263	76,491	78,786	81,149	83,584	86,091	88,674
Replacement Reserve	3%	8,800	9,064	9,336	9,616	9,904	10,202	10,508	10,823	11,148
Total Expenses		214,295	220,457	226,800	233,327	240,044	246,958	254,073	261,395	268,931
Debt Service										
Bank Loan		214,500	214,500	251,144	251,144	251,144	251,144	251,144	251,144	251,144
CDFI Loans		183,663	183,663	183,663	183,663	183,663	183,663	183,663	183,663	183,663
Foundation Investment		11,089	11,089	11,089	11,089	11,089	11,089	11,089	11,089	11,089
Total Debt Service		409,252	409,252	445,896	445,896	445,896	445,896	445,896	445,896	445,896
Cash Flow		94,133	102,849	75,054	84,039	93,161	102,420	111,819	121,360	131,042
DSCR		1.23	1.25	1.17	1.19	1.21	1.23	1.25	1.27	1.29

Year 10	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
767,909	783,267	798,933	814,911	831,210	847,834	864,790	882,086	899,728	917,722	936,077
51,628	52,661	53,714	54,788	55,884	57,001	58,142	59,304	60,490	61,700	62,934
-24,586	-25,078	-25,579	-26,091	-26,613	-27,145	-27,688	-28,242	-28,807	-29,383	-29,970
68,501	70,556	72,672	74,852	77,098	79,411	81,793	84,247	86,775	89,378	92,059
0	0	0	0	0	0	0	0	0	0	0
863,452	881,406	899,739	918,461	937,579	957,101	977,037	997,396	1,018,186	1,039,418	1,061,100
31,798	32,434	33,083	33,744	34,419	35,108	35,810	36,526	37,256	38,002	38,762
10,830	11,155	11,489	11,834	12,189	12,554	12,931	13,319	13,719	14,130	14,554
53,965	55,584	57,252	58,969	60,739	62,561	64,438	66,371	68,362	70,413	72,525
55,675	57,345	59,065	60,837	62,662	64,542	66,478	68,473	70,527	72,643	74,822
21,604	22,252	22,919	23,607	24,315	25,044	25,796	26,570	27,367	28,188	29,033
91,334	94,074	96,896	99,803	102,797	105,881	109,058	112,329	115,699	119,170	122,745
11,482	11,826	12,181	12,547	12,923	13,311	13,710	14,121	14,545	14,981	15,431
276,687	284,670	292,886	301,342	310,044	319,002	328,221	337,709	347,475	357,527	367,873
251,144	251,144	251,144	251,144	251,144	251,144	251,144	251,144	251,144	251,144	251,144
183,663	183,663	183,663	183,663	183,663	183,663	183,663	183,663	183,663	183,663	183,663
11,089	11,089	11,089	11,089	11,089	11,089	11,089	11,089	11,089	11,089	11,089
445,896	445,896	445,896	445,896	445,896	445,896	445,896	445,896	445,896	445,896	445,896
140,868	150,840	160,958	171,223	181,638	192,204	202,921	213,791	224,815	235,995	247,331
1.32	1.34	1.36	1.38	1.41	1.43	1.46	1.48	1.50	1.53	1.55

Year 21	Year 22	Year 23	Year 24	Year 25	Year 26	Year 27	Year 28	Year 29	Year 30
954,798	973,894	993,372	1,013,240	1,033,505	1,054,175	1,075,258	1,096,763	1,118,699	1,141,073
64,193	65,477	66,786	68,122	69,484	70,874	72,292	73,737	75,212	76,716
-30,570	-31,181	-31,805	-32,441	-33,090	-33,751	-34,426	-35,115	-35,817	-36,534
94,821	97,665	100,595	103,613	106,722	109,923	113,221	116,618	120,116	123,720
0	0	0	0	0	0	0	0	0	0
1,083,242	1,105,856	1,128,949	1,152,534	1,176,621	1,201,221	1,226,344	1,252,003	1,278,210	1,304,975
39,537	40,328	41,134	41,957	42,796	43,652	44,525	45,415	46,324	47,250
14,991	15,440	15,904	16,381	16,872	17,378	17,900	18,437	18,990	19,559
74,701	76,942	79,250	81,628	84,076	86,599	89,197	91,873	94,629	97,468
77,067	79,379	81,760	84,213	86,739	89,342	92,022	94,782	97,626	100,555
29,904	30,802	31,726	32,677	33,658	34,667	35,707	36,779	37,882	39,018
126,428	130,221	134,127	138,151	142,296	146,564	150,961	155,490	160,155	164,960
15,894	16,371	16,862	17,368	17,889	18,425	18,978	19,547	20,134	20,738
378,521	389,481	400,763	412,374	424,326	436,628	449,290	462,323	475,739	489,548
251,144	251,144	251,144	251,144	251,144	251,144	251,144	251,144	251,144	251,144
183,663	183,663	183,663	183,663	183,663	183,663	183,663	183,663	183,663	183,663
11,089	11,089	11,089	11,089	11,089	11,089	11,089	11,089	11,089	11,089
445,896	445,896	445,896	445,896	445,896	445,896	445,896	445,896	445,896	445,896
258,826	270,478	282,291	294,264	306,399	318,697	331,159	343,784	356,575	369,531
1.58	1.61	1.63	1.66	1.69	1.71	1.74	1.77	1.80	1.83

PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT IS made this 4th day of January 2021 by and between the City OF PORTLAND, a body politic and corporate located in Cumberland County, Maine, (hereinafter referred to as “Seller” or “City”), and Maine Cooperative Development Partners, a Maine corporation, having a mailing address of 6 City Center, Fl. 3., Portland, Maine 04101 (hereinafter referred to as “Buyer”).

RECITALS

WHEREAS, the CITY is the owner of approximately 13.3874 acres of land at or near 165 Lambert Street, Portland, Maine (the “Premises”) and did advertise RFP #20068 dated April 10, 2020, entitled Request for Proposals for Disposition of City-Owned Property Located at 165 Lambert Street, a copy of which is attached hereto as Exhibit A and incorporated herein (the “Request for Proposals”) (the Premises is identified in the City’s tax records as CBL 385 A001 and 386 C001 and is generally depicted on Attachment C to the Request for Proposals); and

WHEREAS, Buyer submitted a proposal dated June 16, 2020 in response to the Request for Proposals, a copy of which is attached hereto as Exhibit B and incorporated herein (the “Proposal”); and

WHEREAS, Buyer desires to purchase and develop the Premises, and the City desires to convey the Premises to Buyer, subject to the terms and conditions set forth herein.

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

1. **SALE.** City agrees to sell the Premises to Buyer, and Buyer agrees to purchase the Premises in accordance with the terms and conditions set forth in this Agreement. This Agreement is for the sale of land only.
2. **CONSIDERATION.** The purchase price for the Premises shall be One Dollar (\$1.00) (the “Purchase Price”).
3. **TITLE AND DUE DILIGENCE.**
 - a. **Due Diligence Period.** Buyer will have from the date of this Agreement until 4:00 PM Eastern Daylight Savings Time on the day that is thirteen (13) months after the date of this Agreement (the “Due Diligence Period”) to complete any surveys, environmental review, inspections, and title examinations, and to obtain any zone change, site plan approval, and any other permits and regulatory approvals required for the Project.
 - b. **Property Description.** The legal description of the Premises contained in the deed will be a survey description based upon a survey plan that will more specifically describe the Premises. The survey and description of the

Premises will be prepared by the Buyer at its sole expense and provided to the City for review two months prior to the expiration of the Due Diligence Period. City shall notify Buyer of any objections to the survey and description prior to the expiration of the Due Diligence Period.

- c. **Rezoning Contingency.** Buyer proposes to obtain the Portland City Council's approval to rezone the Premises (the "Rezoning Approval") to maximize residential density for its development of the Premises as described in the Proposal (the "Project"). The Buyer will be responsible for obtaining, at its sole expense, the Rezoning Approval and any other regulatory approvals required for the Project prior to Closing.
- d. **Financing Contingency.** The Buyer's obligation to close is contingent on obtaining construction and permanent financing for the Project that the Buyer, in its discretion, determines is sufficient to put the Project on a sound financial footing. That financing is anticipated to include, but not be limited to, the following: (i) permanent financing for the Coop in the form of a HUD Section 213 loan; and (ii) affordable housing tax increment financing from the City.
- e. **Title and Survey Objections.** Buyer will have until the end of the Due Diligence Period to deliver to City any written objections to title, environmental, or survey matters (other than the permitted exceptions identified herein) that materially affect insurability or use. Objections not made prior to the end of the Due Diligence Period will be deemed waived; provided, however, that objections pertaining to matters of record first appearing after the end of the Due Diligence Period may be made at any time prior to the closing.
- f. **Option to Cure.** In the event of a title or survey objection, City will have the option, but not the obligation, to cure the objection and will notify Buyer of its election within ten (10) business days after receipt of the objection. In the event that the City elects to cure the objection, it will have sixty (60) days from the date of the notice of election, or such other reasonable time as the parties may agree, to cure the objection. In the event that the City does not elect to cure the objection, or, having elected to cure the objection fails to timely do so to Buyer's reasonable satisfaction, Buyer will have the option to (1) terminate this Agreement (after which neither party will have any further obligation or liability to the other under this Agreement), (2) waive the objection and close, or (3) undertake the cure of such objection at its own expense (in which case it shall have 60 days to do so).
- g. **Deed.** City shall convey the Premises to Buyer at the closing in fee simple by a municipal quitclaim deed without covenant. Title shall be good and insurable title, free and clear of all encumbrances except (i) easements of record and easements described herein; (ii) easements for utilities servicing the property, (iii) zoning ordinances, and (iv) real estate taxes not yet due

and payable. Further, Buyer acknowledges that the deed shall contain a restriction stating that in the event that the Premises or any portion thereof shall be exempt from real and personal property taxes, by transfer, conversion, or otherwise, then the then-owner of the exempt portion shall make annual payments to the City in lieu of taxes in the amount equal to the amount of property taxes that would have been assessed on the exempt portion of the real and personal property situated on the Premises had such property remained taxable. Such restriction shall also confirm that Buyer and its successors and assigns shall possess and be vested with all rights and privileges as to abatement and appeal of valuations, rates, and the like as are accorded owners of real and personal property in Maine.

- h. Buyer's Right to Terminate. The Buyer may terminate this Agreement at any time during the due diligence period if, in the exercise of its sole discretion, it decides to not proceed with the Project by giving written notice of termination to the City in which case neither party shall have any further obligations to the other.

4. INSPECTIONS.

- a. During the Due Diligence Period, Buyer and its employees, consultants, contractors and agents shall have the right, at Buyer's expense, to enter on the Premises at reasonable times in order to (i) inspect the same, (ii) conduct engineering studies, percolation tests, geotechnical exams, environmental assessments, and other such studies, tests, exams, and assessments, and (iii) do such other things as Buyer determines, it is sole discretion, to be required to determine the suitability of the Premises for Buyer's intended use (collectively, the "Inspections"). The City acknowledges that such Inspections may include the digging of test pits, which the City hereby approves.
- b. Buyer agrees to defend, indemnify and hold harmless the City against any mechanics liens that may arise from the activities of Buyer and its employees, consultants, contractors and agents on the Premises.
- c. Buyer shall exercise the access and inspection rights granted hereunder at its sole risk and expense, and Buyer hereby releases the City from, and agrees to indemnify, defend, and hold the City harmless against, any and all losses, costs, claims, expenses and liabilities (including without limitation reasonable attorney fees and costs) (collectively, "Damages") suffered by the City on account of any injury to person or damage to property arising out of the exercise by Buyer of its rights hereunder, except to the extent that such Damages result from the act or omission of the City.
- d. Buyer shall cause any contractors, consultants or any other party conducting the Inspections to procure automobile insurance, if applicable, and commercial 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, listing the City as an additional insured thereon, and also Workers' Compensation Insurance coverage to the extent required by law; the forms of all such insurance to be subject to City's Corporation Counsel's reasonable satisfaction.

- e. In the event that Buyer does not purchase the Premises, Buyer agrees to either return the Premises as nearly as possible to its original condition after conducting the Inspections; provided, however, the City hereby acknowledges and agrees Buyer shall have no obligation to clean-up, remove or take any other action with respect to any disturbance of any pre-existing environmental contamination on the Premises caused by such inspections, studies, tests, exams, and assessments, and that Buyer shall have no obligation to clean-up, remove or take any other action with respect to any pre-existing environmental contamination disturbed thereby.
- f. The parties hereto acknowledge and agree that it is a condition to Buyer's obligations under this Agreement that the results of the Inspections be acceptable to Buyer in its sole discretion. If the results of such due diligence are not acceptable to Buyer in its sole discretion, and if Buyer exercises its right to terminate this Agreement, and neither party shall have any further obligations or liabilities under this Agreement except as expressly set forth in this Agreement.

5. **REAL ESTATE TAXES, PRORATIONS AND TRANSFER TAX.** Buyer shall be liable for all real estate taxes beginning as of the start of fiscal year following the closing and continuing thereafter. Because the Property is currently owned by the City of Portland, which is exempt from real estate taxes, no taxes were assessed or will be due for any portion of the current fiscal year, and no taxes will be prorated at the closing. Any utilities for the Property shall be prorated as of the closing. The Maine real estate transfer tax shall be paid for by Buyer in accordance with 36 M.R.S.A. § 4641-A. City is exempt from paying the transfer tax pursuant to 36 M.R.S.A. § 4641-C. The recording fee for the deed of conveyance and any expenses relating to Buyer's financing or closing shall be paid for by Buyer.

6. **DEFAULT AND REMEDIES.** In the event that Buyer defaults hereunder for a reason other than the default of the City, City may terminate this Agreement, and neither party shall have any further obligation to the other. In the event City defaults under this Agreement, and if Buyer is not then in default hereunder, Buyer shall have the right to pursue specific performance or terminate this Agreement, in which case neither party shall have any further obligation to the other.

7. **RISK OF LOSS.** The risk of loss or damage to the Premises by fire, eminent domain, condemnation, or otherwise, until transfer of title hereunder, is assumed by the City. The Premises is to be delivered in substantially the same condition as of the date of this Agreement unless otherwise stated. In the event City is not able to deliver the Premises as stated, Buyer may terminate this Agreement, and neither party shall have any further obligations or liabilities under this Agreement except as expressly set forth in this Agreement.

- 8. PROPERTY SOLD “AS IS, WHERE IS.”** Buyer acknowledges that Buyer has had an opportunity to inspect the Premises, and to hire professionals to do so, and that Premises will be sold “as is, where is” and “with all faults.” City, and its agents, make no representations or warranties with respect to the accuracy of any statement as to boundaries or acreage, or as to any other matters contained in any description of the Premises, or as to the fitness of the Premises for a particular purpose, or as to development rights, merchantability, habitability, or as to any other matter, including without limitation, land use, zoning and subdivision issues or the environmental, mechanical, or structural condition of the Premises. Acceptance by Buyer of the Deed at closing and payment of the purchase price shall be deemed to be full performance and discharge by the City of every agreement and obligation contained herein.
- 9. ENVIRONMENTAL INDEMNIFICATION.** Buyer covenants and agrees to indemnify, defend, and hold the City harmless from and against any and all claims, damages, losses, liabilities, obligations, settlement payments, penalties, assessments, citations, directives, claims, litigation, demands, defenses, judgments, costs, or expenses of any kind, including, without limitation, reasonable attorneys’, consultants’, and experts’ fees incurred in investigating, defending, settling, or prosecuting any claim, litigation or proceeding, that may at any time be imposed upon, incurred by or asserted or awarded against Buyer or the City and relating directly or indirectly to the violation of or compliance with any federal, state, or local environmental laws, rules, or regulations governing the release, handling or storage of hazardous wastes or hazardous materials and affecting all or any portion of the Premises, except to the extent that such a claim results directly from the City’s release, handling or storage of hazardous wastes or hazardous materials on the Premises. This duty to indemnify, defend, and hold harmless shall be included in a covenant in the deed and shall run with the land conveyed and be binding upon Buyer’s successors, assigns, and transferees.
- 10. CLOSING.** Time is of the essence in the performance of this agreement. The closing shall be held at the offices of Buyer’s counsel at a time agreeable to the parties on or before the day that is fifteen (15) months after the date of this Agreement (the “Closing Date”). At the Closing:
- a. the City shall execute, acknowledge and deliver to Buyer a municipal quitclaim deed conveying to Buyer good and insurable title to the Premises, free and clear of all encumbrances except as otherwise set forth herein.
 - b. Buyer shall deliver the Purchase Price to the City.
 - c. Each party shall deliver to the other such other documents, certificates and the like as may be required herein or as may be necessary to carry out the obligations under this Agreement.
 - d. Buyer shall deliver evidence, reasonably satisfactory to City’s Corporation Counsel, that the entity receiving title to the Premises is in good standing

under Maine law, and that the individuals acting at Closing and executing documents on behalf of Buyer are authorized to do so.

11. BUYER'S POST CLOSING OBLIGATIONS; RIGHTS OF CITY TO REPURCHASE PROPERTY.

- a. Within twelve (12) months after the Closing Date, Buyer shall commence construction of the Project, as the Project is generally described in the Proposal. The Buyer, in its discretion, may develop the Project in two phases. The first phase of the Project shall include the greater of 20 three-bedroom dwelling units or the maximum number of dwelling units feasible under the current zoning.
- b. Upon the issuance of a certificate of occupancy for all or a portion of the first phase of the Project or at such earlier time as the Buyer, in its discretion, may determine, the Buyer shall convey the Project to a Cooperative Affordable Housing Corporation (the "Coop") organized in accordance with the Maine Cooperative Affordable Housing Ownership Act, 13 M.R.S.A. §1741-1762, as may be amended (the "Act"). Notwithstanding anything to the contrary in the foregoing, the Buyer may retain the right to develop additional units on the Premises as a second phase of the Project which shall be conveyed to the Coop.
- c. Rent Restrictions. For a period of 99 years after the Project has been transferred to the Coop, all units and cooperative interests in the Project shall be affordable to low- and moderate-income households earning less than or equal to 100% of the area median income (AMI), adjusted for family size, in accordance with federal standards generally accepted at the time of incorporation under the Act. For purposes of this Agreement, "affordable" means that the percentage of income a household is charged in connection with its cooperative interest and other housing expenses, including utilities, shall not exceed 30% of the household's gross monthly income. Minimum household size allowed per unit and the formula for calculating maximum allowable monthly rent is detailed on Exhibit C, which is attached hereto and made a part hereof.
- d. Income Restrictions. In order to purchase a cooperative membership interest in, and reside in a unit owned by the limited equity cooperative, a household must not earn more than 100% of the AMI, adjusted for family size, as published by the U.S. Department of Housing and Urban Development ("HUD"). Household income is defined as adjusted gross income used by the IRS. This income test will be used only at the time of the household's purchase, and excludes transfers to family members or an estate beneficiary. At the time of initial sale of cooperative membership interests in the Coop, up to 20% of the cooperative membership interests may be sold to households earning up to 120% of AMI. All other sales and all subsequent sales of cooperative membership interests must be to households earning no more than 100% of AMI.
- e. Option to Repurchase. Unless the Project has been transferred to the Coop as set forth above, if Buyer, its successors, assigns, or transferees fails to commence construction of the Project on the Premises within 12 months after the closing, and construct the buildings which are part of the first

phase of the Project within thirty (30) months after closing, the City shall have the right, but not the obligation, to repurchase the Premises and the Project at the Purchase Price plus all documented, design, development, construction, and approval expenses incurred by Buyer, or successors, to that juncture. If the City exercises this right to repurchase, Buyer shall convey the Premises to the City and assign to the City all contracts, plans, and other documents related to the design, construction, and regulatory approvals for the Project. This right to repurchase shall be assignable by the City.

- f. The articles of organization for the Coop shall provide that in the event the Coop shall be dissolved, its assets will be distributed in accordance with § 1754(6) of the Act to the City or, at the City's option, to another organization permitted under § 1754(6) of the Act reasonably acceptable to the City.
- g. The provisions of this Section 11 will survive closing and will be included in greater detail in the City's deed to Buyer or in a Declaration of Covenants, Conditions and Restrictions executed before or at the time of Closing, which shall be recorded in the Cumberland County Registry of Deeds.

- 12. **ENTIRE AGREEMENT.** This Agreement represents the entire and complete Agreement and understanding between the parties and supersedes any prior agreement or understanding, written or oral, between the parties with respect to the acquisition or exchange of the Property hereunder. This Agreement cannot be amended except by written instrument executed by City and Buyer.
- 13. **NON-WAIVER.** No waiver of any breach of any one or more of the conditions of this Agreement by either party shall be deemed to imply or constitute a waiver of any succeeding or other breach hereunder.
- 14. **HEADINGS AND CAPTIONS.** The headings and captions appearing herein are for the convenience of reference only and shall not in any way affect the substantive provisions hereof.
- 15. **BINDING EFFECT.** This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, administrators, successors and assigns.
- 16. **TIME.** The City and Buyer each confirm and agree that each of the time periods set forth herein are essential provisions of the terms of this Agreement.
- 17. **GOVERNING LAW.** 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. If any provision of this Agreement is determined to be

invalid or unenforceable, it shall not affect the validity or enforcement of the remaining provisions hereof.

- 18. NOTICE.** All notices, demands and other communications hereunder shall be in writing and shall be deemed to have been duly given on the date of service if served personally on the party to whom notice is to be given, or on the first business day after the notice is delivered to an overnight delivery service with delivery confirmation, addressed to the recipients at the addresses set forth below. Either party may change addresses for purposes of this paragraph by giving the other party notice of the new address in the manner described herein.

FOR THE City: City of Portland
ATTN: City MANAGER
389 Congress Street
Portland, ME 04101

With a copy to: The Office of the Corporation Counsel at the same address.

FOR Buyer: Maine Cooperative Development Partners, 6
City Center, Fl. 3, Portland, ME 04101

With a copy to: David C. Pierson, Esq.
Eaton Peabody
P.O. Box 15235
Portland, ME 04112-5235

- 19. SIGNATURES; MULTIPLE COUNTERPARTS.** This Agreement may be executed in any number of counterparts and by different parties in separate counterparts. Each counterpart when so executed shall be deemed to be an original and all of which together shall constitute one and the same agreement.
- 20. BROKERS.** The CITY and Buyer each represent and warrant that they have not dealt with a real estate broker in connection with this transaction. Buyer agrees to indemnify and hold harmless City from any claims made by any broker should Buyer's representation in this paragraph be false. Subject to the limitations of liability set forth in the Maine Tort Claims Act, City agrees to indemnify and hold harmless Buyer from any claims made by any broker should City's representation in this paragraph be false. The foregoing indemnities shall include all legal fees and costs incurred in defense against any such claim, and shall survive closing.
- 21. RECITALS INCORPORATED BY REFERENCE.** The recitals set forth above are incorporated herein by reference and made a part of this Agreement.

IN WITNESS WHEREOF, the parties have caused this instrument to be executed on their behalf by their duly authorized offices or representatives, on the day and year first written above.

Approved as to Form:

DocuSigned by:
Michael Goldman
58DA6A4D85584F1
Corporation Counsel's Office

City OF PORTLAND

DocuSigned by:
Jon P. Jennings
7321A75603411
Jon P. Jennings Its City Manager

**MAINE COOPERATIVE
DEVELOPMENT PARTNERS**

DocuSigned by:
Brian Eng
14F9ED9E0884B5...
Brian Eng
Its Principal

EXHIBIT A

CITY of PORTLAND, MAINE
Request for Proposals for Disposition of City-Owned Property
Located at 165 Lambert Street
RFP #20068

I. NOTICE AND SPECIFICATIONS

The City of Portland, Maine seeks proposals from qualified developers for the creation of residential housing at 165 Lambert Street. The site is designated on the City of Portland Tax Assessor's Map as lots CBL 385 A001, and 386 C001.

Sealed proposals for the project, including an original, seven (7) copies, and one (1) digital copy, as specified herein, will be received by the Purchasing Office, Room 103, City Hall, 389 Congress Street, Portland, Maine 04101, until 3:30 p.m., Tuesday June 16, 2020, at which time they will be publicly opened.

Proposals shall be submitted, and returned in sealed envelopes plainly marked on the outside "Disposition and Development of Property Located at 165 Lambert Street".

Proposals that are late, unsigned or submitted via fax will not be accepted. Proposals from individuals not registered with the Purchasing Office may be rejected; receipt of this document directly from the City of Portland indicates registration. Should a person receive this Request from a source other than the City, please contact 207-874-8654 to ensure that you are listed as a recipient for this proposal.

All questions must be submitted in writing to the Purchasing Office. These may be mailed, hand delivered, faxed to (207) 874-8652 or e-mailed to mff@portlandmaine.gov and be received no later than five (5) business days prior to the opening date. Questions received after this time will not be addressed. Any interpretation, correction, or change of this document will be made only by written addenda. Changes in any other manner will not be binding on the City and proposers should not rely on. Proposers should not have contact with any City staff with regard to this proposal unless to obtain general public information as specified in the document.

The disposal of this real estate shall be on the basis of a negotiated proposal, with the City of Portland reserving the right to refuse any and all proposals. *All proposers are advised that the property will be sold "as-is" and "where is", in its existing condition, with no warranties either expressed or implied.* The City makes no representations or warranties about of any of the information about the property set forth herein, which is provided to proposers for their convenience only. The successful proposer shall be responsible to inspect the property, or to hire its own professionals to do so. The City, and its agents, make no representations or warranties with respect to the title of the property, the accuracy of any statement as to boundaries or acreage, or as to any other matters contained in any description of the property, or as to the fitness of the property for a particular purpose, or as to development rights, merchantability, habitability, or as to any other matter, including without limitation, land use, zoning and subdivision issues or the environmental, mechanical, or structural condition of the property. The City disclaims any and all responsibility for injury to proposers, their agents or others while examining the property or at any other time. The City will not be responsible for any broker's commission.

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

II. GENERAL INFORMATION

Summary of Request:

The City of Portland is committed to providing housing opportunities and has set a goal to evaluate the use of City-owned property to construct housing. As one-step in accomplishing this goal, the City of Portland will accept proposals for the development of housing on the lot located at 165 Lambert Street, which currently is vacant.

This request for proposals results from the December 16, 2019 approval by the Portland City Council (Resolve 10-19/20) of the recommendations of the Housing Committee to market the City-owned vacant property located at 165 Lambert Street.

The City of Portland uses the RFP process to ensure that public resources are utilized for maximum public benefit while accomplishing specific objectives and providing fair access to all applicants.

Site Information:

- a. **Location:** 165 Lambert Street, as identified in the City of Portland Assessor's records as lot CBL 385 A001 and 386 C001 (See Attachment 2).
- b. **Existing Conditions:** 165 Lambert Street is located on two parcels totaling 13.3874 acres with frontage on Lambert Street in the North Deering neighborhood. The surrounding context is predominantly residential with the majority of homes in the area being one-family structures. The topography is quite steep and much of the parcel is designated as wetlands. A large portion of Auburn Street storm drain discharges to this area.
- c. **Current use:** Vacant lot.
- d. **General Dimensions:** Together these lots are approximately 13.3874 acres or 583,157 square feet.
- e. **Current Zoning:** R-2. The R-2 zone allows for the creation of single-family detached dwelling units on minimum lot sizes of 10,000 square feet. At 13.39 acres (583,157 square feet), this parcel could permit a maximum residential density of 58 single-family homes. However, there are extensive wetlands on approximately 8 acres on the site that will limit maximum development potential. For complete zoning requirements, please refer to Chapter 14, Land Use, of the City Code.
- f. **Rezoning:** Higher density zoning that furthers exceptional projects and city goals as outlined in Section III will be considered. For example, the R-3 residential zone allows for Planned

Residential Unit Development (PRUD) on properties of 3 acres or more, and a higher maximum residential density of 6,500 square feet per dwelling unit. A PRUD would allow for alternative site layouts, and the ability to avoid impacts to on-site wetlands. It should be noted that changes to zoning require both Planning Board and City Council approval.

- g. Condition of the property at the time of disposition:** Wetlands present. See Boyle Associates report and Jones Associates report available online.
- h. Environmental Conditions:** Boyle Associates conducted a wetland delineation in July of 2009 and prepared a wetland sketch plan for the City of Portland; 4.53 acres of uplands were identified during their review. During a site visit in October of 2019, Jones Associates confirmed there had been no changes to the wetlands and the wetland delineations done by Boyle Associates were still appropriate to use. The City of Portland reserves the right to establish a conservation easement on the non-developable portions of the parcel. The Jones Associates report is available on-line.
- i.** Proposers are urged to investigate water sources and utility connection requirements with the Department of Public Works.

III. CITY GOALS

The City's primary goals for the use of the property are:

1. Developments shall provide mixed income units. All units must be affordable to households earning 60% to 120% of the area median income – which 60% is now \$55,800 for a family of four and 120% is now \$111,600 for a family of four.

Affordable means that the percentage of income a household is charged in rent and other housing expenses including utilities, or must pay in monthly mortgage payments (including real estate taxes, mortgage insurance, condominium/HOA fees, insurance and utilities), does not exceed 30% of a household's gross income, or other amount established in city regulations that does not vary significantly from this amount.

Restrictions on the affordability of units must be in place for a minimum of 30 years for homeownership units, and the longest period allowed by law for rental units.

2. Development of mixed income homeownership or rental housing of excellent building and site design. Design principles should promote efficient use of land to create a development that is compatible with the existing pattern, scale, massing, and materials of the surrounding neighborhood. The development's buildings shall be designed to meet the City's Green Building Code.
3. Environmental preservation should be identified to retain a balance between development and conservation of open space important for wildlife, ecological, and environmental values.
4. Rezoning may be considered to support increase housing development opportunities or maximize the number of allowable housing units on the property.

5. Developments shall create housing options that are age inclusive.

The general terms for this real estate transaction include:

- Units must be used as the principal residence of the owner/tenant and owner/tenant shall not use the unit for the conduct of business (except for a home occupation allowed under the City of Portland zoning ordinance) or as an investment property. Units shall not be rented for short-term periods of one to thirty days.
- The sale or long term lease of the property below fair market value may be considered to support housing development that meets the City's stated goals.
- Alternative Ownership Models. Alternative ownership models that will encourage a mixed income community with long term affordability for the maximum number of units, such as limited equity units, co-housing, cooperative, or a community land trust, may be considered in order to ensure the units affordability over time.
- Proposals must outline how they will maintain affordability.
- Other City Incentives. Other city financial incentives may be considered to support increase housing development opportunities or maximize the number of allowable housing units on the property.

IV. PROPOSED SCORING

An internal staff Committee will review proposals received, and will apply the following selection criteria in reviewing and scoring the applications.

Proposed use to achieve the City of Portland's goals

40 points

1. Market Demand - 20 points
 - a. 20 points - all units meet the City's Goals and Terms noted in Section III
 - b. 15 points - at least 75% of the units meet the City's Goals and Terms noted in Section III
 - c. 10 points - at least 50% of the units meet the City's Goals and Terms noted in Section III
 - d. 0 points - project does not meet the City's Goals and Terms noted in Section III
2. Economic diversity - 10 points
 - a. 10 points - creates housing options which promote economic diversity in the neighborhood in which the development is located
 - b. 0 points - does not promote economic diversity
3. Age Inclusive – 10 points
 - a. 10 points – creates housing which is age inclusive
 - b. 0 points – does not create housing which is age inclusive

Impact on surrounding neighborhood, including design.

25 points

1. Project Design - 15 points
 - a. 15 points - the proposal is consistent with design characteristics
 - b. 10 points - the proposal is an adequate fit with neighborhood characteristics
 - c. 0 points - the design is a significant outlier

2. Amenities and unit design -- 10 points
 - a. 10 points - amenities & unit design are well thought out and appropriate for residents
 - b. 5 points - amenities & unit design are adequate
 - c. 0 points - amenities and unit design raise significant concerns that resident needs will not be adequately addressed

Applicant's ability to complete project, including financial feasibility, development team experience, capacity, and timeframe for completion. 35 points

1. Readiness to proceed - 15 points
 - a. 15 points - all projected sources of funding include letters of commitment or interest are projected at terms and conditions consistent with the City's prior experience with the funder
 - b. 10 points - most projected sources of funding include letters of commitment, letters of interest, or, if no letter is included, are projected at terms and conditions consistent with the City's prior experience with this funder
 - c. 0 points - one or more sources are projected on terms that are not consistent with the City's prior experience with the funder and are not documented by letter(s) from funder(s)
2. Track record of development team - 10 points
 - a. 10 points - every development team member has a successful track record with this type of project and at this scale
 - b. 8 points - all but one development team members have a successful track record with this type of project and at this scale; one development team member has relevant experience but at a smaller scale or not of this project type
 - c. 5 points - two development team members, while having relevant experience, are new to this type of project or this scale of development
 - d. 0 points - the development team does not meet the criteria above
3. Current Capacity of development team - 10 points
 - a. 10 points - development team members have exceptional depth of human and financial resources to complete this project
 - b. 8 points - development team members have the human and financial resources to complete this project
 - c. 5 points - development team has a staffing gap in a significant role and a plan to address that gap, OR there are some concerns about the financial resources of the team to move the development forward
 - d. 0 points - the development team does not meet the criteria described above

SUBMISSION INFORMATION

Interested parties are asked to submit a concept development (including preliminary drawings) and a brief description of the project, no longer than two pages, to include the number and type of units, occupants (owners/renters) to be served, special features, the impact on the neighborhood and other ways the proposal meets the primary goals of the City. A general project budget with projected funding sources, development timeline, and development team qualifications and financial capabilities is also required. This RFP does not require detailed architectural drawings or development pro formas.

Photographs and maps of the site and area are required.

- a) **Developer:** Name, address, telephone, email, fax number of the proposed owner/developer and the name(s) of an alternative contact person(s).
- b) **Proposal:** Each proposal submitted must specifically outline the proposed use of the property and any proposed rezoning requests.
- c) **Financial Feasibility:** Provide a business plan, which shall include prospective and committed sources of funding, development and operating budgets; a letter from a lending institution indicating the applicant's ability to finance the projected costs; and provide examples of prior projects that indicate the proven ability to develop a project of similar type and scale from a fiscal perspective.
- d) **Timetable:** Provide an overview of how the proposal will be implemented. Include approximate schedule for completion of each element, closing, construction start-up, substantial completion, final completion, and occupancy. Include applications for public or private financing.
- e) **Developer Capacity:** Identify the qualifications and experience of the development team for the project including a list of previously completed projects similar to the proposed project. This team may include key staff of the developer, architect, general contractor and future property management. Also, discuss the ability to complete the project including the qualifications of the development team, management plan, experience, capacity, project readiness to proceed, and timeframe for completion.
- f) **Occupancy and Management Plan:** Present a plan detailing the ownership structure (condominium, cooperative, etc.), resale restrictions and resale process to ensure mixed income and long-term affordability.
- g) **Purchase Price or Lease Terms:** Proposed purchase price or lease terms for this property.
- h) **Copies:** Seven (7) copies, with the original so marked, of each proposal shall be submitted.

V. DISPOSITION INFORMATION

After proposals are opened, city staff will make a recommendation to the City Council's Economic Development Committee (EDC) and the Housing Committee (HC). The EDC and HC will make a recommendation to the City Council.

VI. OTHER INFORMATION

Confidentiality: Proposals received by the City shall become a matter of public record, subject to public inspection, except to the extent, which an applicant designates in writing, proprietary data to be confidential and submits that data under separate cover, such information may, to the extent permitted by law, be held from public inspection, as provided in applicable Maine law, including, without limitation, 5 MRSA Sections 13119-A and 13119-B.

VII. LEGAL REQUIREMENTS

The contract for the disposition of the property will be executed only after review and final approval by the City Council.

VIII. RESERVATION of RIGHTS

The City of Portland reserves the right, at its sole discretion, to award as well as reject any and all proposals for the city-owned property, based on the quality and merits of the proposals received, or when it is determined to be in the public interest to do so. Furthermore, the City may extend deadlines and timeframes, as needed.

The City reserves the right to substantiate any proposer's qualifications, capability to perform, availability, past performance records, and to verify that the proposer is current in its financial obligations to the City.

The City of Portland, Maine, reserves the right to waive any informalities in proposals, to accept any proposal or portion thereof, and, to reject any and all proposals, as well as negotiate with the successful proposer(s) should it be in the best in the best interest of the City to do so for a final purchase and sale agreement and ultimate sale or lease of the property.

Pursuant to City procurement policy and ordinance, the City is unable to contract with businesses or individuals who are delinquent in their financial obligations to the City. These obligations may include but are not limited to real estate and personal property taxes and sewer user fees.

Proposers who are delinquent in their financial obligations to the City must do one of the following: bring the obligation current, negotiate a payment plan with the City's Treasury office, or agree to an offset, which shall be established by the contract, which shall be issued to the successful proposer

April 10, 2020

Matthew F. Fitzgerald
Purchasing Manager

Attachments:

- A. Proposal Signature Page
- B. Portland Assessor's Record
- C. GIS Map
- D. Boyle Report available online
- E. Jones Associate Report available online

Attachment A

PROPOSAL**NOTE: THIS PAGE IS TO BE COMPLETED AND RETURNED**

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

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

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

The proposer acknowledges the receipt of Addenda numbered _____
If Applicable

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

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

PRINT NAME & TITLE: _____

ADDRESS: _____

TELEPHONE: _____ E-MAIL: _____

FEDERAL TAX ID #: _____ DUNS #: _____

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

In your organizations preceding completed fiscal year, did the organization receive:

(1) 80 percent or more of its annual gross revenues in U.S. federal contracts, subcontracts, loans, grants, subgrants, and/or cooperative agreements; AND

(2) \$25,000,000 or more in annual gross revenues from U.S. federal contracts, subcontracts, loans, grants, subgrants, and/or cooperative agreements? ☐ Yes ☐ No

Does the public have access to information about the compensation of the executives in the organization through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (18 U.S.C. 78m(a), 78o(d) or section 6104 of the Internal Revenue Code of 1986? ☐ Yes ☐ No

NOTE: All bids must bear the handwritten signature of a duly authorized member or employee of the organization making the bid. **This sheet must be signed and returned with the application package.**

Attachment B

Assessor's Office | 389 Congress Street | Portland, Maine 04101 | Room 115 | (207) 874-8486

[City](#)
[Home](#)
[Departments](#)
[City Council](#)
[Online Services](#)
[Calendar](#)
[Jobs](#)
[Volunteer](#)

This page contains a detailed description of the Parcel ID you selected.

[New Search!](#)**Current Owner Information:**Best Viewed at
800x600, with
Internet Explorer

CBL 385 A001001
Land Use Type GOVERNMENTAL
 Verify legal use with
 Inspections Division
Property Location 165 LAMBERT ST
Owner Information CITY OF PORTLAND
 389 CONGRESS ST
 PORTLAND ME 04101

Book and Page
Legal Description 385-A-1 386-C-1
 WASHINGTON AVE 2119-
 2217 AUBURN ST 600-
 612 583157 SF

Rental Registration No
Acres 13.3874

Current Assessed Valuation:

TAX ACCT NO.	10005	OWNER OF RECORD AS OF APRIL 2019
LAND VALUE	\$558,700.00	CITY OF PORTLAND
BUILDING VALUE	\$0.00	
MUNICIPAL TYPE	(\$558,700.00)	389 CONGRESS ST
NET TAXABLE - REAL ESTATE	\$0.00	PORTLAND ME 04101
TAX AMOUNT	\$0.00	

Any information concerning tax payments should be directed to the Treasury office at 874-8490 or [e-mailed](#).**Building Information:****Building 1**

Year Built
Style/Structure Type

Sales Information:

Sale Date	Type	Price	Book/Page
1/1/1976	LAND	\$0.00	3798/6

[New Search!](#)



City of Portland Maine Parcel Viewer



0 150 300ft

2,917,950.718 324,271.561 Feet

JONES ASSOCIATES

Foresters, Surveyors and
Environmental Consultants



Lori J. Paulette
Economic Development Department
City of Portland
389 Congress Street
Portland, ME 04101

Dear Lori:

Enclosed is a sketch of the wetland delineation conducted by Boyle Associates in July of 2009 for Lot 15, i.e. 165 Lambert Street and 622 Auburn Street in Portland, Maine (Tax Map 385, Lot A-1 and Tax Map 385, Lot D-8). Lot position and size were based on the town tax map information and existing monumentation on the ground.

Based upon wetland delineations done by Boyle Associates, there is approximately 236727.92 square feet (5.43 acres) of delineated wetland between the two properties. A site visit was conducted and we observed that there had been no changes to the wetlands and that the wetland delineations done by Boyle Associates were still appropriate to use. There is a vernal pool mapped on Tax Map 385, Lot D-8, though we did not inspect it. During the informational review, which is discussed in more detail below, it was not listed as a significant vernal pool.

The Maine Office of GIS was used to conduct a review of available information regarding wetlands of special significance and stormwater qualifications. There were no wetlands of special significance observed during the review. When reviewing stormwater qualifications, it was observed that although the site is not in a lake watershed, the site is downstream of a watershed most at risk from new development, Highland Lake.

More information about the type of data that was reviewed from the Maine Office of GIS can be found on the Wetland Delineation Checklist, which is attached.

For Tax Map 385, Lot A-1, there is potential for development of one or two homes on the northerly 4.53 acres of upland with potential access only from Lambert Street, as it is our

280 Poland Spring Road
Auburn, Maine 04210
(207) 241-0235
Email: rjones@jonesai.com
Website: www.jonesai.com

Page 2

understanding that Washington Avenue has restricted access. There is also the potential for abutter expansion.

For the southerly section of Tax Map 385, Lot A-1, it is likely that there is only potential for abutter expansion.

For Tax Map 385, Lot D-8, there is also potential for development of one or two homes on the northerly 4.17 acres of upland with potential access from Auburn Street through the right-of-way if the vernal pool on the property is non-significant. To determine if the vernal pool is significant, a more in-depth assessment would be needed during breeding season to conduct egg mass surveys. Optimal time for egg mass surveys would be between April and May. If the vernal pool is significant, there are standards set forth by the Maine Department of Environmental Protection that may influence the extent of potential development on the property.

Please contact Jones Associates at (207) 241-0235 if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Rick Jones", is positioned above the printed name.

Rick Jones

280 Poland Spring Road
Auburn, Maine 04210
(207) 241-0235
Email: rjones@jonesai.com
Website: www.jonesai.com

5 of 15



WETLAND DELINEATION CHECKLIST

Job #:	19-065PO		
Client:	CITY OF PORTLAND		
Site Address:	622 Auburn Street and 165 Lambert Street, Portland, ME 04103 (385-D-8 and 385-A-1)		

Wetland Scientist:	Rick Jones
Date of Office Review:	10/2019
Date(s) of Field Delineation:	07/2009

Wetlands of Special Significance

Yes	No	
	X	Does the on-site or immediately adjacent wetland contain a mapped and numbered DWA?
	X	Does the on-site or immediately adjacent wetland contain an Inland Waterfowl Wading Bird Habitat?
	X	Does the on-site or immediately adjacent wetland contain a potential significant vernal pool?
	X	Does the recent aerial photos of the on-site or immediately adjacent wetland show? Or are there any open water or emergent wetlands with areas greater than 20,000 sq. ft.?
	X	Does the on-site or immediately adjacent wetland contain a 100 year flood plain?
		Does the on-site or immediately adjacent wetland contain a S1 or S2 community?
	X	Does the on-site or immediately adjacent wetland contain a significant wildlife habitat?
	X	Is the on-site wetland within 250' of a coastal wetland?
	X	Is the on-site wetland within 250' of a great pond?
	X	Does the site contain peatlands?

Stormwater Qualifications

	X	Is the site in the watershed of a Great Pond or Impaired stream?
	X	Is the site in a lake watershed?
	X	Is the site in a watershed most at risk?

Additional Comments:

FEMA flood zone FIRM:

Portland 2300510002C, Effective December 8, 1998

Falmouth 2300450011B, Effective October 16, 1984

Watershed:

HUC_8: 01060001	Presumpscot
HUC_10: 0106000103	Presumpscot River
HUC_12: 010600010306	Highland Lake – Lower Presumpscot River



LEGEND

- PROPERTY BOUNDARY
- UPLAND AREA
- ▨ VERNAL POOL BOUNDARY
- ▨ WETLANDS

NOTES:

1. PROPERTY BOUNDARY OBTAINED FROM MAINE OFFICE OF GIS.
2. WETLANDS WERE REVIEWED, IDENTIFIED, AND DELINEATED BY BOYLE ASSOCIATES IN JULY 2009 FOR THE CITY OF PORTLAND'S WETLAND COMPENSATION OPPORTUNITIES ASSESSMENT. APPROXIMATE WETLAND BOUNDARIES ARE BASED ON GPS-LEVEL FIELD INVESTIGATION.
2. AERIAL IMAGERY OBTAINED FROM GOOGLE EARTH.

WETLAND SKETCH PLAN CITY OF PORTLAND LOT 15 - 165 LAMBERT ST AND 622 AUBURN ST (385-D-8 AND 385-A-1) PORTLAND, MAINE

PREPARED BY:

**JONES
ASSOCIATES INC.**

Foresters, Surveyors And
Environmental Consultants



280 POLAND SPRING ROAD, AUBURN, MAINE 04210
(207) 241-0235

PLAN DATE:

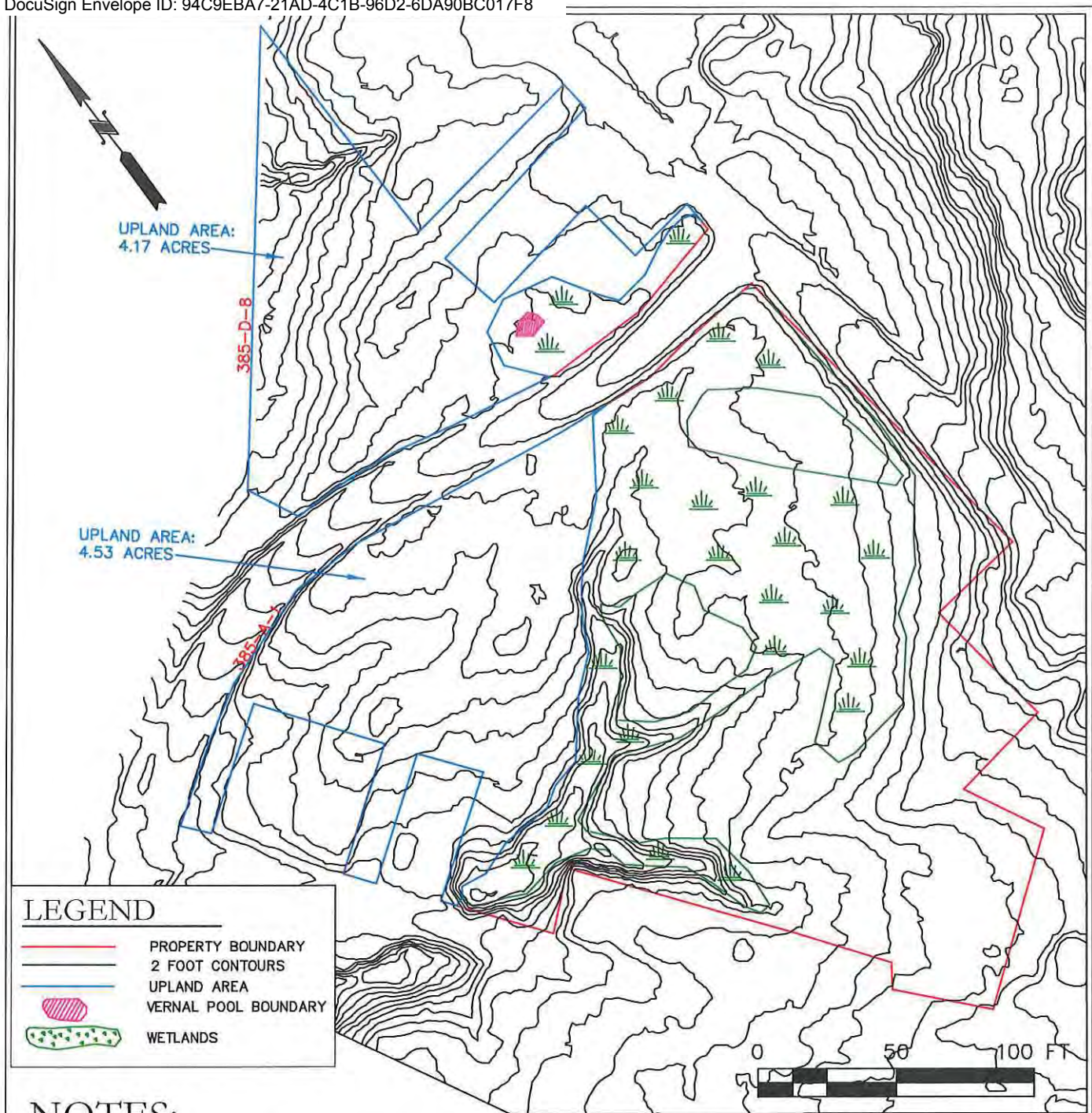
OCTOBER 18, 2019

FIELD WORK DATE:

SEPTEMBER 2019

SCALE: 1"=100'

PROJ. #: 19-065PO



NOTES:

1. PROPERTY BOUNDARY OBTAINED FROM MAINE OFFICE OF GIS.
2. WETLANDS WERE REVIEWED, IDENTIFIED, AND DELINEATED BY BOYLE ASSOCIATES IN JULY 2009 FOR THE CITY OF PORTLAND'S WETLAND COMPENSATION OPPORTUNITIES ASSESSMENT. APPROXIMATE WETLAND BOUNDARIES ARE BASED ON GPS-LEVEL FIELD INVESTIGATION.
2. 2 FOOT CONTOUR LINES OBTAINED FROM THE MAINE OFFICE OF GIS.

WETLAND SKETCH PLAN CITY OF PORTLAND LOT 15 - 165 LAMBERT ST AND 622 AUBURN ST (385-D-8 AND 385-A-1) PORTLAND, MAINE

PREPARED BY:

JONES
ASSOCIATES INC.

Foresters, Surveyors And
Environmental Consultants

280 POLAND SPRING ROAD, AUBURN, MAINE 04210
(207) 241-0235

PLAN DATE:

OCTOBER 18, 2019

FIELD WORK DATE:

SEPTEMBER 2019

SCALE: 1"=100'

PROJ. #: 19-065PO

CITY OF PORTLAND, MAINE**Request for Proposals for Development of City-Owned
Property Located at 165 Lambert Street
RFP #20068****Current Date: May 28, 2020**

The attention of firms submitting proposals for the work named in the above Invitation is called to the following modifications to the documents as were issued.

The items set forth herein, whether of clarification, omission, addition and/or substitution, shall be included and form a part of the Contractor's submitted material and the corresponding Contract when executed. No claim for additional compensation, due to lack of knowledge of the contents of this Addendum will be considered.

ALL BIDDERS ARE ADVISED THAT RECEIPT OF THIS NOTICE MUST BE DULY ACKNOWLEDGED ON THE BID PROPOSAL FORM OR BY THE INSERTION OF THIS SHEET, SIGNED, AND SUBMITTED WITH YOUR PROPOSAL.

**MATTHEW F. FITZGERALD
PURCHASING MANAGER**

The City has received an Environmental Report regarding the lack of vernal pools for the property located at 165 Lambert Street.

The report from Jones Associates is attached.

Receipt of **Addendum No. 1** to the City of Portland's **RFP #20068, Request for Proposals for Development of City-Owned Property Located at 165 Lambert Street** is hereby acknowledged.

COMPANY NAME: _____

SIGNED BY: _____ DATE: _____

PRINT NAME & TITLE: _____

ADDRESS: _____

ZIP CODE



Lori Paulette
City of Portland
389 Congress Street
Portland, ME 04101

May 13, 2020

Dear Lori Paulette,

This letter to address the results of Jones Associates (JAI) site visits in regards to my search for vernal pools on three lots (Tax Map 372 Lot A-11, Tax Map 385, Lot A-1 and Tax Map 385, Lot D-8.) A preliminary visit to each of these sites was conducted on April 1st 2020 when hydrology was at its peak due to snowmelt. Any evidence of potential vernal pools would have been evident at this time.

An area located on Lot D-8 located off 622 Auburn Street, was hydrologically influenced by road ditching and culverts and did have some standing water. This area was draining and are confident that the area would not have an adequate hydro-period to support successful development of the vernal pool indicator species. This area was checked again on 4/20/20, 4/29/20, 5/4/20. There was not enough hydrology to support vernal pool species and no egg masses were found.

Further investigation of the three lots was not necessary as no pools were found during the initial visit on April 1st 2020. Observations indicated that no vernal pools were located on any of these three lots.

Attached to this letter is a vernal pool datasheet that describes findings for lot D-8. Jones Associates has not submitted the data sheets at this time. We recommend that these forms be filed with MIF&W in order to identify this site as containing no vernal pools. Once you have reviewed the attached information let us know if you would like us to file the forms with ME IF&W. If I can provide more information please do not hesitate to ask or call the office.

Much appreciated,

Jason Tome



Maine State Vernal Pool Assessment Form



INSTRUCTIONS:

- Complete all 3 pages of form thoroughly. Most fields are required for pool registration.
- Clear photographs of a) the pool AND b) the indicators (one example of each species egg mass) are required for all observers.

Observer's Pool ID: PVP1 Map 385 Lot D-8

MDIFW Pool ID: _____

1. PRIMARY OBSERVER INFORMATION

- a. Observer name: Jason Tome
- b. Contact and credentials previously provided? ☐ No (submit Addendum 1) ☒ Yes

2. PROJECT CONTACT INFORMATION

- a. Contact name: ☒ same as observer ☐ other _____
- b. Contact and credentials previously provided? ☐ No (submit Addendum 1) ☒ Yes
- c. Project Name: City of Portland - Map 385 Lot D-8

3. LANDOWNER CONTACT INFORMATION

- a. Are you the landowner? ☐ Yes ☒ No If no, was landowner permission obtained for survey? ☒ Yes ☐ No
- b. Landowner's contact information (required)
- Name: City of Portland Phone: 207-874-8683
- Street Address: 389 Congress Street City: Portland State: ME Zip: 0410
- c. ☐ Large Projects: check if separate project landowner data file submitted

4. VERNAL POOL LOCATION INFORMATION

- a. Location Township: Portland

Brief site directions to the pool (using mapped landmarks):

Located north and adjacent to Washington Avenue between Lambert Street and Auburn Street in Portland, Maine. East of Communication Technologies Inc.

b. Mapping Requirements

- i. USGS topographic map OR aerial photograph with pool clearly marked.

ii. GPS location of vernal pool (use Datum NAD83 / WGS84)

Longitude/Easting: 70°17'41.0025" Latitude/Northing: 43°43'17.3336"

Coordinate system: NAD 83 ME WEST

- Check one: ☐ GIS shapefile
- send to Jason.Czapiga@maine.gov; observer has reviewed shape accuracy (Best)
 - ☒ The pool perimeter is delineated by multiple GPS points. (Excellent)
 - Include map or spreadsheet with coordinates.
 - ☐ The above GPS point is at the center of the pool. (Good)
 - ☐ The center of the pool is approximately _____ m ☐ ft ☐ in the compass direction of _____ degrees from the above GPS point. (Acceptable)



Maine State Vernal Pool Assessment Form



5. VERNAL POOL HABITAT INFORMATION

a. Habitat survey date (only if different from indicator survey dates on page 3): _____

b. Wetland habitat characterization

■ Choose the best descriptor for the landscape setting:

- ☐ Isolated depression ☐ Pool associated with larger wetland complex
☐ Floodplain depression ☒ Other: Associated with Road Construction and Culvert Influence

■ Check all wetland types that best apply to this pool:

- | | | | |
|--|---|--|--|
| ☒ Forested swamp | ☐ Wet meadow | ☐ Slow stream | ☐ Dug pond or borrow pit |
| ☒ Shrub swamp | ☐ Lake or pond cove | ☐ Floodplain | |
| ☐ Peatland (fen or bog) | ☐ Abandoned beaver flowage | ☐ Mostly unvegetated pool | ☒ Roadside ditch |
| ☐ Emergent marsh | ☐ Active beaver flowage | ☐ ATV or skidder rut | ☐ Other: _____ |

c. Vernal pool status under the Natural Resources Protection Act (NRPA)

i. Pool Origin: ☐ Natural ☐ Natural-Modified ☒ Unnatural ☐ Unknown

If modified, unnatural or unknown, describe any modern or historic human impacts to the pool (**required**):

Hydrology is almost entirely influenced by culverts and road construction.

ii. Pool Hydrology

■ Select the pool's estimated hydroperiod AND provide rationale in box (**required**):

- ☐ Permanent ☐ Semi-permanent (drying partially in all years and completely in drought years) ☒ Ephemeral (drying out completely in most years) ☐ Unknown

Explain:

The pool only has a few inches of water in it by the end of April. Likely will be completely dry soon, but is storm dependent with drainages.

■ Maximum depth at survey: ☒ 0-12" (0-1 ft.) ☐ 12-36" (1-3 ft.) ☐ 36-60" (3-5 ft.) ☐ >60" (>5 ft.)

■ Approximate size of pool (at spring highwater): Width: 30 ☐ m ☒ ft Length: 100 ☐ m ☒ ft

■ Predominate substrate in order of increasing hydroperiod:

- ☒ Mineral soil (bare, leaf-litter bottom, or upland mosses present) ☐ Organic matter (peat/muck) shallow or restricted to deepest portion
☐ Mineral soil (sphagnum moss present) ☐ Organic matter (peat/muck) deep and widespread

■ Pool vegetation indicators in order of increasing hydroperiod (check all that apply):

- | | |
|---|---|
| ☐ Terrestrial nonvascular spp. (e.g. haircap moss, lycopodium spp.) | ☐ Wet site ferns (e.g. royal fern, marsh fern) |
| ☐ Dry site ferns (e.g. spinulose wood fern, lady fern, bracken fern) | ☒ Wet site shrubs (e.g. highbush blueberry, maleberry, winterberry, mountain holly) |
| ☐ Moist site ferns (e.g. sensitive fern, cinnamon fern, interrupted fern, New York fern) | ☐ Wet site graminoids (e.g. blue-joint grass, tussock sedge, cattail, bulrushes) |
| ☐ Moist site vasculars (e.g. skunk cabbage, jewelweed, blue flag iris, swamp candle) | ☐ Aquatic vascular spp. (e.g. pickerelweed, arrowhead) |
| ☐ Sphagnum moss (anchored or suspended) | ☐ Floating or submerged aquatics (e.g. water lily, water shield, pond weed, bladderwort) |
| | ☐ No vegetation in pool |

■ Faunal indicators (check all that apply):

- ☐ Fish ☐ Bullfrog or Green Frog tadpoles ☐ Other: _____

iii. Inlet/Outlet Flow Permanency

Type of inlet or outlet (a seasonal or permanent channel providing water flowing into or out of the pool):

- ☐ No inlet or outlet ☒ Permanent inlet or outlet (channel with well-defined banks and permanent flow)
☐ Intermittent inlet or outlet ☐ Other or Unknown (explain): _____



Maine State Vernal Pool Assessment Form



6. VERNAL POOL INDICATOR INFORMATION

a. Indicator survey dates: 4/20/20, 4/29/20, 5/4/20

b. Indicator abundance criteria and pool survey effort

- Is pool depression bisected by 2 ownerships (straddler pool)? ☐ Yes ☒ No
- Was the entire pool surveyed for egg masses? ☒ Yes ☐ No; what % of entire pool surveyed? _____
- For each indicator species, indicate the exact number of egg masses, confidence level for species determination, and egg mass maturity. Separate cells are provided for separate survey dates.

INDICATOR SPECIES	Egg Masses (or adult Fairy Shrimp)									Tadpoles/Larvae ⁴				
	Visit #1	Visit #2	Visit #3	Confidence Level ¹			Egg Mass Maturity ²			Observed		Confidence Level ¹		
Wood Frog	0	0	0	3	3	3								
Spotted Salamander	0	0	0	3	3	3								
Blue-spotted Salamander	0	0	0	3	3	3								
Fairy Shrimp ³	0	0	0	3	3	3								

1-Confidence level: 1 = <60%, 2 = 60-95%, 3 = >95%

2-Egg mass maturity: F= Fresh (<24 hrs), M= Mature (round embryos), A= Advanced (loose matrix, curved embryos), H= Hatched or Hatching

3-Fairy shrimp: X = present

4-Tadpoles/larvae: X = present

c. Rarity criteria

- Note any rare species associated with vernal pools. Observations should be accompanied by photographs.

SPECIES	Method of Verification*			CL**	SPECIES	Method of Verification*			CL**
	P	H	S			P	H	S	
Blanding's Turtle	☐	☐	☐		Wood Turtle	☐	☐	☐	
Spotted Turtle	☐	☐	☐		Ribbon Snake	☐	☐	☐	
Ringed Boghaunter	☐	☐	☐		Other:	☐	☐	☐	

*Method of verification: P = Photographed, H = Handled, S = Seen

**CL - Confidence level in species determination: 1= <60%, 2= 60-95%, 3= >95%

d. Optional observer recommendation:

☐ SVP ☐ Potential SVP ☐ Non Significant VP ☐ Indicator Breeding Area

e. General vernal pool comments and/or observations of other wildlife:

This pool does not meet the requirements of a vernal pool.

Send completed form and supporting documentation to: Maine Dept. of Inland Fisheries and Wildlife
Attn: Vernal Pools
650 State Street, Bangor, ME 04401

NOTE: Digital submission (to Jason.Czapiga@maine.gov) of vernal pool field forms and photographs is only acceptable for projects with 3 or fewer assessed pools; larger projects must be mailed as hard copies.

For MDIFW use only

Reviewed by MDIFW Date: _____ Initials: _____

This pool is: ☐ Significant ☐ Potentially Significant but lacking critical data ☐ Not Significant due to: ☐ does not meet biological criteria. ☐ does not meet MDEP vernal pool criteria.

Comments:

PHOTOS OF POOL AREA



Drainage/Pooling Along Road – May 12, 2020



Drainage/Pooling Along Road – May 12, 2020

POTENTIAL VERNAL POOL AREA

Jones Associates Inc. - *Photographer: Jason Tome*



Drainage/Pooling Along Road – May 12, 2020

POTENTIAL VERNAL POOL AREA
Jones Associates Inc. - *Photographer: Jason Tome*

CITY OF PORTLAND, MAINE

**Request for Proposals for Development of City-Owned
Property Located at 165 Lambert Street
RFP #20068**

Current Date: June 9, 2020

The attention of firms submitting proposals for the work named in the above Invitation is called to the following modifications to the documents as were issued.

The items set forth herein, whether of clarification, omission, addition and/or substitution, shall be included and form a part of the Contractor's submitted material and the corresponding Contract when executed. No claim for additional compensation, due to lack of knowledge of the contents of this Addendum will be considered.

ALL BIDDERS ARE ADVISED THAT RECEIPT OF THIS NOTICE MUST BE DULY ACKNOWLEDGED ON THE BID PROPOSAL FORM OR BY THE INSERTION OF THIS SHEET, SIGNED, AND SUBMITTED WITH YOUR PROPOSAL.

**MATTHEW F. FITZGERALD
PURCHASING MANAGER**

Please see our response to questions received related to this RFP.

Receipt of **Addendum No. 2** to the City of Portland's **RFP #20068, Request for Proposals for Development of City-Owned Property Located at 165 Lambert Street** is hereby acknowledged.

COMPANY NAME: _____

SIGNED BY: _____ DATE: _____

PRINT NAME & TITLE: _____

ADDRESS: _____

ZIP CODE

CITY OF PORTLAND, MAINE

**Request for Proposals for Development of City-Owned
Property Located at 165 Lambert Street
RFP #20068**

QUESTIONS:

1. *Since City Hall is closed to the public, how should we submit our proposal?*

Sealed proposals shall be submitted electronically to biddropbox@portlandmaine.gov with the name of the Proposer, Contract Name and RFP number in the subject line will be received until 3:30 p.m., Tuesday, June 16, 2020 at which time they will be opened and read, or by submitting via USPS, UPS or FedEx to the City of Portland, Purchasing Rm. 103, 389 Congress St., Portland ME 04101. In-person submission is not currently allowed due to City Hall being closed to the public.

EXHIBIT B

A. Developer

RFP 20068

Brian Eng
6 City Center, Floor 3
Portland, ME 04101
bri.d.eng@gmail.com
Phone: 413-262-2610
Fax: 207-899-4870

Alternative Contact:

Liz Trice
liztrice@gmail.com
Phone: 207-776-0921

Eng Proposal for RFP 20068

B. Lambert Village Proposal (RFP 20068)

Overarching goal: “Beautiful, Sustainable, Attainable, High Performance Co-operative Village”

Lambert Village creates a pedestrian friendly, closely knit “pocket neighborhood” of highly energy efficient, family-oriented, factory-built, single-family-style homes and neighborhood amenities at the two sites totaling 13.39 acres at 165 Lambert Street in the North Deering neighborhood of Portland, Maine. Lambert Village will be structured as a limited-equity housing co-operative (“Co-op”) developed by a partnership of highly experienced development and co-op professionals. We see this as a unique opportunity to use innovative legal, financial and design models to create an environmentally sustainable, family-oriented homeownership community with permanent affordability. Co-op housing communities are democratically owned and operated. From a governance and decision-making standpoint, co-ops are inherently the most participatory and collaborative form of housing. Traditional single family homeownership is autocratic. Condominium ownership is like a United Nations of autocracies. Co-op homeownership builds closer, more collaborative communities --- a village. The innovative, clustered landscape and building design of Lambert Village honors and supports these democratic and community building principles.

In addition to collaborative governance, the co-op structure permits innovative financing through the HUD Section 213 program. The favorable loan-to-cost, interest rate and amortization terms of Section 213 loans are far more supportive of the high-cost of new construction than conventional residential financing. Furthermore, the model deemphasizes individual credit scores by placing a blanket mortgage on the entire cooperative rather than individual mortgages on each home. We expect that Lambert Village will appeal primarily to renters who desire the control that homeownership affords but might otherwise have difficulty qualifying for a sufficient individual mortgage. Secondly, we imagine that Lambert Village will appeal to households that value the Village’s innovative design and community characteristics. Finally, Lambert Village will form under the Maine Cooperative Affordable Housing Act (13 M.R.S. §§ 1741, et seq.) which is specifically designed to create permanently affordable housing consistent with the City’s goals.

Proposed Use to Achieve the City of Portland’s Goals

Market Demand (20 Points)

100% of Lambert Village’s homes will be permanently affordable for households earning between 60%-100% of Area Median Income (AMI).

Economic Diversity (10 Points)

Lambert Village provides housing options which promote economic diversity in the neighborhood by serving a range of incomes. The ability to support economic diversity will be directly proportional to the City’s ability to support the project through the contribution of land, tax increment financing, etc.

Age Inclusive (10 Points)

Lambert Village will provide age-inclusive housing. The homes of Lambert Village will be efficiently sized (~1,250 square feet) yet with enough bedrooms (3) and bathrooms (2) to serve young couples, families, empty nesters and multigenerational families. Co-op ownership, shared spaces, and management of the Co-op by the Cooperative Development Institute will cultivate community cohesion which will both benefit from and serve multigenerational households.

Eng Proposal for RFP 20068

Impact on Surrounding Neighborhood: Project Design (15 points)

Our proposal is consistent with the design characteristics of the surrounding neighborhood. The 13.39 acre site is currently bounded by open space, single family homes and streets. By using a single family home form factor in an innovative “pocket neighborhood” site design, the structures will be consistent with existing homes. The site design offers separation from neighbors and the streets while also improving access to existing trails by creating green space and pathways connecting transit, trails, and sidewalks that are welcoming to existing neighbors, bikers, pedestrians, and children. Our site design preserves the existing wetlands and open space for wildlife. The site also offers the potential to create community center resources for the neighboring community if the Co-op and the City can agree on an appropriate partnership.

Amenities and unit design (10 points)

Amenities & unit design have been well thought out and are appropriate for residents. The layout of the neighborhood is intended to foster a sense of community and initiate interaction amongst home owners, while providing privacy and sense of personal ownership. Front porches and stoops face the green, cars are consolidated outside the communal green, and a network of trails connect to Washington Avenue extension transit stop as well as regional trail networks.

The current unit mix for the Co-op is twenty to forty-five 3br, 2ba, 1,250 sf single family homes depending on the success of rezoning as discussed below.

Applicant's ability to complete the project, including financial feasibility, development team experience, capacity, and timeframe for completion. (35 points total)

- **Readiness to proceed (15 points)** We have letters of commitment or interest from all projected sources of funding except where procurement rules disallow.
- **Track record of development team (10 points)** Every development team member has a successful track record with this type of project and at this scale.
- **Current capacity of development team (10 points)** Our development team members have exceptional depth of human and financial resources to complete this project.
See attachments for details.

Proposed Re-zoning

To accommodate the innovative clustering of single-family style homes in the attached plans, based on discussions with City Staff, we will likely require a contract zone (or a judgment by the planning board that the co-operative structure would classify the homes as Multifamily under the Zoning Ordinance). Alternatively, the project should also work as a R-3 or R-5 PRUD (which would require a form-factor change of some or all homes from single-family style to duplex style). Either approach should be financially feasible and create the maximum number of affordable homes while honoring the design characteristics of the surrounding neighborhood and the innovative site plan.

Eng Proposal for RFP 20068

C. Financial Feasibility

Please note that the financial feasibility numbers are for a 20-home Phase 1. The site design also contemplates a Phase 2 of 26 homes for a total of 46 homes.

Prospective and Committed Sources of Funding & Letter from Lending Institutions

- Centennial Mortgage HUD Section 213 Loan - letter attached
- Share sales from prospective residents - equivalent of down payment on condo (Approximately \$4,300/unit, potentially variable by income level) - letter attached
- City of Portland Affordable Housing TIF (75% for 30 years) - letter not allowed
- City of Portland Housing Trust Fund (\$200,000 est.) - letter not allowed
- Maine Housing Community Solutions Grant (\$200,000 est) - letter not allowed

Attachments:

Attachment 1: Site Images

Site Photographs and Maps

Proposed Site Plan Rendering

Attachment 2: Letters of Interest and Support

Letters: Cooperative Development Institute, Prospective Residents, Centennial Mortgage

Attachment 3: Team Portfolios. Examples of prior projects that indicate the proven ability to develop a project of similar type and scale from a fiscal perspective.

Portfolios: Maine Cooperative Development Partners, BrightBuilt Home, Aceto Landscape Architects, UHAB, Cooperative Development Institute, Acorn Engineering.

Eng Proposal for RFP 20068**C. Financial Feasibility cont. Development and Operating Budgets****Development Budget (20 Units in Phase 1)**

Project Costs		Project Sources	
Land Acquisition	\$0	HUD 213 Loan	\$6,935,200
Construction	\$6,334,711	Co-op Member Equity	\$86,799
Soft Costs	\$782,139	Housing Trust + Community Solutions	\$400,000
Financing Costs	\$305,149		
Total	\$7,421,999		\$7,421,999

Operating Budget (20 Units in Phase 1)

Annual Income	
Income from Rents (after vacancy and concessions)	\$502,000
AHTIF Income	\$69,000
Total Income	\$582,000
Annual Expenses	
Admin: Advertising, legal, software	\$20,000
CDI Resident Services, Training	\$10,000
Utilities: Electricity, Water & Sewer, Internet	\$30,000
Replacement Reserve	\$15,000
Taxes & Insurance	\$100,000
Maintenance: snow, trash, landscape, repairs	\$20,000
Total Expenses before Debt Service	\$195,000
Net Income before Debt Service	\$387,000
Debt Service	\$375,960
Net surplus	\$40

Eng Proposal for RFP 20068

D. Timetable

Provide an overview of how the proposal will be implemented. Include approximate schedule for completion of each element, closing, construction start-up, substantial completion, final completion, and occupancy. Include applications for public or private financing.

Month	
Jun 2020	RFP Deadline
Aug 2020	RFP Award. Obtain site control and commence market study, marketing and pre-sales. Start HUD Concept Package.
Oct 2020	Close pre-development funding
Nov 2020-Feb 2021	Start HUD Phase I application, Design & Permitting, HUD Processing. Create co-op docs, develop marketing materials, Apply for TIF and seek zone change.
April 2021	Apply for Housing Trust Fund and Community Solutions Grant
Sep 2021	Planning Board Review
Nov 2021-Apr 2022	Design Development and Construction Documentation, select Construction Manager
Mar -May 2022	Construction Bidding process
Jul 2022	HUD 213 Loan Closing, start construction (homes factory manufactured concurrently with site work)
Oct 2022	Doors open

E. Developer Capacity

Identify the qualifications and experience of the development team for the project including a list of previously completed projects similar to the proposed project. This team may include key staff of the developer, architect, general contractor and future property management. Also, discuss the ability to complete the project including the qualifications of the development team, management plan, experience, capacity, project readiness to proceed, and timeframe for completion. Examples of prior projects that indicate the proven ability to develop a project of similar type and scale from a fiscal perspective.

We have assembled an experienced and qualified team where every core member of this team has completed projects of this size and scale. Project completion is projected for Fall 2022.

Eng Proposal for RFP 20068

Team Member	Company	Role	Similar Projects Completed
Brian Eng	Maine Cooperative Development Partners	Developer	M North in Orlando, 288-units in Orlando, Florida. https://www.mnorthorlando.com/ , Master developer of city-owned land on the former Maine Energy Recovery Corp. in Biddeford
Liz Trice	Maine Cooperative Development Partners	Developer	645 Congress Street (with Shinberg/Alfond), Danforth on High, 58 Boyd
Matt Peters	Maine Cooperative Development Partners	Developer	Involved in over a dozen affordable housing developments in Southern Maine and New Hampshire including Deering Place and Park Street Apartments
Parlin Meyer	BrightBuilt Home (an affiliate of Kaplan Thompson Architects)	Architectural Designer	Over 60 BrightBuilt factory-built homes completed and over 100 designed and planned
Mike White	Island Carpentry	Builder	Eco-Village One, Bath ME (http://island-carpentry.com/eco-village-one/)
Nick Aceto	Aceto Landscape Architects	Landscape Architect	The Downs, Scarborough ME (510 Acre Mixed-Use Master Planned Community), Phases 1 & 3; Jackson Laboratory, Bar Harbor ME (37 Acre Employee Co-Housing Community); Cumberland Multi-Gen Community https://www.mainebiz.biz/article/future-proofing-development-designers-are-ready-for-climate-change
Jonah Fertig-Burd	Cooperative Development Institute	Co-op Formation & Management	Mountainside Cooperative, Camden, ME (52 units), Charter Oaks, Arundel, ME (40 units), Sunset Terrace, Rockland, ME (76 units) Wardtown Cooperative, Freeport, ME (60 units), Halifax

Eng Proposal for RFP 20068

			Mobile Home Estates Association, Halifax, MA (430 units), Farrington's/North Avenue Co-op, Burlington, VT (117 units)
Andy Reicher	UHAB	Co-op Formation Consultant	In Manhattan: 3603-3605 Broadway, 42 unit conversion, 520, 540-550 West 144th Street, 90 units, 421-555 West 148th Street, 98 units; 110 Madison Ave & Jupiter 21, Off-site Inclusionary
Will Savage	Acorn Engineering	Civil Engineer	Meeting House Hill Park Redevelopment, Munjoy Heights, Stroudwater Preserve, Sunset Place
David Pierson	Eaton Peabody	Legal	Many construction and public-private partnership representations including the Bates Mill in Lewiston and Downeast Broadband Utility

F. Occupancy and Management Plan

Present a plan detailing the ownership structure (condominium, cooperative, etc.), resale restrictions and resale process, to ensure mixed income and long-term affordability.

The Cooperative Development Institute (CDI) will be responsible for the creation of the cooperative ownership and management structure and ensure implementation of the permanent affordability provisions. Andy Reicher, executive director of UHAB, which manages 25,000 units of limited equity cooperative housing in New York City, will be a consultant to CDI to set up a structure to train future residents in managing their buildings, and using lessons learned and management fees to seed future cooperative ownership projects.

Lambert Village will be a limited equity cooperative, meaning that residents rent from an entity of which they are an owner. This type of cooperative is democratically owned and operated similar to a condo structure, but allows for a wider range of income affordability, as the share price is low and residents do not have to qualify for a mortgage. The construction loan becomes a long-term loan paid by the association. Resident-owners pay an up-front share price similar to a down payment, then have a monthly payment similar to rent or a mortgage based on the actual operating costs of the property. New residents must meet the income requirements, and monthly carrying costs must not exceed 30% of the income bands based on Area Median Income (AMI). These rules continue in perpetuity.

Eng Proposal for RFP 20068

There are currently over 20 households of prospective residents that have been meeting for over a year. The group includes multiple established immigrant families that share a vision of mixed-income ownership housing with shared community facilities and outdoor space. The development team will continue to work with these residents to crystalize their vision and recruit more households.

The homes will be principal residences and will not be used for the conduct of business (except for a home occupation allowed under the City of Portland zoning ordinance) or as investment properties. Units may not be rented for short-term periods of one to thirty days.

G. Purchase Price

We propose that the City contribute the land to the Lambert Village cooperative at no cost. Doing so would serve to balance the cost of new construction against the objective of maximizing permanent affordability for an economically diverse range of households. That said, the financial model is very favorable and could support the twenty cooperative households paying the city for land acquisition, either upfront or over time. We welcome a discussion of these possible outcomes.

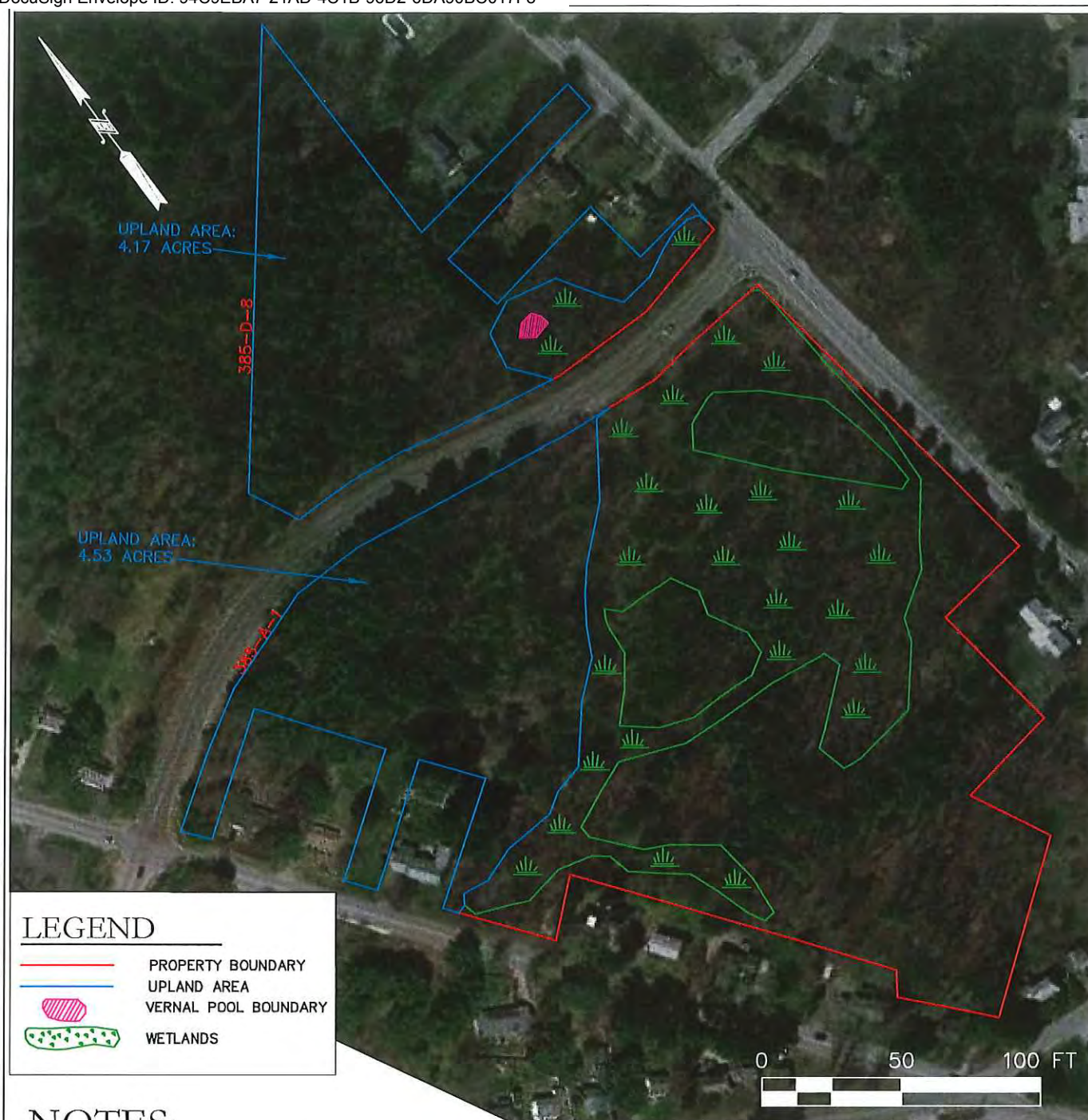


City of Portland Maine Parcel Viewer



0 150 300ft

2,917,950.718 324,271.561 Feet



LEGEND

- PROPERTY BOUNDARY
- UPLAND AREA
- ▨ VERNAL POOL BOUNDARY
- ~ WETLANDS

NOTES:

1. PROPERTY BOUNDARY OBTAINED FROM MAINE OFFICE OF GIS.
2. WETLANDS WERE REVIEWED, IDENTIFIED, AND DELINEATED BY BOYLE ASSOCIATES IN JULY 2009 FOR THE CITY OF PORTLAND'S WETLAND COMPENSATION OPPORTUNITIES ASSESSMENT. APPROXIMATE WETLAND BOUNDARIES ARE BASED ON GPS-LEVEL FIELD INVESTIGATION.
2. AERIAL IMAGERY OBTAINED FROM GOOGLE EARTH.

WETLAND SKETCH PLAN CITY OF PORTLAND LOT 15 - 165 LAMBERT ST AND 622 AUBURN ST (385-D-8 AND 385-A-1) PORTLAND, MAINE

PREPARED BY:

**JONES
ASSOCIATES INC.**

Foresters, Surveyors And
Environmental Consultants



280 POLAND SPRING ROAD, AUBURN, MAINE 04210
(207) 241-0235

PLAN DATE:

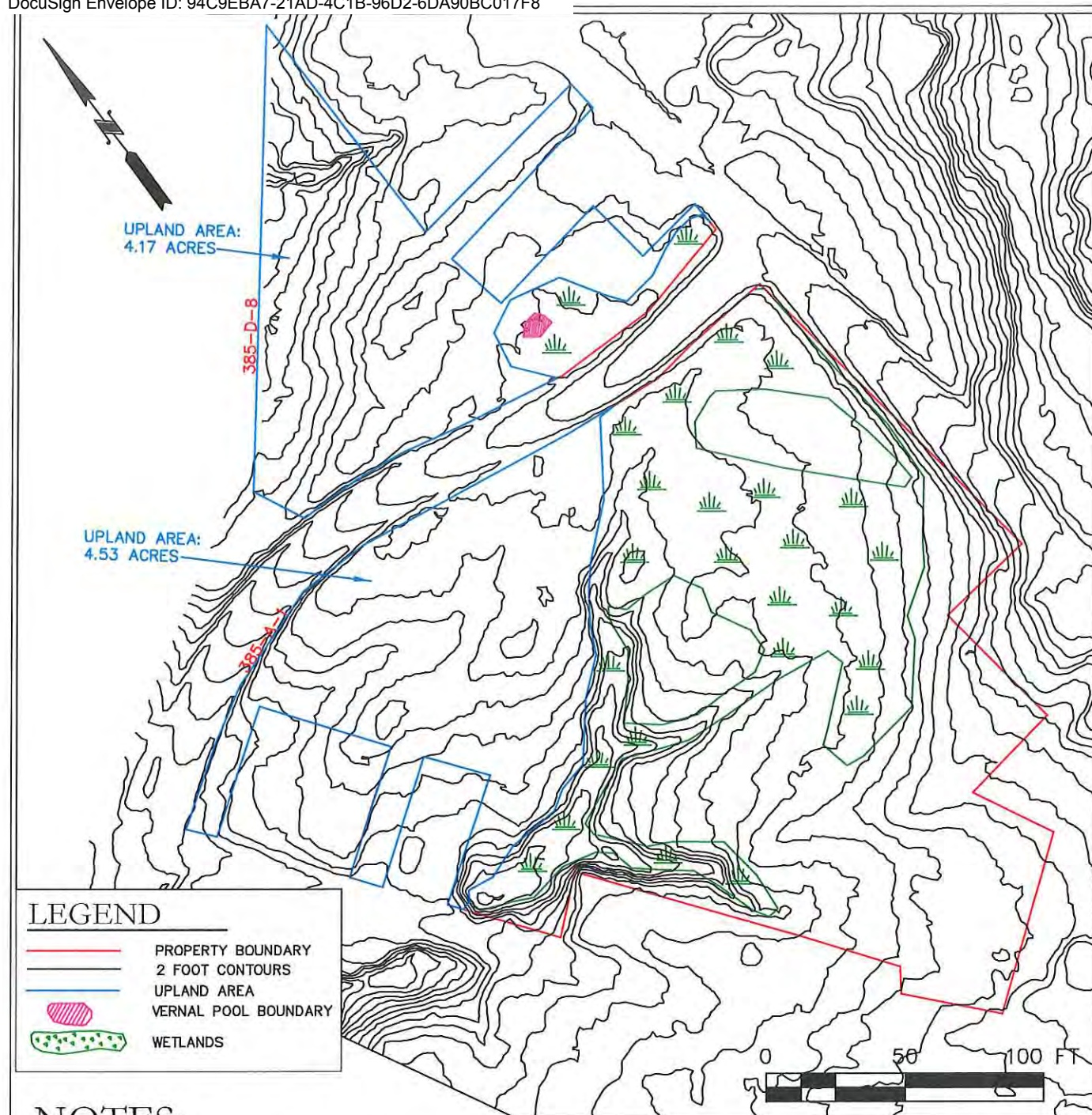
OCTOBER 18, 2019

FIELD WORK DATE:

SEPTEMBER 2019

SCALE: 1"=100'

PROJ. #: 19-005PO



NOTES:

1. PROPERTY BOUNDARY OBTAINED FROM MAINE OFFICE OF GIS.
2. WETLANDS WERE REVIEWED, IDENTIFIED, AND DELINEATED BY BOYLE ASSOCIATES IN JULY 2009 FOR THE CITY OF PORTLAND'S WETLAND COMPENSATION OPPORTUNITIES ASSESSMENT. APPROXIMATE WETLAND BOUNDARIES ARE BASED ON GPS-LEVEL FIELD INVESTIGATION.
2. 2 FOOT CONTOUR LINES OBTAINED FROM THE MAINE OFFICE OF GIS.

WETLAND SKETCH PLAN CITY OF PORTLAND LOT 15 - 165 LAMBERT ST AND 622 AUBURN ST (385-D-8 AND 385-A-1) PORTLAND, MAINE

PREPARED BY:

**JONES
ASSOCIATES INC.**

Foresters, Surveyors And
Environmental Consultants



280 POLAND SPRING ROAD, AUBURN, MAINE 04210
(207) 241-0235

PLAN DATE:

OCTOBER 18, 2019

FIELD WORK DATE:

SEPTEMBER 2019

SCALE: 1"=100'

PROJ. #: 19-065PO

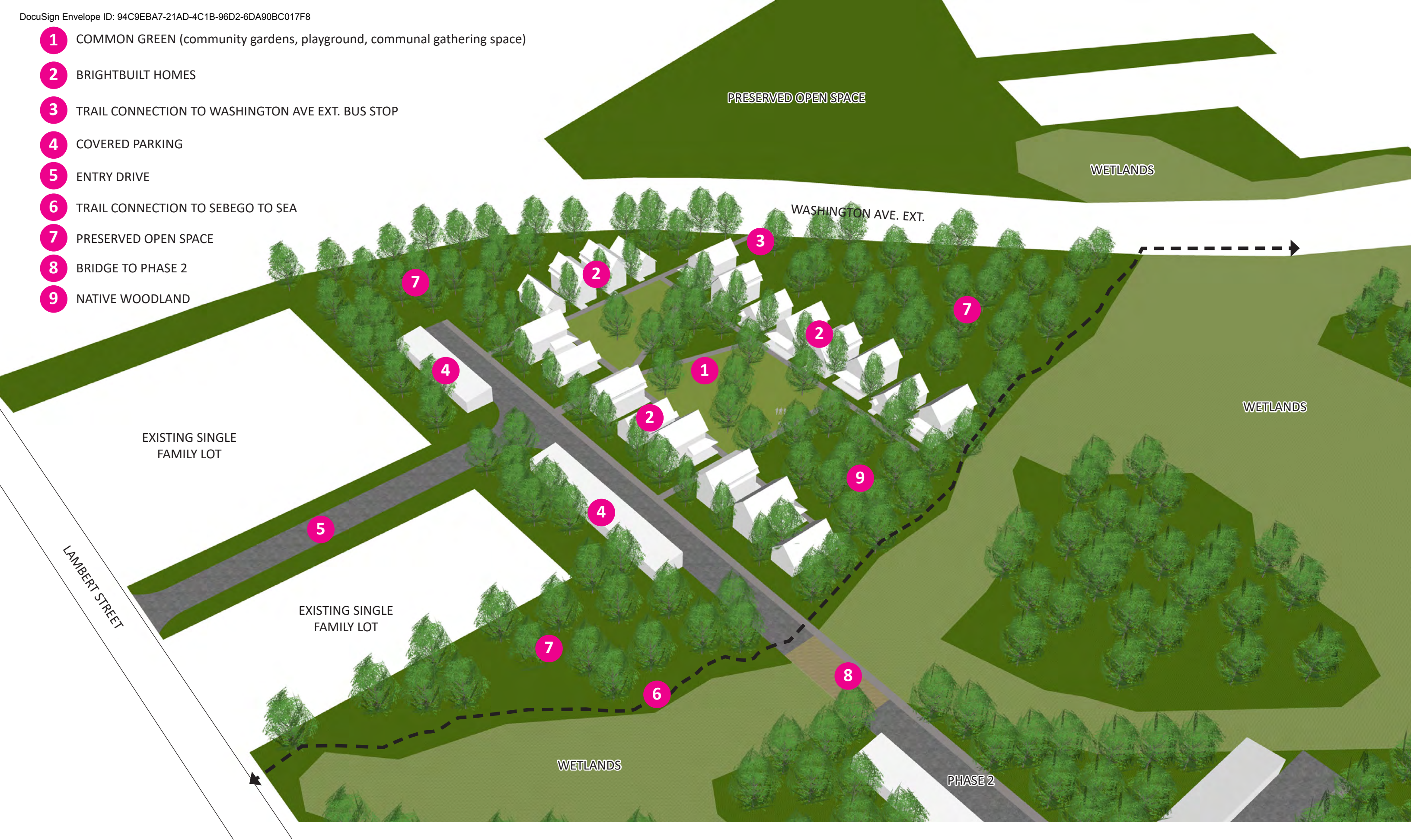
Conceptual plans submitted as part of the RFP response incorrectly included land outside of the City's property boundary. The development team acknowledges the correct boundary and is adapting plans to focus development between the wetlands noted on the "JONES ASSOCIATES INC WETLAND SKETCH PLANS" and Washington Avenue.







- 1 COMMON GREEN (community gardens, playground, communal gathering space)
- 2 BRIGHTBUILT HOMES
- 3 TRAIL CONNECTION TO WASHINGTON AVE EXT. BUS STOP
- 4 COVERED PARKING
- 5 ENTRY DRIVE
- 6 TRAIL CONNECTION TO SEBEGO TO SEA
- 7 PRESERVED OPEN SPACE
- 8 BRIDGE TO PHASE 2
- 9 NATIVE WOODLAND





- 1 COMMON GREEN (community gardens, playground, communal gathering space)
- 2 BRIGHTBUILT HOMES
- 3 COVERED PARKING
- 4 ENTRY DRIVE
- 5 TRAIL CONNECTION TO SEBEGO TO SEA
- 6 PRESERVED OPEN SPACE
- 7 BRIDGE TO PHASE 1







COOPERATIVE DEVELOPMENT INSTITUTE

P.O. Box 1051, Northampton, Massachusetts 01061-1051
PH 413-665-1271 • FX 413-541-8300 • www.cdi.coop • info@cdi.coop

June 8, 2020

To whom it may concern:

The Cooperative Development Institute (CDI) is happy to support the proposal for the creation of a new construction limited equity co-op on Lambert St.

CDI is a 501(c)3 nonprofit founded in 1994 by co-op leaders to work with people in the Northeast to create cooperative businesses and networks that grow a prosperous, equitable economy.

CDI provides expert assistance, organizational development, and support to groups undertaking cooperative development. In the past decade, CDI has helped create 47 new Resident Owned Communities (ROCs) in New England, representing 4,479 households. 8 of the ROCs are conversions of manufactured home parks in Maine. CDI's role is to help form new cooperatives, train residents, and ensure that the cooperative has the support it needs to remain permanently affordable.

Our intention is that at Lambert St., CDI will:

- Lead the creation of the new Co-op entity.
- Lead resident training and resident participation in the construction phase.
- Create and administer a long-term management plan that would meet the city's TIF requirements to ensure that the property meets the city's affordability metrics for at least 30 years.
- Be the long term training & support organization for the Co-op.

We are pleased with the proposal and the development team, and hope to be part of this exciting project!

Sincerely,

Noémi Giszpenc
Executive Director

THE SOURCE FOR COOPERATIVE BUSINESS DEVELOPMENT IN NEW ENGLAND & NEW YORK

In accordance with Federal law and U.S. Department of Agriculture policy, this institution is prohibited from discrimination on the basis of race, color, national origin, sex, age, or disability. (Not all prohibited bases apply to all programs.) To file a complaint of discrimination write USDA, Director, Office of Civil Rights, 1400 Independence Avenue SW, Washington, DC 20250-9410, or call (800) 795-3272 (voice) or (202) 720-6382 (voice and TDD).

June, 2020

To whom it may concern:

We are writing in support of the Lambert Village proposal to build housing on the parcel put to RFP by the City of Portland.

Some of us have been meeting for the last 2 years to explore strategies to build affordable home ownership housing in Portland that builds community among people of different ages, incomes, and cultural backgrounds. Several months ago, we came to the conclusion that Limited Equity Cooperative Housing was the best way to accomplish this. Limited Equity Cooperatives combines the accessibility of renting with the long-term stability and autonomy of homeownership.

We are delighted that this development team has come together to bring Limited Equity Cooperative Housing to Portland and enthusiastically support their projects. We are especially excited about the effort to create designs that will maximize interaction with outdoor spaces, gardens and shared spaces that can be used by residents. We also appreciate their effort to include us and existing neighbors in their early design efforts.

We are excited about the location, and hope that we will have the opportunity to become future residents!

Sincerely,

1. Cynthia A. Grier, 1227 Westbrook Street, Apt #2, Portland, ME 04102
2. Elisabeth C. Heij, 97 Pitt Street, Portland ME 04103
3. Valerie and Matthew Todd, 68 Black Sparrow Drive, Portland ME 04102
4. Nicole Ivins and Richard Bennett, 93 Pitt St #1, Portland, Me 04103
5. Jules Mutoni & Yvette Unezase, 77 Grant St, Apt # 13,
6. Portland, ME 04101
7. Wendy Herbert & Peter Ackoff 112 Park St. #2, Portland, Me
8. Andrea Levinsky 39 Cumberland Rd Apartment 1 South Portland ME
9. Jacques Kubwimana & Ange christelle Abaribeza 61 Deering St , Apt #E 04101
10. Arthur Sabiti & Vanice Busingye, 240 Cumberland st, westbrook 04092 ME
11. Jackson Ntambara & Peace Kobusinge, 2 walker street # 1203 westbrook 04092 ME



June 12, 2020

Brian Eng
Principal
Maine Co-op Development Partners
6 City Ctr, Fl 3
Portland, ME 04101

RE: Lambert Street Cooperative

To whom it may concern:

Centennial Mortgage has been engaged by Maine Co-op Development Partners to secure mortgage insurance through the FHA 213 program for cooperative housing and fund a construction/permanent mortgage for Lambert Street Cooperative, a new cooperative housing project in Portland, ME. We have reviewed a financing request, including initial plans, pro forma operating budget, the construction budget and initial market information for Lambert Street Cooperative in Portland, ME. In addition, we have reviewed the experience of the overall development team. Based on this review, we feel that this project is an excellent candidate for financing and will conform to all the requirements to qualify for construction and permanent financing through the FHA 213 program. We feel that this is the right time and place to create a new affordable cooperative given the advantages this particular form of housing provide to its members, primarily affordable home ownership and a greater sense of community.

Having now completed this structuring phase, we have now entered the formal application stage for the FHA 213 mortgage insurance and believe that Lambert Street Cooperative has a high likelihood of success over the coming year in obtaining a 40 year, low interest loan for the project of approximately \$6,935,200. Additional subordinated financing would serve to further increase that likelihood. We also believe that success at Lambert Street Cooperative will open an entirely new avenue for affordable housing finance in the state of Maine by making the FHA 213 program finance accepted in the market.

Centennial Mortgage has substantial expertise and experience completing FHA financing transactions. We are very active in lending to cooperative housing projects throughout the country. Cooperative housing provides a unique form of home ownership and we are actively working with several groups to create new home ownership at affordable prices. Personally, I have been involved in cooperative housing for over 20 years, through financing and serving on the board of the National Association of Housing Cooperatives.



We encourage other funding sources to join us in supporting this innovative project and creating up to 98% leverage for future projects through this program. Please let me know should you have any questions or require any additional information.

Sincerely,

A handwritten signature in black ink, appearing to read "H. Jeffers", is written over a faint, light blue circular background.

Hugh Jeffers
Vice President of Originations



Maine Cooperative Development Partners

MAINE COOPERATIVE DEVELOPMENT PARTNERS

build neighborhoods where the elements that constitute quality of life—access to green space, healthy lifestyles, community, privacy, and affordability—are not at odds with each other. Grounding principles for this work are creating equitable communities; complementing walkable neighborhoods; building healthy buildings; and celebrating beauty, art, and the natural environment. We use Limited Equity Cooperatives as a form of ownership to create options for people of all ages, backgrounds, and incomes to live in harmony with nature and their neighbors.

WE ENVISION small towns, urban neighborhoods, and suburban neighborhood centers that are walkable to daily needs and adjacent to recreational facilities, trails, and transit corridors; homes that use energy efficient construction, and shared gardens, patios, and play spaces for people to get to know and enjoy their neighbors.

WE GIVE BACK by partnering with organizations that support trails and green space, transit, local businesses, social equity, and efforts to mainstream energy efficient building and land use.



PRINCIPALS



MATTHEW PETERS has been involved in the completion of over 20 new construction, major rehab, and acquisition deals. Matt worked for eight years at Avesta Housing, one of Northern New England's largest non-profit housing developers and owners, project managing affordable housing developments, building out and overseeing the Asset Management department, and ending in an executive role overseeing the entire development and acquisitions pipeline as Vice President of Real Estate Services. In 2018 he began to consult for Housing Authorities, housing non-profits, and Community Development Finance Institutions in Maine supporting these organizations in acquisition, ground-up development, and underwriting of affordable housing properties. Matt also is the Executive Director of Freeport Housing Trust based in Freeport, Maine. He has strong working relationships with MaineHousing, Rural Development, lenders, tax credit syndicators, and other professionals in the design and construction field, holds a Masters in Urban Planning from the University of Washington, and certifications such as Spectrum's C3P and Rural Development STAR trainings and LEED Accredited Professional.



BRIAN ENG is a real estate investor who has worked on commercial projects in Florida, Connecticut, New Jersey, and Maine. He has worked as a principal on developments of over 200 units, is a principal on redeveloping the MERC site in Biddeford, and has redeveloped several smaller properties in Portland. He brings strong expertise in financials, fundraising, advocacy, and public speaking. He grew up in a co-op in New York City, and is on the board of UHAB, the entity that manages 20,000 units of cooperative housing in New York.



LIZ TRICE is a policy professional who builds multidisciplinary partnerships across real estate, economic development, entrepreneurship, and public health. Liz holds a masters degree in Public Policy & Management with a certificate in Community Planning & Development from the Muskie School at the University of Southern Maine. She has worked on multi-unit projects in Portland to obtain zone changes, lead the public engagement process with neighboring residents and businesses, apply for TIFs and grants, and direct the design of shared spaces. Her work includes award-winning research on the regulatory barriers to people living alone achieving home ownership, leading the process to redesign Bramhall Square, and working with medical and economic development institutions to develop strategic plans. Her projects to re-envision urban spaces for livability and natural ecosystems won two of three awards given by the 2019 Portland Society of Architecture's Complete City Competition. Liz trained as a cohousing developer and Passive House Design Consultant and has visited over 20 cohousing developments in the United States. She is currently the owner of PelotonLabs, a coworking space in Portland.



PROJECTS



M NORTH ORLANDO—As a principal of Clay Cove Capital, Brian was the control capital partner in the ground-up development of M North in Orlando, a \$37.1M, 288-unit multifamily development in Orlando, Florida. www.mnorthorlando.com



BIDDEFORD MERC REDEVELOPMENT Brian worked with Jim Brady of Fathom Companies, to serve as master developer of city-owned land on the former Maine Energy Recovery Corp. incinerator through a public-private partnership with the City of Biddeford.



6 CITY CENTER IN PORTLAND—Brian redeveloped and retenanted a largely vacant Old Port mixed use building including executive office suites. www.sixcitycenter.com, and bringing in a law firm condo, law firm tenant, Lio Restaurant, and HE Paintbar nail salon.



1685 CONGRESS IN PORTLAND—Brian redeveloped a 50% vacant office/medical building and retenanted it including Maine Plastic Surgery Center and Maxim Healthcare. www.maineplasticsurgery.com

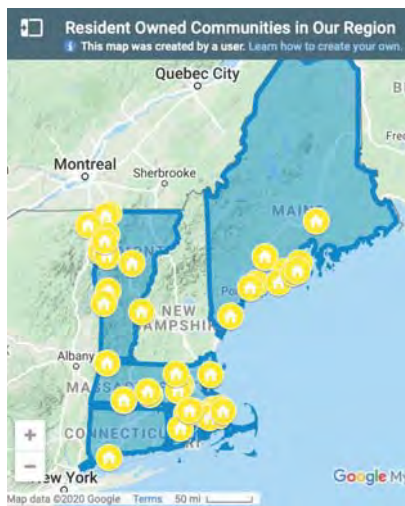


645 CONGRESS STREET—This former downtown college dormitory was converted to 55 one-bedroom and studio apartments with retail on the first floor. Liz worked for developers Shinberg and Alford on the initial concept, conducted a market analysis, developed relationships and communication with neighbors and businesses, creating a bike storage and parking plan, created a community management plan, and assisted with lease-up.



The Cooperative Development Institute (CDI) is a regional 501(c)3 non-profit founded in 1994 by co-op leaders in the Northeast. CDI's mission is to build a cooperative economy through the creation and development of successful cooperative enterprises. We are transforming ownership of our economy, so all people can meet their basic needs. CDI has 30 staff across the Northeast including six staff members in Southern Maine.

New England Resident Owned Community Projects (NEROC)



One of our primary activities is creating cooperative housing in Maine and the Northeast. When a park is for sale we help residents form a cooperative, get financing to buy the park, and learn how to run it with democratic resident control. This program gives residents control of the land beneath their homes and protects the affordability of their housing.

The Resident Owned Community (ROC) model began in NH with the NH Community Loan Fund and became a national model with the formation of ROC USA in 2008. The program has helped people in over 50 parks – comprising more than 4,800 homes — convert to resident ownership. Those communities are part of the ROC USA Network, which has helped secure over 15,000 units of affordable housing

nation-wide. CDI provides ongoing support as trainers and advisers for the ROCs and other cooperatives in the region. We assist in governance, management, financial oversight, communications, conflict resolution, compliance, and securing financing.

Charter Oaks Village Cooperative



With the support and technical assistance of the Cooperative Development Institute (CDI), the residents of Charter Oaks Village acquired the land on the 40 unit Arundel manufactured housing park on June 11, 2019 for \$1,170,000, helping to preserve the affordable housing community within it.

Charter Oaks Village joins nine other Maine manufactured housing communities supported by CDI and financed by Genesis Community Loan Fund, representing 440 homes now under resident control. The newly formed housing cooperative was a recipient of a GrowSmart Maine's honorary 2019 Smart Growth Award.

Mountainside Community Cooperative



CDI's newest Maine Cooperative is the 52-unit Mountainside Community Cooperative in Camden, Maine. Securing affordable housing in a community like Camden is increasingly challenging as housing costs escalate and its population ages. The residents of Mountainside Community purchased the community on December 11, 2019 for \$1,900,000 with financing provided by Camden National Bank, Genesis Community Loan Fund and the Local Enterprise

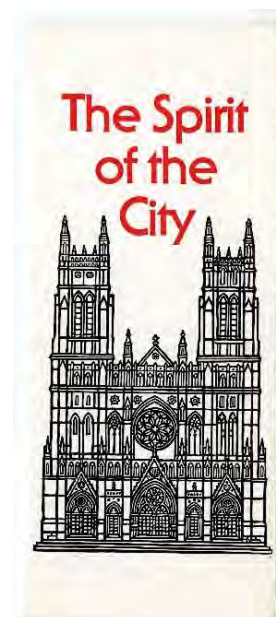
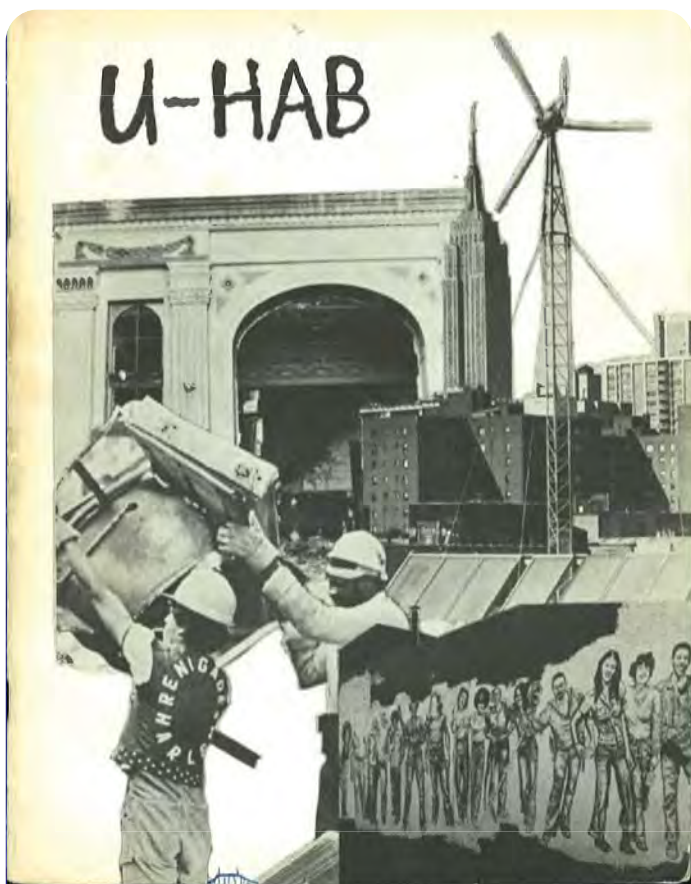
Assistance Fund. "We are so pleased to be able to help the residents of the Mountainside Community Cooperative become property owners today," said Bill Floyd, Executive Director of the Genesis Fund.

Wardtown Mobile Home Cooperative



The residents of the 60-unit Wardtown Mobile Home Cooperative voted to form the cooperative and purchase the community in May 2015, with assistance from CDI, and combined financing from Maine State Housing and The Genesis Community Loan Fund. As with all of the CDI's Resident Owned Communities (ROCs), Wardtown members continue to engage in extensive training and organizational development. As Bill Hodgkins, Cooperative Treasurer explains, "We all gained valuable new skill sets as we went through the process of establishing and financing our

cooperative...Now we have a very strong board of directors and feel very organized, to the point we are able to assist other ROC mobile home parks with advice about the process."



2019 UHAB ANNUAL REPORT

Building for Us

This year, UHAB made a considerable effort to build an archive. In doing so, the lesson we learned from decades of growth is very simple: what has always mattered most for affordable housing is community. It is the strength and support that comes from the community inside a co-op that is just as essential as the affordable housing itself.

With this in mind, UHAB is proud to offer new and expanded programs to low-income homeowners with a refined lens on our work. We have more data and research than ever on the long-term impacts of redlining policies and how communities of color have been resilient in their efforts to remain in their homes, whether in the 1970s or today. By building new affordable co-ops, strengthening tenants' rights statewide, making share loans through our HomeOwnership Lending program, and working in cooperation with our Interboro Community Land Trust partners to create the first Citywide CLT in New York City, we are actively working to dismantle the detrimental legacies of redlining and community disinvestment.

As we look toward the future, our work is expanding in several ways. We are offering more services like Co-ops Go Solar and our energy programs that are tackling the most pressing issue of our lifetime: the climate crisis. Without renewable energy and carbon reduction, low-income residents more than anyone will be affected. Most importantly, we need to recognize that it is not just low-income communities, but people of color in particular who are disproportionately affected by this crisis, just as they have been marginalized from fair and stable housing. UHAB's CDFI, HomeOwnership Lending, helps ensure that a family is not denied the opportunity to purchase because they don't have the money to be an all cash buyer. This program makes small loans where other lenders are reluctant and in this way supporting our HDFC and Mitchell Lama co-op communities in continuing to provide affordable housing.

The interest in co-ops and our work is expanding not just in New York City, but in upstate New York where residents can securely remain in their mobile homes; to New Haven, CT where the nearly 50-year old Seabury Co-op struggles to keep up with its aging infrastructure; and to Seattle, WA where a new permanently affordable co-op is being created. UHAB is excited to be assisting a new City financed co-op development program in Oakland, CA and we continue to meet with organizations and officials in other cities who are seriously considering the limited-equity model.

We have come a long way and welcome our next chapter of growth.

Sincerely,

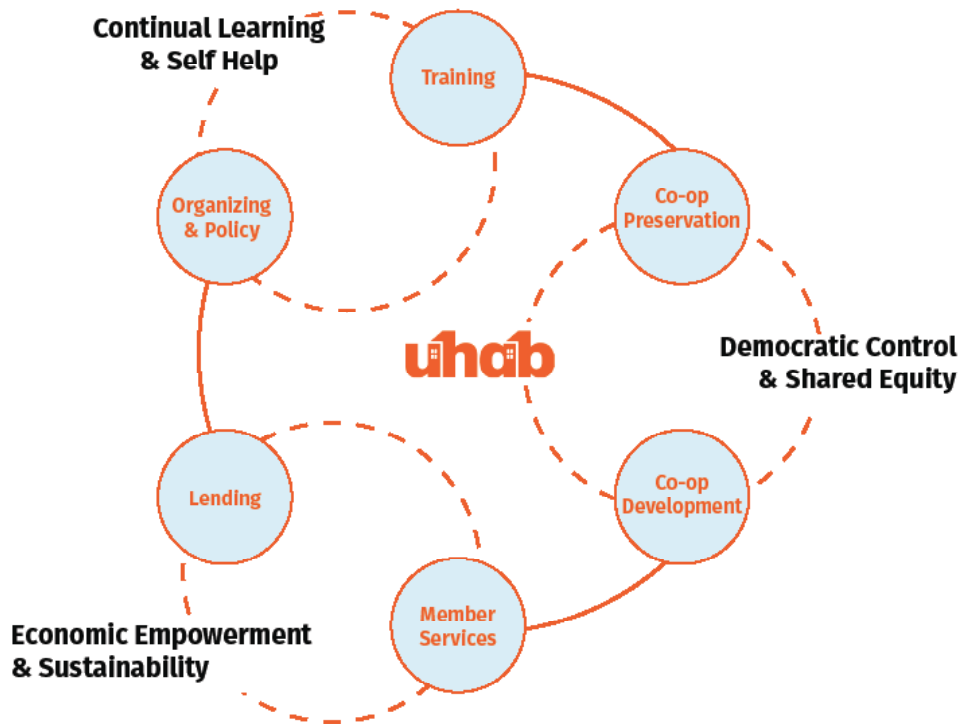
A handwritten signature in blue ink, appearing to read 'A. Reicher', with a stylized flourish at the end.

Andrew Reicher, Executive Director

Community through Cooperation

UHAB empowers low- to moderate-income residents to take control of their housing and enhance communities by creating strong tenant associations and lasting affordable co-ops.

Our Principles



I. Continual Learning & Self Help

When residents take the lead on everything from creating, managing, and preserving their own co-ops to advocating for affordable housing policy reform, this not only improves buildings and neighborhoods, but it transforms lives as well. Ongoing education and training is the key to preserving affordable housing cooperatives and strong tenant associations.

II. Democratic Residential Control & Shared Equity

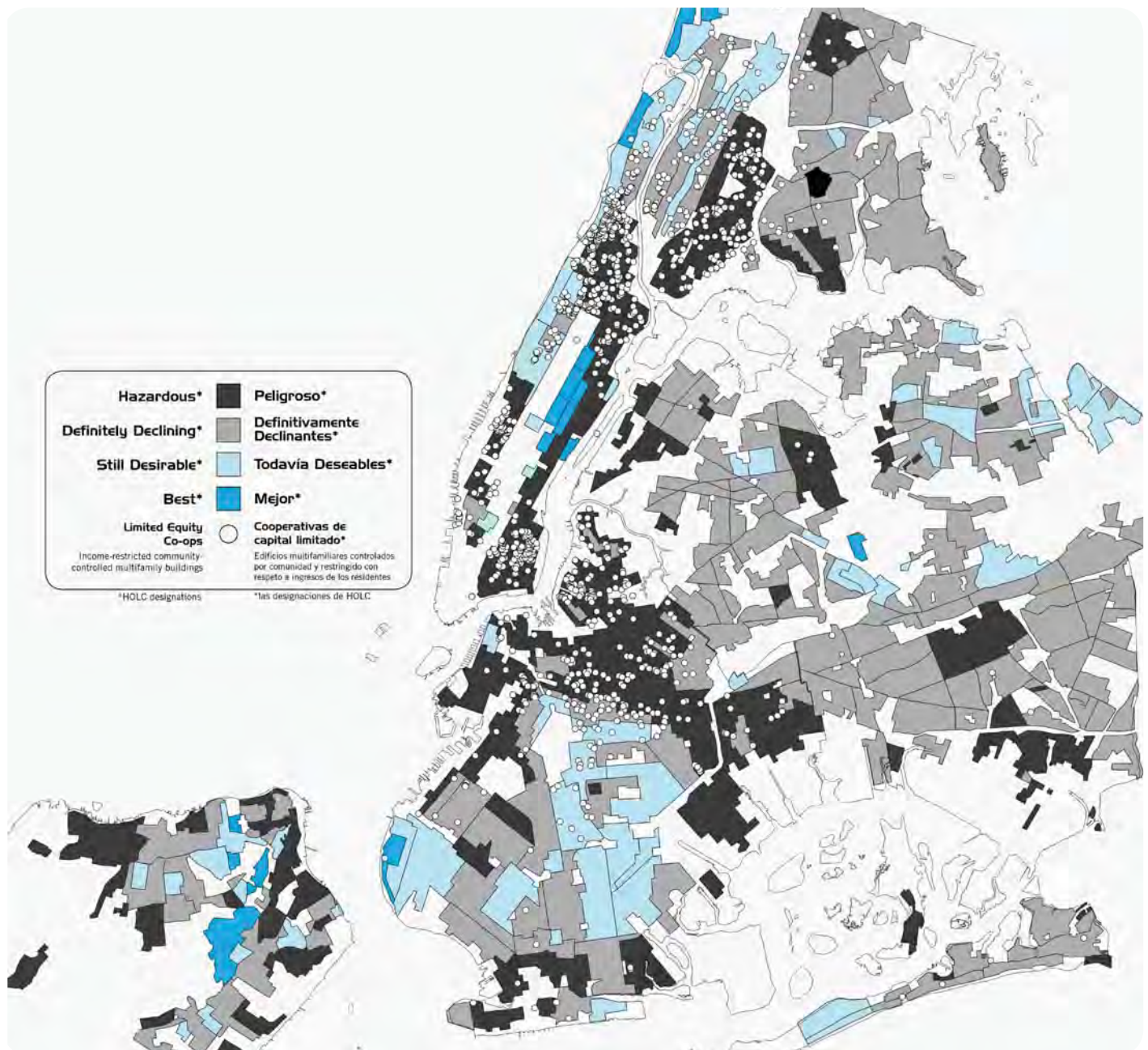
Transparent leadership and the participation of a majority of residents—each contributing unique skills and perspectives—make democratic governing and organizing possible. This collective control of housing helps prioritize a shared equity that keeps affordability manageable for future incoming residents.

III. Economic Empowerment & Sustainability

UHAB provides access to affordable, high-quality resources covering areas of energy, finance, democratic participation and education. These tools help residents maintain lower costs of living while helping to demystify financial technicalities. With support and guidance, all residents should be able to read and manage their finances, in order to make informed decisions about their operating costs.

Housing Justice is Racial Justice

This map overlays the location of modern-day HDFC co-ops with redlined neighborhoods from the 1930s. Redlining was a discriminatory housing practice that devalued neighborhoods where people of color lived and made it difficult for people of color to secure safe, affordable housing. In this map, the deepest shade of grey represents the least economically desirable neighborhoods. In the 1970s and 1980s, landlord abandonment and arson led to City foreclosure on thousands of occupied buildings in these same neighborhoods, creating the conditions for the self-help housing movement and the creation of thousands of HDFCs.



Through organizing and self-help initiatives, community-controlled housing arose as a way for low-income people and people of color to take control of their housing solutions when the government and private sector would not. Today, neighborhoods like Harlem, the South Bronx, and Central Brooklyn still struggle with the legacy of redlining; high air pollution, increased heat waves, higher poverty rates, and gentrification all threaten to displace longtime residents from neighborhoods that were once widely abandoned.

Through it all, community control remains a tool to provide New Yorkers with decent, affordable housing. HDFC co-ops are anchors in their neighborhoods, providing a safe haven to raise families and age in place. Tenant unions build power among renters and win victories like stronger rent laws.



Through our work, UHAB helps people of color control, manage, and improve their homes. We know from experience that most of the low- to moderate- income residents in the buildings we serve are Black or Latinx. Our goal is to have as many people from the communities we serve reflected in our organization's leadership and programs.

Currently, around 60% of our Board and program staff are people of color, and more than half of our organization is bilingual in English and Spanish, fulfilling an essential need for our Spanish-speaking HDFC board members and residents. We provide our technical assistance, homeownership advisement, energy advisement, bookkeeping services, quarterly newsletter, and entire training curriculum in both English and Spanish.

UHAB BY THE NUMBERS: 2019

125 fair elections monitored
in practice of democratic
community control



9 HDFCs
adopted solar,
bringing the total
number to
28

3,500,000 tenants protected
under stronger rent laws



115 budgets planned to
preserve HDFCs' financial
stability & affordability



5
affordable
homeowner-
ship loans
totaling
\$242,011

203
trainings for
affordable
co-op
residents



\$9,197,000
secured in loans to
help HDFCs make
capital
improvements



Our Co-op
Preservation
team helped

15 co-ops

secure necessary
loans to avoid City
foreclosure last year.

This represents over

350 families

that were able to
retain their equity
and control of their
homes through
technical assistance
and guidance
from
UHAB staff.



To date, UHAB is the
foremost developer of
limited-equity housing
co-ops in NYC. we have

developed **over**

1,300 units of

affordable housing
with the support of a
variety of City and State
programs.





ISLAND CARPENTRY
ENERGY EFFICIENT and ZERO ENERGY HOMES

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Home

Island Carpentry's 1st Bright Built Home

Energy Independent Cape Cod Style Home

Another Net Zero Cape Design

What Is A Zero Energy Home

Eco Cape

Energy Efficient Home in the Forest

Net Zero Energy on Cumberland Ave. Portland

Kelsey Brook Green Subdivision

Weatherization & Deep Energy Retrofit Projects

Older Projects

Blog

Contact

Eco-Village One: Maine's First Affordable Zero-Energy Housing Development

We propose to build Maine's first zero-energy affordable housing subdivision. Homes are designed with energy saving systems and priced to sell within the guidelines of Maine State Housing.

Department of Energy defines a zero energy house as being 70% more efficient than a conventionally built home. We know that we can do better. Our proposed homes will feature:

- Super insulation
- Air exchange system
- Passive solar
- Energy star rated appliances
- Compact fluorescent lights

The above list will achieve more than 70% energy savings.

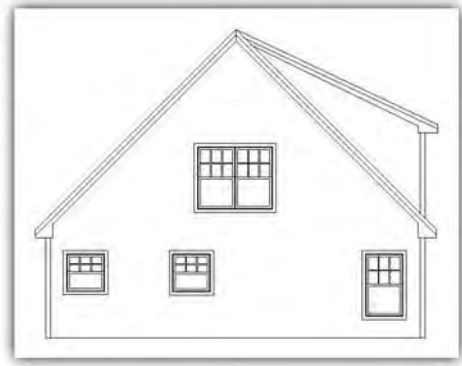
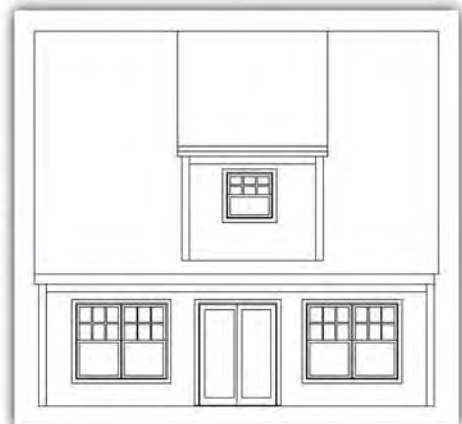
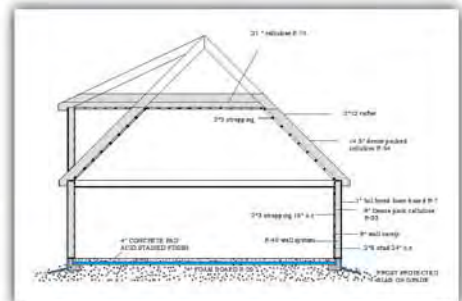
We will also offer options:

- Photovoltaic solar array for clean green electricity
- Solar thermal for domestic hot water
- Solar thermal for hot air heating

Our demonstration project will show that it is possible to achieve near zero energy in an affordable home. Investors will share the credit for helping to achieve this in the State of Maine. With a bottom-up impact on the housing industry, our project will serve as a model for all houses, proving we can have an impact on creating energy independence at any price level.

Eco-Village One: Bath, Maine

Island Carpentry proposes to develop an innovative four-lot subdivision near downtown Bath. Eco-Village One will be developed as a first-time home buyer's subdivision, located within walking distance of schools and City amenities. The homes will be built to zero-energy standards and will be priced within Maine State Housing guidelines for first time home buyers. The homes will be superinsulated, passive solar, and will have renewable energy systems.



This innovative project, the first affordable zero energy development in Maine, will be a credit to the City of Bath. Our demonstration project will show that it is possible to achieve near zero-energy in an affordable home. With a bottom-up impact on the housing industry, this development will serve as a state-wide model, demonstrating the practicality of zero-energy homes.

The owners of these homes will enjoy the benefits of high performance building techniques. The homes will be very energy efficient, reducing heating costs by about 70%, compared to conventionally built homes. The homes will be very air tight and ventilated with heat recovery ventilation systems to insure a healthy interior environment. A thermal solar collector to produce domestic hot water is an option we will offer. These will be healthy green homes that provide energy independence to the owners.

The homes will be ready for photovoltaic solar arrays that produce electricity. Electricity produced from renewable sources can make a home one hundred percent self-sufficient, achieving total energy independence for the home owner.

We feel that this is a win-win situation for all involved. For Island Carpentry it will create a model that we can duplicate in other towns. For the buyers these homes will provide long-term energy security; the homes will always remain affordable. For the City of Bath the project demonstrates a commitment to progress and sustainability, and a commitment to residential development within the City.

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FIRM BIO



ACETO LANDSCAPE ARCHITECTS

ALA is a process-driven, landscape architecture and urban design firm committed to thoughtful, creative intervention at the intersection of environment, economics, art, and culture. ALA was founded on the notion that great design is a product of careful listening, inclusive decision-making, and unrelenting passion for enduring built spaces. We believe landscape architecture lies at the nexus of the built form and the ephemeral qualities of an ever-changing environment. ALA's team offers a unique set of skills and perspective, well-equipped to harmonize and reconcile the roles and value systems of varied design disciplines. We integrate expertise and intuition to craft powerful places, built upon a commitment to resiliency and sustainability. Our studio's passion for craft and technical savvy affords us the opportunity to collaborate across a broad geographic range and myriad project scales from intimate private spaces to large-tract master plans.

ALA was founded in 2014 by Principal, Nick Aceto. ALA has 5 employees, all of which are landscape architects, licensed in the states of Maine, Massachusetts, New York and Colorado.



PROJECT TEAM KEY PERSONNEL



NICK ACETO, PLA, ASLA

ACETO LANDSCAPE ARCHITECTS

FOUNDING PARTNER, LANDSCAPE ARCHITECT | NA@ACETOLA.COM

Nick is a licensed landscape architect and urban designer with a deep passion for the creative process. Nick believes in landscape as a framework for organizing the patterns and behaviors through which we live. From the private garden to the region, Nick has the ability to recognize and translate patterns into visual narratives which tell the unique story of a place through built form. Nick grew up in Portland, Maine where he developed an deep appreciation for the rich and varied New England landscape, from rocky shorelines of the Atlantic to the forested peaks of the Appalachians. As both a consummate urbanist and adventure-seeking outdoorsman, Nick is intrigued by the interplay between urban form, economics, wild nature, and ecology.



CAITLIN ACETO, PLA, ASLA

ACETO LANDSCAPE ARCHITECTS

FOUNDING PARTNER, LANDSCAPE ARCHITECT | CA@ACETOLA.COM

Caitlin is a licensed landscape architect in the states of Maine, New Hampshire, and Colorado, who's passion for art and design began in the Chicagoland area where she was exposed to the architectural works of Frank Lloyd Wright and Olmsted's historic planned community of Riverside. Caitlin's project experience ranges in scale from circulation and wayfinding design at Grand Canyon National Park, to security barrier conceptualization for the Thomas Jefferson Memorial, to signage programming and design. Caitlin brings a distilled clarity to design that strives to embody the contextual heritage, textural richness and cultural integrity of place.



SETH KIMBALL, PLA, ASLA

ACETO LANDSCAPE ARCHITECTS

PRINCIPAL, LANDSCAPE ARCHITECT | SK@ACETOLA.COM

Seth has been practicing Landscape Architecture for over 15 years. He has a Bachelor's degree in Landscape Architecture from the University of Massachusetts Amherst. Seth's project experience includes serving as project manager/lead designer for a master plan for the new Al Guhair University in Dubai, the Al Ain Oasis Cultural Quarter Master Plan in Abu Dhabi, institutional experience including Phillips Andover Academy, Bates College, George Stevens Academy, and Southern New Hampshire University, and a range of residential project including homes in Texas, Idaho, Montana, New York, Arizona, and several throughout the northeast. Seth joined ALA in 2018, bringing to the practice his experience in civic, institutional, and residential projects. further ALA's commitment to achieve sustainable and resilient project outcomes.



LIST OF SELECT CURRENT & ONGOING OR COMPLETED ALA PROJECTS

ALA has been fortunate to have made meaningful contributions to a vast array of projects across a wide gamut of scales over the last 5-6 years. Below is an abbreviated list of select project examples intended to provide a sense of our professional skill set, experience, and range as a design studio. We would be happy to provide more information about any of the below projects upon request.

RESIDENTIAL

DBX 11 RESIDENCE	ASPEN, CO
WHITE HORSE SPRINGS RESIDENCE	ASPEN, CO
TELLURIDE AGUIRRE ROAD RESIDENCE	TELLURIDE, CO
PRIVATE RESIDENCE	SOUTH FREEPORT, ME
SHADOW MOUNTAIN CONDOMINIUMS	ASPEN, CO
SMYTH RESIDENCE	SNOWMASS, CO

COMMERCIAL/CAMPUS

100 FORE STREET OFFICE BUILDING	PORTLAND, ME
66 STATE STREET	PORTLAND, ME
LAAM 525 LIVE-WORK	BASALT, CO
HOTEL ASPEN	ASPEN, CO
MEMORIAL PLAZA	QUANTICO, VA
CUMBERLAND CLUB SITE PLAN	PORTLAND, ME
RIVERSIDE LIVE-WORK	PORTLAND, ME
WILLITS BEND LIVE-WORK	BASALT, CO
RED HAWK ELEMENTARY SCHOOL	ERIE, CO
CSU UNDERPASS STUDY	FORT COLLINS, CO
ANDERSON RANCH ARTS CAMPUS	SNOWMASS VILLAGE, CO

HOUSING & DEVELOPMENT

SCARBOROUGH DOWNS MASTER PLAN	SCARBOROUGH, ME
THE TREE FARM	BASALT CO
66 STATE STREET	PORTLAND, ME
BLOCK 11 MASTER PLAN	BRECKENRIDGE, CO
BROKEN COMPASS BREWERY	BRECKENRIDGE, CO
RIVERBEND COMMERCIAL CENTER	TIMNATH, CO
CUMBERLAND MULTI-GEN	CUMBERLAND, ME

PUBLIC

COMMERCIAL STREET TRANS. STUDY	PORTLAND, ME
LIBBYTOWN PLAYSCAPE	PORTLAND, ME
PORTLAND DOWNTOWN SQUARE	PORTLAND, ME
BASALT POST SIGNAGE	BASALT, CO
TOWN WAYFINDING SIGNAGE	BASALT, CO
BAYSIDE ADAPTS MASTER PLAN	PORTLAND, ME
ARBANEY PARK MASTER PLAN	BASALT, CO
BASALT OUR TOWN	BASALT, CO
TIMNATH COMMUNITY PARK	TIMNATH, CO
PACTS SMART CORRIDOR STUDY	PORTLAND, ME
LIBBYTOWN VISIONING	PORTLAND, ME
BERTHOUD PARKS & OPEN SPACE PLAN	BERTHOUD, CO

REFERENCES

CAITLIN CAMERON

CITY OF PORTLAND, URBAN DESIGNER
207-874-8901
CCAMERON@PORTLANDMAINE.GOV

"In my capacity as Urban Designer for the City of Portland, I interacted with Aceto Landscape Architects (ALA) on the 100 Fore Street project where they demonstrated thoughtful and creative design strategies for a challenging urban site. Speaking from my experience working with a diversity of landscape and urban design professionals in Southern Maine, I found ALA to have an innovative approach that demonstrates a value for and understanding of the role of public space and urban landscape for the livability and resiliency of cities and towns." - Caitlin Cameron

BRUCE HYMAN

CITY OF PORTLAND, TRANSPORTATION PROGRAM MANAGER
207-874-8717
BHYMAN@PORTLANDMAINE.GOV

"Aceto Landscape Architecture's compelling graphics as part of the Portland-South Portland Smart Corridor Plan effort in 2017 enabled the public to readily visualize the benefits and trade-offs of various transportation alternatives being considered and highlighted the opportunities those alternatives could also have for placemaking, a key goal of the Plan." - Bruce Hyman

RICH CIECIUCH

PROJECT WORKSHOP
970-729-0126
RICH@PROJECT-WORKSHOP.COM

"ALA is a key design collaborator in our design build approach, helping to navigate complex approval issues, participating seamlessly in the iterative design process that succeeds best when site attribute identification and organization melds with building design concepts. They are excellent listeners and always come back with creative and unexpected solutions. Community and Neighbor impacts of any development must be carefully contemplated and negotiated to a successful outcome, and ALA has all the skills and experience to shape and illustrate how new projects relate to the existing fabric of community and neighborhoods." - Rich Ciecuch

DAN BACON

DEVELOPMENT DIRECTOR MR.HOLDINGS
207.232.5154
DBACON@MR.HOLDINGS

MARK RUDOLF

PRINCIPAL / OWNER VELLUM ARCHITECTS
970 618 1889
MARK@VELLUMAD.COM

JAY CHACE

PLANNING DIRECTOR, TOWN OF SCARBOROUGH
207-730-4042
JCHACE@SCARBOROUGHMAINE.ORG

TROY MOON

CITY OF PORTLAND SUSTAINABILITY COORDINATOR
THM@PORTLANDMAINE.GOV
207.756.8362



THE DOWNS | 510-ACRE MASTER PLAN & TOWN CENTER SCARBOROUGH ME

ALA has worked collaboratively with Gorrell Palmer Consulting Engineers along with a large team of consultants and stakeholders in developing a master plan for this 500+ acre former harness racing facility. The project was recently granted a TIF agreement based in large part on the attributes ALA visualized in their plans for the proposed Town Center which included a 4 acre community park with music venue, playground, and sport courts.

KEY STAFF SERVICES STATUS REFERENCE

Nick Aceto, Seth Kimball
Master Planning, Urban Design, Landscape Architecture, Visualization
Planned
Jay Chace, Planning Director, Town of Scarborough | Jchace@Scarboroughmaine.org



GRIST MILL NEIGHBORHOOD SCARBOROUGH ME

ALA worked closely with an experienced Southern Maine builder to develop a neighborhood plan which begins to challenge conventional subdivision development rules with a compact pattern and highly walkable streetscape organized around a central woodland preserve which serves as a neighborhood playscape.

KEY STAFF	Nick Aceto, Seth Kimball
SERVICES	Master Planning, Urban Design, Landscape Architecture, Visualization
STATUS	Completed Fall 2019
REFERENCE	Jay Chace, Planning Director, Town of Scarborough Jchace@Scarboroughmaine.org



FRONTRUNNER PARK SCARBOROUGH ME

This third phase of The Downs master plan includes over 200 homes across a broad range of affordability including compact, lane-loaded single family and pocket homes as well as more than 75 apartment units and ground floor office space. The plan is organized around a series of small parks and a highly-walkable street grid.

KEY STAFF

Nick Aceto, Seth Kimball

SERVICES

Master Planning, Urban Design, Landscape Architecture, Visualization

STATUS

Permitted, Expected Construction Fall 2020

REFERENCE

Jay Chace, Planning Director, Town of Scarborough | Jchace@Scarboroughmaine.org



LAAM 525

BASALT CO

Aceto Landscape Architects worked closely with architect, owner and contractor on this urban infill development, providing creative streetscape and urban plaza design interventions. The project included 8 affordable residential units, 5,000 SF of commercial / light industrial space, parking, and integration with the towns transit system.

KEY STAFF

Caitlin Aceto, Nick Aceto

SERVICES

Landscape Architecture, Urban Design

STATUS

Under Way Summer 2020

REFERENCE

Glenn Rappaport | grappa@blackshack.net



FREEPORT LIVE-WORK

FREEPORT ME

Freeport Live-Work is a community master plan envisioned as a series of mixed-density neighborhoods including more compact, single-family pocket homes as well as mixed-use townhomes and commercial-office buildings.

KEY STAFF	Nick Aceto, Caitlin Aceto
SERVICES	Landscape Architecture, Urban Design, Planning
STATUS	Planned
REFERENCE	Undisclosed



BASALT ON-CALL PLANNING

BASALT CO

ALA was tasked with the study of two parcels within the Town of Basalt Growth Management Area for feasibility of alternative 'attainable' housing development options. ALA explored options for pocket neighborhoods, compact lot scenarios, and consolidation of infrastructure as a means to offset development cost and in turn reduce home pricing.

KEY STAFF

Lisa Cowan, Caitlin Aceto

SERVICES

Landscape Architecture, Visualization

STATUS

Planning Document Complete 2016

REFERENCE

Undisclosed | Undisclosed

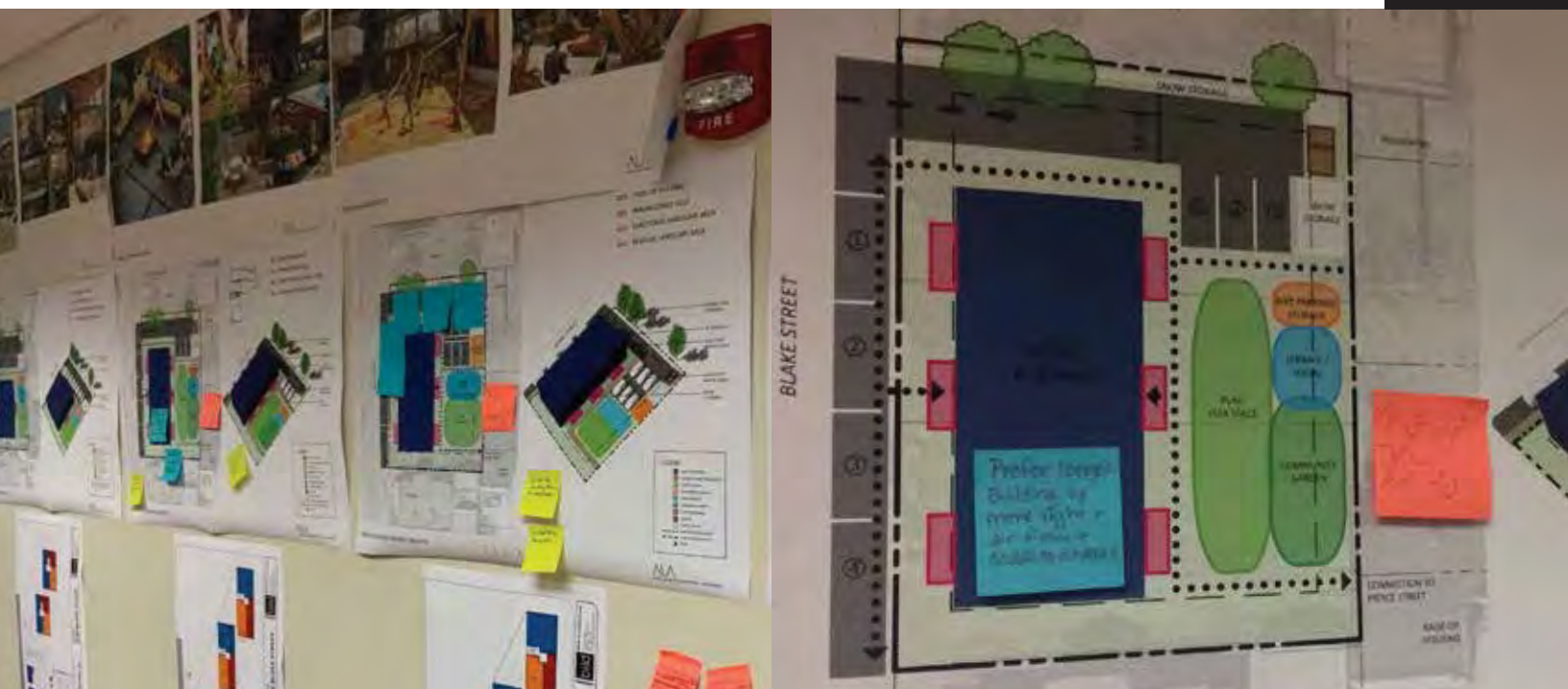


BRECKENRIDGE SUSTAINABLE COMMUNITY

BRECKENRIDGE CO

ALA provided master planning, urban design and landscape architecture services for the larger mixed-use community surrounding the Broken Compass Brewery site in Breckenridge, Colorado.

KEY STAFF	Nick Aceto, Caitlin Aceto
SERVICES	Landscape Architecture, Visualization
STATUS	On-Hold
REFERENCE	Rich Ciueciuch, Project Workshop



RAISE-OP | BLAKE STREET CHARETTE LEWISTON ME

ALA worked collaboratively with this Lewiston CO-OP via a series of charrettes and workshops to help develop a plan for a new CO-OP building which could be replicated across a number of typical infill sites across Lewiston. Working with residents, ALA and BILD Architecture built consensus around parking, site utilization, program, and amenities.

KEY STAFF	Nick Aceto, Caitlin Aceto
SERVICES	Site Planning, Urban Design, Public Engagement
STATUS	Planned, On-Hold
REFERENCE	Craig Saddlemire, Evan Carroll



RAILROAD SQUARE LIVE-WORK YARMOUTH ME

Situated on a former commercial shipping yard between an existing railroad corridor and historic Main Street, Railroad Square is conceived as a compact, walkable, mixed-use residential community which celebrates the sites historic commercial character while testing new models for living and working.

KEY STAFF	Nick Aceto, Caitlin Aceto
SERVICES	Landscape Architecture, Site Planning
STATUS	Planned
REFERENCE	Kevin Bunker, Alex Jaegerman



JAX SCHOONER HEAD EAST CO-HOUSING BAR HARBOR, ME

The Jackson Laboratories is an institution with a long history in Bar Harbor and one of the State of Maine's largest employers. ALA was tasked with developing a site inventory and analysis and conceptual master and site plans for employee and guest housing on a 36.5 acre parcel directly adjacent to the main campus.

KEY STAFF	Nick Aceto
SERVICES	Site Planning, Urban Design
STATUS	Planned, Under Way
REFERENCE	John Fitzpatrick



WILLITS BEND | LIVE-WORK COMMUNITY

BASALT CO

ALA has worked closely with Black Shack Office to develop plans and visualization for expansion of this live-work community in Basalt, CO. The community is comprised of 6 buildings with commercial, light-industrial space on the ground floor with tenant-finish residences above.

KEY STAFF	Nick Aceto
SERVICES	Master Planning, Urban Design, Landscape Architecture, Visualization
STATUS	Completed 2019
REFERENCE	Glenn Rappaport



LIBBYTOWN PLAYScape

PORTLAND ME

ALA worked closely with the Libbytown Neighborhood Association to provide conceptual design and visuals for a new playground planned in Dougherty Field Park in Portland. Due in large part to ALA's imaginative design in conjunction with the neighborhood association's proposal, the project was awarded more than \$130,000 in CDBG funding in 2018 through the competitive selection process with the City of Portland.

KEY STAFF	Nick Aceto, Caitlin Aceto
SERVICES	Landscape Architecture, Visualization
STATUS	Under Way Summer 2020
REFERENCE	Ethan Hipple, Zack Barowitz

ACORN ENGINEERING, INC.

COMPANY PROFILE



Acorn Engineering, Inc. is a Portland-based civil and environmental engineering firm of nine full-time employees and four construction inspectors. Acorn's team has a diverse portfolio providing Maine with quality engineering and environmental services as well as state-wide construction administration on behalf of the Maine Department of Transportation.

A cornerstone of Acorn Engineering is the attention to quality and exceptional level of service on every project, regardless of size. Our engineers and scientists pride themselves on their extensive experience, which is backed by a broad knowledge of civil and environmental engineering practices from smaller residential projects to larger commercial projects that integrate environmental assessment and site redevelopment.

Acorn Engineering has demonstrated the ability to breakdown and synthesize widely disseminated regulations into accepted engineering practices and practical site assessment and development. As a result of Acorn's efforts, the Cumberland County Soil & Water Conservation District recently recognized Acorn as the Contractor of the Year. This was the first award associated with the nationally recognized Long Creek Restoration Project and the first time the Cumberland County Soil & Water Conservation District ever recognized an engineering firm as their Contractor of the Year.

Acorn's expertise covers the areas of: civil/site design, evaluation, development, and permitting; and construction phase services such as construction administration, construction documents, project bidding, and site inspection including erosion and sedimentation control. Acorn's experience also includes the field of environmental engineering and compliance such as: Phase I and Phase II environmental site assessments, soil and groundwater remediation planning and design; Maine's Voluntary Response Action Program (VRAP); and stormwater treatment system design and permitting.

Acorn's engineers have designed, permitted, and overseen construction on numerous single-family and multifamily residential projects including traditional subdivision designs featuring on-site sewage/septic disposal and drilled wells. Furthermore, Acorn has demonstrated extensive experience and capabilities with municipalities, the Maine Department of Transportation (MDOT), Maine Department of Environmental Protection (MDEP), soil & water conservation districts, conservation commissions, municipalities, and the private sector on environmental and site development projects as demonstrated by the following:

- Listed on Maine DEP's Pre-Qualified Vendor List for Environmental Consulting Services
- Listed on Maine DOT's Pre-Qualified Consultants for eight service areas (listed under Section I.D)
- Cumberland County Soil & Water Conservation District Contractor of the Year for work on the Long Creek Restoration Project

ACORN ENGINEERING, INC.

REPRESENTATIVE PROJECTS



- **Public Works Redevelopment – Meeting House Hill**

Over the past two years, Acorn Engineering has worked in close association with the City of South Portland, neighbors, and private clients on the redevelopment of the former Public Works facility. The 6-acre site is nestled in the middle of the Meeting House Hill residential neighborhood and is currently



a mix of storage buildings, fuel fill stations, miscellaneous stockpiles, and pavement. The site will be redeveloped into a mix of multifamily townhomes and single-family dwellings comprising 38 units along with a public park and community gardens.

In addition to the environmental remediation, Voluntary Response Action Program (VRAP), and other environmental considerations given the previous land use, the project is subject to a Maine DEP stormwater management law. The redevelopment design results in a reduction in impervious area of over 50% and reduces land use intensity across the site. Though not required, several stormwater BMP's have been implemented into the site as a best practice, further attenuating and treating stormwater runoff. In addition to the significant redevelopment plan, Acorn has designed an infrastructure plan to separate the storm and sewer mains. This will include installing 400 feet of new storm drain along the existing O'Neil Street right-of-way and 700 feet of new storm drain along the proposed O'Neil Street right-of-way extension. Overall, this effort will reduce the effects of combined sewer overflows (CSO) into Casco Bay which occur due to wet-weather events and the wastewater treatment plant's inability to provide capacity for both storm and sanitary sewer flows.

As part of this project, Acorn held a multitude of meetings with the City including the assistant City manager, the former Mayor, the entire planning division, and the chief engineer of Public Works. Furthermore, Acorn has collaborated with department heads of the Fire, Parks, Public Works, and Water Resource departments to ensure a feasible and ideal project for all parties. As a result, the process was truly a collaborative effort with a number of stakeholders weighing in on the design.

ACORN ENGINEERING, INC.

REPRESENTATIVE PROJECTS



- **Munjoy Heights**

Acorn provided civil/site engineering and permitting for the design of Munjoy Heights – a six townhome, 29-unit development on the steep slopes of Munjoy Hill in the City of Portland. Acorn designed and developed construction drawings for the sanitary sewers, storm drains, water mains, driveways and pedestrian circulation, retaining wall locations, building locations, and drainage infrastructure to be built in compliance with City standards.



A key component to the project was coordinating with the City on the future combined sewer separation project and the site's overall stormwater management. Additionally, discussions with neighbors and stakeholders were paramount in the project's success.

The innovative urban infill project compliments the Munjoy Hill neighborhood with a communal design and plentiful native landscaping that replaced invasive species which previously dominated the eroding banks prior to the development. The \$22 million project features a courtyard, terraced landscaping, a Portland Trails-maintained path that connects the redevelopment to the existing trail system, and low impact development (LID) techniques that meet MDEP Chapter 500 regulations. The stormwater management includes an underdrained sand filter and chambers that detain and treat stormwater on site in tandem with strategically placed rain gardens.

The project required extensive coordination and collaboration between the client, City of Portland, Portland Trails, the structural engineer, the architect, and the contractor to successfully complete the project with the first “woonerf” in the state and maintaining the existing public walking path through the property.

ACORN ENGINEERING, INC.

REPRESENTATIVE PROJECTS



- **200 Valley St**

Working with Avesta Housing, Acorn Engineering provided civil engineering and permitting for Avesta's 60-unit project in the St. John Valley neighborhood. This urban infill project replaces the existing single-family house and abutting vacant lots into new affordable housing opportunities with two levels of covered parking, amenities, and a rebuilt project frontage with new sidewalks, street trees, and bicycle hitches.



As part of the project, Acorn developed a transportation and parking analysis to ensure that the provided parking will adequately serve the redevelopment. Furthermore, the design team identified and implemented multiple strategies to encourage residents to efficiently utilize the many modes of transportation available on the Portland peninsula.

- **Little Dolphin Drive & Jocelyn Place**

In collaboration with the South Portland Housing Authority and Risbara Holdings, Acorn provided civil engineering design and permitting of a multi-use subdivision at the end of Little Dolphin Drive in Scarborough. Proposed uses include a two-story office building and a three-story 60-unit senior housing facility with associated parking and landscaped areas.



In addition to a voluntary neighborhood meeting, the project went through a 3-step master plan phase with the Town of Scarborough in which the project was collaborated on with Planning Staff, the Planning Board, and neighbors.

The project is subject to Maine DEP and US Army Corps permits. To adequately treat stormwater on the site, Acorn has designed multiple stormwater BMPs meeting Maine DEP Chapter 500 regulations resulting in a low impact design.

ACORN ENGINEERING, INC.

REPRESENTATIVE PROJECTS



- **89 Anderson Street**

In collaboration with Redfern properties and the East Bayside neighborhood, Acorn developed the civil/site engineering design of a mixed use 53-unit redevelopment of an existing under-utilized, urban infill lot in the East Bayside neighborhood. Acorn's scope of services included in the initial phase applying for and obtaining a zone change and



conducting Phase I and Phase II Environmental Site Assessments to evaluate potential environmental contamination at the site.

After conducting the environmental remediation efforts, Acorn developed the site layout and design of sanitary sewers, storm drains, water mains, site driveway, retaining wall locations, building locations, parking lot design, building drainage structures, utility connections and landscaping plan (with a landscape architecture subconsultant) to meet the City of Portland Technical Standards. Acorn also integrated sidewalk and improvements associated with the project into the City's Anderson Street ByWay project. Furthermore, the project team worked with a non-profit organization, the Telling Room, to provide public art along the Fox Street streetscape in lieu of traditional fencing.

Overall, the project established an important mixed use building on a prominent corner lot adjacent to Kennedy Park which contains popular recreation space. The building houses a restaurant and the Gear Hub bicycle school on the first floor with residential apartments above which encourages an active street presence with housing, goods, and services that help tie the neighborhood together and keep eyes on the street.

ACORN ENGINEERING, INC.

REPRESENTATIVE PROJECTS



- **667 Congress Street – The Hiawatha**

The \$28 million project included the civil/site engineering design for the 8-story, first floor retail and 139-unit apartment building on Congress Street in Portland. Vehicle parking is served by two levels with separate access from Vernon and Avon St. The project featured building and site design in an historic district adjacent to Longfellow Square.



Services included, but is not limited to, permitting with the City of Portland, layout and design of sanitary sewers, storm drains, water mains, pedestrian and vehicle entrances, building locations, parking lot design, and parking garage grading and drainage. Acorn provided significant coordination between the Architect, Structural Engineer, Geotechnical Engineer, Construction Management Company, Owner, and the City.

Attachment A

PROPOSAL

NOTE: THIS PAGE IS TO BE COMPLETED AND RETURNED

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

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

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

The proposer acknowledges the receipt of Addenda numbered 1 and 2

If Applicable

COMPANY NAME: Maine Cooperative Development Partners

(Individual, Partnership, Corporation, Joint Venture)

AUTHORIZED SIGNATURE: [Signature]

(Officer, Authorized Individual or Owner)

DATE: 6/16/2020

PRINT NAME & TITLE: Brian Eng, Principal

ADDRESS: 6 City Ctr, Fl 3, Portland, ME 04101

TELEPHONE: 413-262-2610

E-MAIL: bri.d.eng@gmail.com

FEDERAL TAX ID #: 273467906

DUNS #: 009932723

STATE OF INCORPORATION Maine

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

In your organizations preceding completed fiscal year, did the organization receive:

(1) 80 percent or more of its annual gross revenues in U.S. federal contracts, subcontracts, loans, grants, subgrants, and/or cooperative agreements; AND

(2) \$25,000,000 or more in annual gross revenues from U.S. federal contracts, subcontracts, loans, grants, subgrants, and/or cooperative agreements?

☐ Yes ☒ No

Does the public have access to information about the compensation of the executives in the organization through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (18 U.S.C. 78m(a), 78o(d) or section 6104 of the Internal Revenue Code of 1986?

☐ Yes ☒ No

NOTE: All bids must bear the handwritten signature of a duly authorized member or employee of the organization making the bid. **This sheet must be signed and returned with the application package.**

Addendum #1

CITY OF PORTLAND, MAINE

**Request for Proposals for Development of City-Owned
Property Located at 165 Lambert Street
RFP #20068**

Current Date: May 28, 2020

The attention of firms submitting proposals for the work named in the above Invitation is called to the following modifications to the documents as were issued.

The items set forth herein, whether of clarification, omission, addition and/or substitution, shall be included and form a part of the Contractor's submitted material and the corresponding Contract when executed. No claim for additional compensation, due to lack of knowledge of the contents of this Addendum will be considered.

ALL BIDDERS ARE ADVISED THAT RECEIPT OF THIS NOTICE MUST BE DULY ACKNOWLEDGED ON THE BID PROPOSAL FORM OR BY THE INSERTION OF THIS SHEET, SIGNED, AND SUBMITTED WITH YOUR PROPOSAL.

**MATTHEW F. FITZGERALD
PURCHASING MANAGER**

The City has received an Environmental Report regarding the lack of vernal pools for the property located at 165 Lambert Street.

The report from Jones Associates is attached.

Receipt of **Addendum No. 1** to the City of Portland's RFP #20068, **Request for Proposals for Development of City-Owned Property Located at 165 Lambert Street** is hereby acknowledged.

COMPANY NAME: Maine Cooperative Development Partners
SIGNED BY: Brian Eng DATE: 6/16/2020
PRINT NAME & TITLE: Brian Eng, Principal
ADDRESS: 6 City Ctr, FL3
Portland, ME 04101 ZIP CODE

Addendum #2

CITY OF PORTLAND, MAINE

**Request for Proposals for Development of City-Owned
Property Located at 165 Lambert Street
RFP #20068**

Current Date: June 9, 2020

The attention of firms submitting proposals for the work named in the above Invitation is called to the following modifications to the documents as were issued.

The items set forth herein, whether of clarification, omission, addition and/or substitution, shall be included and form a part of the Contractor's submitted material and the corresponding Contract when executed. No claim for additional compensation, due to lack of knowledge of the contents of this Addendum will be considered.

ALL BIDDERS ARE ADVISED THAT RECEIPT OF THIS NOTICE MUST BE DULY ACKNOWLEDGED ON THE BID PROPOSAL FORM OR BY THE INSERTION OF THIS SHEET, SIGNED, AND SUBMITTED WITH YOUR PROPOSAL.

**MATTHEW F. FITZGERALD
PURCHASING MANAGER**

Please see our response to questions received related to this RFP.

Receipt of **Addendum No. 2** to the City of Portland's **RFP #20068, Request for Proposals for Development of City-Owned Property Located at 165 Lambert Street** is hereby acknowledged.

COMPANY NAME: Maine Cooperative Development Partners
SIGNED BY: B. Va DATE: 6/16/2020
PRINT NAME & TITLE: Brian Eng, Principal
ADDRESS: 6 City Ctr. Fl 3
Portland, ME 04101 ZIP CODE

EXHIBIT C**Minimum Household Size and Maximum Allowable Monthly Rent Calculation**

The Minimum household size for a unit in the Coop is based on the number of bedrooms in the unit, as set forth in the table below. The maximum allowable monthly rent for a unit is 1/12 of 30% of the Area Median Income, based on the minimum household size for a unit, less the Coop member's costs for utilities. :

	Studio/One-Bedroom Unit	Two-Bedroom Unit	Three-Bedroom Unit	Four-Bedroom Unit
Minimum Household Size	1	2	3	4

For Example, utilizing 2020 AMI levels, and assuming no out of pocket utility costs for the Co-op member, the maximum allowable monthly rent would be as follows:

Studio/One Bedroom Unit: $1/12(0.30 \times \$70,630) = \$1,765.75$

Two Bedroom Unit: $1/12(0.30 \times \$80,720) = \$2,018.00$

Three Bedroom Unit: $1/12(0.30 \times \$90,810) = \$2,270.25$

In the event that the Co-op member has out of pocket utility expenses, the maximum allowable monthly rent would be decreased by the amount of those utility expenses. For example, for a two bedroom unit with \$300 in monthly utility expenses, the maximum allowable monthly rent would be $\$2,018.00 - \$300 = \$1,718.00$.

Utility allowance will be calculated in one of two ways: (1) using the utility allowance established by the Portland Housing Authority or (2) based on actual documented utility usage at the property.

**FIRST AMENDMENT
TO
PURCHASE AND SALE AGREEMENT**

THIS FIRST AMENDMENT TO PURCHASE AND SALE AGREEMENT is made as of the 10th day of May, 2022, by and between the CITY OF PORTLAND, a Maine municipal corporation with a place of business in Portland, Maine and mailing address of 389 Congress Street, Portland, Maine 04101 (“Seller” of “City”) and MAINE COOPERATIVE DEVELOPMENT PARTNERS LLC, a Maine limited liability company with a mailing address of 6 City Center, Fl. 3, Portland, Maine 04101 (“Buyer”).

WHEREAS, City and Buyer entered into a certain Purchase And Sale Agreement dated January 4, 2021 (the “Agreement”) with respect to certain real property located at or near 165 Lambert Street as more fully described in the Agreement; and

WHEREAS, Seller and Buyer wish to amend the Agreement to extend the due diligence period and describe easements to be reserved on the Premises by the City.

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, City and Buyer hereby agree as follows:

1. Unless otherwise defined in this Amendment, capitalized terms used in this Amendment have the same meaning as those terms have in the Agreement.
2. The parties acknowledge and agree that the Agreement incorrectly identified the Buyer as “Maine Cooperative Development Partners, a Maine corporation” instead of Maine Cooperative Development Partners LLC, a Maine limited liability company.” Accordingly, the parties agree that any references in the Agreement to “Maine Cooperative Development Partners, a Maine corporation” are hereby deleted and replaced with “Maine Cooperative Development Partners LLC, a Maine limited liability company,” meaning and intending to clarify that the Buyer under the Agreement is Maine Cooperative Development Partners LLC.
3. Section 3(a) of the Agreement is hereby deleted in its entirety and replaced with the following:

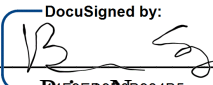
Due Diligence Period: Buyer will have from the date of this Amendment until 4:00 PM Eastern Daylight Savings Time on the day that is twenty-five (25) months after the date of this Amendment (the “Due Diligence Period”) to complete any surveys, environmental review, inspections, and title examinations, and to obtain any zone change, site plan approval, and any other permits and regulatory approvals required for the Project.

4. The following language is added to the Agreement as section 3(i):
 - i. Drainage Easements. The Buyer acknowledges and agrees that in the deed for the Premises, the City will reserve the slope and stormwater drainage easements over portions of the Premises in form and substance reasonably satisfactory to the City in the locations generally described and depicted on Exhibits A, B and C, attached hereto.
5. The following language is added to the Agreement as section 3(j):
 - j. Trail Easement. The Buyer acknowledges and agrees that the Premises shall be conveyed subject to a trail easement for public ingress and egress by pedestrians, bicycles, and other non-motorized pedestrian uses in form and substance reasonably satisfactory to the City. The easement shall be held by the City or another entity reasonably acceptable to the City and Buyer.
6. The opening paragraph in section 10 of the Agreement is hereby deleted and replaced with the following:

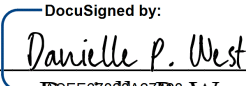
CLOSING. Time is of the essence in the performance of this agreement. The closing shall be held at the offices of Buyer's council at a time agreeable to the parties on or before the day that is twenty-seven (27) months after the date of this Amendment (the "Closing Date"). At the Closing:
7. Except as specifically amended hereby, the Agreement shall remain in full force and effect and the parties hereto ratify the terms and conditions of the Agreement.

IN WITNESS WHEREOF, this First Amendment has been executed and delivered as of the day and year first above written.

MAINE COOPERATIVE
DEVELOPMENT PARTNERS LLC

DocuSigned by:
By: 
Print Name: Brian Eng
Its: Principal

CITY OF PORTLAND

DocuSigned by:
By: 
Danielle P. West
Its Interim City Manager

Approved as to Form:

DocuSigned by:

Michael Goldman
Corporation Counsel's Office

EXHIBIT A

Drainage Easement 1

The certain easement and rights across, above on and under land on the westerly side line of Auburn Street in the City of Portland, Cumberland County, State of Maine, and bounded and described as follows:

BEGINNING at the intersection of the westerly side line of Auburn Street as accepted by Order of the Portland City Council on July 21, 1915 and as recorded in City Clerk Volume 43, Page 77 with the southerly side line of Washington Avenue Extension, declared as a City Street on March 21, 2011 by the Portland City Council and recorded in City Clerk Volume 154, Pages 10 and 11, said point is located S18°29'57"W a distance of 3.36' from a drill hole set in a granite monument;

THENCE, S07°57'06"E thirty-five and hundredths feet (35.00') along the westerly side line of said Auburn Street to a point;

THENCE, N53°14'06"W forty-nine and twenty-five hundredths feet (49.25') through land now or formerly of the City of Portland as described in a deed dated April 15, 1980 and recorded in Deed Book 4593, Page 154 Cumberland County Registry of Deeds to a point in the southerly side line of said Washington Avenue Extension;

THENCE, N81°28'53"E thirty-five and no hundredths feet (35.00') along the southerly side line of said Washington Avenue Extension to the westerly side line of said Auburn Street and **THE POINT OF BEGINNING.**

Meaning and intending to reserve a 612 s.f. drainage easement through land conveyed by Harold S. O'Brien et al. to the City of Portland as described in a deed dated April 15, 1980 and recorded in Deed Book 4593, Page 154, Cumberland County Registry of Deeds.

The basis of bearing is the Maine State Plane Coordinate System (2 zone projection), West Zone using the NAD 1983 (HARN) datum and the U.S. Survey Foot as the unit of measure.

Drainage Easement 2

The certain easement and rights across, above on and under land on the westerly side line of Auburn Street in the City of Portland, Cumberland County, State of Maine, and bounded and described as follows:

BEGINNING at a point on the westerly side line of Auburn Street as accepted by Order of the Portland City Council on July 21, 1915 and as recorded in City Clerk Volume 43, Page 77, said point is located S07°57'06"E one hundred fifty and thirty-three hundredths feet (150.33') from the intersection of said westerly side line of Auburn Street with the southerly side line of Washington Avenue Extension declared as a City Street on March 21, 2011 by the Portland City Council and recorded in City Clerk Volume 154, Pages 10 and 11;

THENCE, S07°57'06"E forty and no hundredths feet (40.00') along the westerly side line of said Auburn Street to the northerly corner of land now or formerly of Eugene D. Morin et al. as described in a deed dated September 26, 1986 and recorded in Deed Book 7423, Page 127 Cumberland County registry of deeds, said point is witnessed by a capped iron rebar stamped "OHaskell 1038";

THENCE, S76°01'08"W sixty and no hundredths feet (60.00') through land now or formerly of the City of Portland as described in a deed dated January 22, 1976 and recorded in Deed Book 3798, Page 6, Cumberland County Registry of Deeds to a point;

THENCE, N07°57'06"W forty and no hundredths feet (40.00') along a line that is parallel to the westerly side line of said Auburn Street and continuing through land now or formerly of the said City of Portland to a point;

THENCE, N76°01'08"E sixty and no hundredths feet (60.00') through land now or formerly of the said City of Portland and through other lands now or formerly of the City of Portland as described in a deed dated April 15, 1980 and recorded in Deed Book 4593, Page 154, Cumberland County Registry of Deeds to **THE POINT OF BEGINNING**.

Meaning and intending to reserve a 2387 s.f. drainage easement through land conveyed by Ray Viles to the City of Portland as described in a deed dated January 22, 1976 and recorded in Deed Book 3798, Page 6, Cumberland County Registry of Deeds and through land conveyed by Harold S. O'Brien et al. to the City of Portland as described in a deed dated April 15, 1980 and recorded in Deed Book 4593, Page 154, Cumberland County Registry of Deeds.

The basis of bearing is the Maine State Plane Coordinate System (2 zone projection), West Zone using the NAD 1983 (HARN) datum and the U.S. Survey Foot as the unit of measure.

Drainage Easement 3

The certain easement and rights across, above on and under land on the easterly side line of Lambert Street in the City of Portland, Cumberland County, State of Maine, and bounded and described as follows:

BEGINNING at a point on the easterly side line of Lambert Street as laid out in December, 1853 by the Cumberland County Commissioners and recorded in the Cumberland County Commissioners Records Volume 10, Page 46, said point is located S36°58'01"E four hundred one and ninety-six hundredths feet (401.96') from the intersection of said easterly side line of Lambert Street with the southerly side line of Washington Avenue Extension, declared as a City Street on March 21, 2011 by the Portland City Council and recorded in City Clerk Volume 154, Pages 10 and 11;

THENCE, S36°58'01"E fifty and no hundredths feet (50.00') along the easterly side line of Lambert Street to a point;

THENCE, N88°32'11"E forty and no hundredths feet (40.00') through land now or formerly of the City of Portland as described in a deed dated January 22, 1976 and recorded in Deed Book 3798, Page 6, Cumberland County Registry of Deeds to a point;

THENCE, N36°58'01"W fifty and no hundredths feet (50.00') along a line that is parallel to the easterly side line of said Lambert Street and continuing through land now or formerly of the said City of Portland to a point;

THENCE, S88°32'11"W forty and no hundredths feet (40.00') through land now or formerly of the said City of Portland to **THE POINT OF BEGINNING**.

Meaning and intending to reserve a 1628 s.f. drainage easement through land conveyed by Ray Viles to the City of Portland as described in a deed dated January 22, 1976 and recorded in Deed Book 3798, Page 6, Cumberland County Registry of Deeds.

The basis of bearing is the Maine State Plane Coordinate System (2 zone projection), West Zone using the NAD 1983 (HARN) datum and the U.S. Survey Foot as the unit of measure.

Drainage Easement 4

The certain easement and rights across, above on and under land on the easterly side line of Lambert Street in the City of Portland, Cumberland County, State of Maine, and bounded and described as follows:

BEGINNING at a point where the easterly side line of Lambert Street as laid out in December, 1853 by the Cumberland County Commissioners and recorded in the Cumberland County Commissioners Records Volume 10, Page 46, with the southerly side line of Washington Avenue Extension, declared as a City Street on March 21, 2011 by the Portland City Council and recorded in City Clerk Volume 154, Pages 10 and 11, said point is located S79° 50' 12"E three and ninety-five hundredths feet (3.95') from a drill hole set in a granite monument;

THENCE, S36°58'01"E twenty and no hundredths feet (20.00') along the easterly side line of Lambert Street to a point;

THENCE, N09°52'56"E twenty-seven and thirty-six hundredths feet (27.36') through land now or formerly of the City of Portland as described in a deed dated January 22, 1976 and recorded in Deed Book 3798, Page 6, Cumberland County Registry of Deeds to a point in the southerly side line of said Washington Avenue Extension;

THENCE, S56°43'53"W twenty and no hundredths feet (20.00') along the southerly side line of said Washington Avenue Extension to the easterly side line of said Lambert Street and **THE POINT OF BEGINNING.**

Meaning and intending to reserve a 200 s.f. drainage easement through land conveyed by Ray Viles to the City of Portland as described in a deed dated January 22, 1976 and recorded in Deed Book 3798, Page 6, Cumberland County Registry of Deeds.

The basis of bearing is the Maine State Plane Coordinate System (2 zone projection), West Zone using the NAD 1983 (HARN) datum and the U.S. Survey Foot as the unit of measure.

Slope Easement

The certain easement and rights across, above on and under land on the westerly side line of Auburn Street in the City of Portland, Cumberland County, State of Maine, and bounded and described as follows:

BEGINNING at the intersection of the westerly side line of Auburn Street as accepted by Order of the Portland City Council on July 21, 1915 and as recorded in City Clerk Volume 43, Page 77 with the southerly side line of Washington Avenue Extension, declared as a City Street on March 21, 2011 by the Portland City Council and recorded in City Clerk Volume 154, Pages 10 and 11, said point is located S18°29'57"W a distance of 3.36' from a drill hole set in a granite monument;

THENCE, S07°57'06"E one hundred ninety and thirty-three hundredths feet (190.33') along the westerly side line of said Auburn Street to the northerly corner of land now or formerly of Eugene D. Morin et al. as described in a deed dated September 26, 1986 and recorded in Deed Book 7423, Page 127 Cumberland County registry of deeds, said point is witnessed by a capped iron rebar stamped "OHaskell 1038";

THENCE, S32°46'39"W sixty-one and thirty hundredths feet (61.30') along said northerly line of land now or formerly of said Morin, to a point;

THENCE, N07°57'06"W two hundred thirty-six and thirty-nine hundredths feet (236.39') along a line that is parallel to and 40.00 feet westerly of the westerly line of said Auburn Street to the southerly side line of said Washington Avenue Extension;

THENCE, N81°28'53"E forty and no hundredths feet (40.00') along the southerly side line of said Washington Avenue Extension to the westerly side line of said Auburn Street and **THE POINT OF BEGINNING.**

Meaning and intending to reserve a 8534 s.f. slope easement through land conveyed by Harold S. O'Brien et al. to the City of Portland as described in a deed dated April 15, 1980 and recorded in Deed Book 4593, Page 154, and through land conveyed by Ray Viles to the City of Portland as described in a deed dated January 22, 1976 and recorded in Deed Book 3798, Page 6, Cumberland County Registry of Deeds.

The basis of bearing is the Maine State Plane Coordinate System (2 zone projection), West Zone using the NAD 1983 (HARN) datum and the U.S. Survey Foot as the unit of measure.

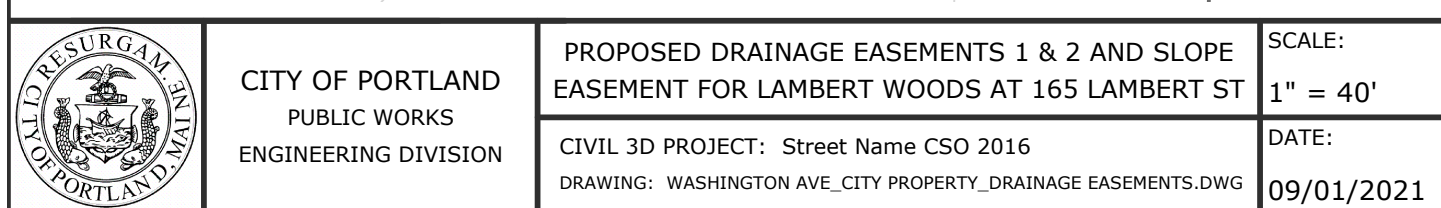
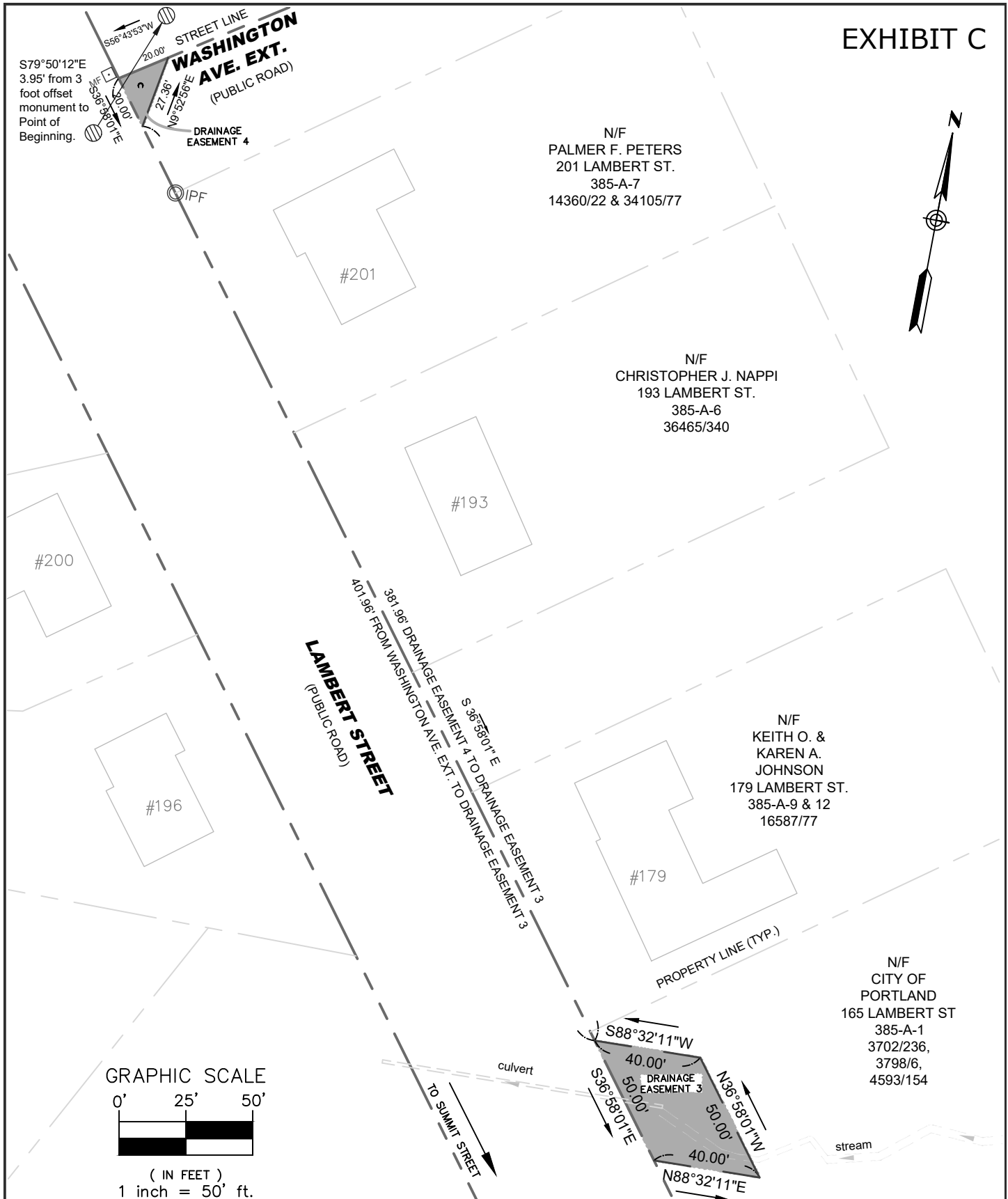


EXHIBIT C



CITY OF PORTLAND
PUBLIC WORKS
ENGINEERING DIVISION

PROPOSED DRAINAGE EASEMENTS 3 & 4
OVER LAMBERT WOODS AT 165 LAMBERT ST

CIVIL 3D PROJECT: Street Name CSO 2016
DRAWING: WASHINGTON AVE_CITY PROPERTY_DRAINAGE EASEMENTS.DWG

SCALE:
1" = 50'

DATE:
09/01/2021

**SECOND AMENDMENT
TO
PURCHASE AND SALE AGREEMENT**

THIS SECOND AMENDMENT TO PURCHASE AND SALE AGREEMENT is made as of the 4th day of November, 2024, by and between the CITY OF PORTLAND, a Maine municipal corporation with a place of business in Portland, Maine and mailing address of 389 Congress Street, Portland, Maine 04101 (“Seller” of “City”) and MAINE COOPERATIVE DEVELOPMENT PARTNERS LLC, a Maine limited liability company with a mailing address of 6 City Center, Fl. 3, Portland, Maine 04101 (“Buyer”).

WHEREAS, City and Buyer entered into a certain Purchase And Sale Agreement dated January 4, 2021, as amended by a First Amendment dated May 10, 2022 (collectively, the “Agreement”) with respect to certain real property located at or near 165 Lambert Street as more fully described in the Agreement; and

WHEREAS, the deadline for the Closing Date under the Agreement has passed, and Seller and Buyer wish to extend that deadline while they negotiate additional substantive changes to the Agreement.

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, City and Buyer hereby agree as follows:

1. Unless otherwise defined in this Amendment, capitalized terms used in this Amendment have the same meaning as those terms have in the Agreement.
2. The opening paragraph in section 10 of the Agreement is hereby deleted and replaced with the following:

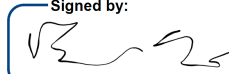
CLOSING. Time is of the essence in the performance of this agreement. The closing shall be held at the offices of Buyer’s counsel at a time agreeable to the parties on or before August 30, 2025 (the “Closing Date”). At the Closing:

3. The following language is added to the Agreement as section 10(e):
 - e. Notwithstanding anything to the contrary in this Agreement, in the event that Buyer has not obtained the financing and approvals necessary to complete the construction loan closing for the Project on the Closing Date, Seller will have the option, but not the obligation, to notify the Buyer of its desire to terminate this Agreement, at which time this Agreement shall terminate, Seller shall pay to Buyer a payment equal to that described in Section 11(e) of the Agreement, and the parties will have no further obligation to each other hereunder.

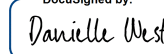
4. Except as specifically amended hereby, the Agreement shall remain in full force and effect and the parties hereto ratify the terms and conditions of the Agreement.

IN WITNESS WHEREOF, this Second Amendment has been executed and delivered as of the day and year first above written.

MAINE COOPERATIVE
DEVELOPMENT PARTNERS LLC

Signed by:
By: 
14F9ED9E0B984B5...
Print Name:
Its:

CITY OF PORTLAND

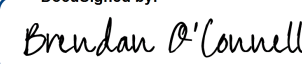
DocuSigned by:
By: 
A4546612E752416...
Danielle P. West
Its City Manager

Approved as to form:

Signed by:

5BDA6A4DE55B4E1...
City Corporation Counsel

Approved as to funds:

DocuSigned by:

C62FB6FC92754F7...
City Finance Director

THIRD AMENDMENT TO PURCHASE AND SALE AGREEMENT

THIS THIRD AMENDMENT TO PURCHASE AND SALE AGREEMENT is made as of the 10th day of September, 2025, by and between the CITY OF PORTLAND, a Maine municipal corporation with a place of business in Portland, Maine and mailing address of 389 Congress Street, Portland, Maine 04101 (“Seller” of “City”) and MAINE COOPERATIVE DEVELOPMENT PARTNERS LLC, a Maine limited liability company with a mailing address of 6 City Center, Fl. 3, Portland, Maine 04101 (“Buyer”).

WHEREAS, City and Buyer entered into a certain Purchase And Sale Agreement dated January 4, 2021, as amended by a First Amendment dated May 10, 2022 and a Second Amendment dated November 4, 2024 (collectively, the “Agreement”) with respect to certain real property located at or near 165 Lambert Street as more fully described in the Agreement; and

WHEREAS, the deadline for the Closing Date under the Agreement is August 30, 2025, and Seller and Buyer wish to extend that deadline while Buyer finalizes the financing for the Project.

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, City and Buyer hereby agree as follows:

1. Unless otherwise defined in this Amendment, capitalized terms used in this Amendment have the same meaning as those terms have in the Agreement.
2. The opening paragraph in section 10 of the Agreement is hereby deleted and replaced with the following:

CLOSING. Time is of the essence in the performance of this agreement. The closing shall be held at the offices of Buyer’s counsel at a time agreeable to the parties on or before August 30, 2026 (the “Closing Date”). At the Closing:

3. Paragraph 10(e) of the Agreement, which was added to the Agreement in the Second Amendment, is hereby deleted and replaced with the following:
 - e. Notwithstanding anything to the contrary in this Agreement, in the event that Buyer has not obtained the financing and approvals necessary to complete the construction loan closing for the Project on the Closing Date, Seller will have the option, but not the obligation, to notify the Buyer of its desire to terminate this Agreement, at which time (i) this Agreement shall terminate, (ii) Seller shall pay to Buyer a payment equal to the amount of all reasonable documented expenses directly incurred by Buyer prior to June 30, 2025 for design, architecture, engineering, environmental, legal, 3rd party reports, and permitting and approval fees for the Project, (iii) Buyer shall assign to Seller all contractor and consultant

agreements, designs, drawings, renderings, plans, specifications, documents, studies, environmental and geotechnical reports, and all other documents related thereto for the Project, provided that Seller will have no obligation or liability to perform the obligations of the Buyer under said agreements until the City assumes such obligations in writing with the applicable parties with whom Buyer has entered into agreements, and (iv) the parties will have no further obligation to each other hereunder.

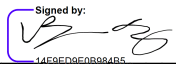
4. Paragraph 11(e) of the Agreement is hereby deleted and replaced with the following:

e. Option to Repurchase. Unless the Project has been transferred to the Coop as set forth above, if Buyer, its successors, assigns, or transferees fails to commence construction of the Project on the Premises within 12 months after the closing, and construct the buildings which are part of the first phase of the Project within thirty (30) months after closing, the City shall have the right, but not the obligation, to repurchase the Premises and the Project at the Purchase Price plus all reasonable documented expenses directly incurred by Buyer prior to Buyer's receipt of notice from City of its intent to repurchase the Premises for design, architecture, engineering, environmental, legal, 3rd party reports, permitting and approval fees, and construction costs for the Project. If the City exercises this right to repurchase, Buyer shall convey the Premises to the City and assign to City all contractor and consultant agreements, designs, drawings, renderings, plans, specifications, documents, studies, environmental and geotechnical reports, and all other documents related thereto for the Project, provided that the City will have no obligation or liability to perform the obligations of the Buyer under said agreements until the City assumes such obligations in writing with the applicable parties with whom Buyer has entered into agreements. This right to repurchase shall be assignable by the City.

5. Except as specifically amended hereby, the Agreement shall remain in full force and effect and the parties hereto ratify the terms and conditions of the Agreement.

IN WITNESS WHEREOF, this Third Amendment has been executed and delivered as of the day and year first above written.

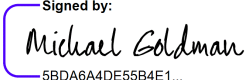
MAINE COOPERATIVE
DEVELOPMENT PARTNERS LLC

By: 
Signed by: 14F0ED0E0B984B5
 Print Name: Brian Eng
 Its: Principal

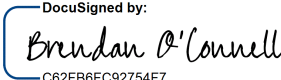
CITY OF PORTLAND

By: 
Danielle P. West
Its City Manager

Approved as to form:


City Corporation Counsel

Approved as to funds:


City Finance Director

MEMORANDUM
City Council Agenda Item

FROM: Matthew Grooms, Historic Preservation
DATE: October 22, 2025
SUBJECT: Order 82-25/26 Amendment to Portland City Code Chapter 14 RE: Hotel
Inclusionary Zoning - Sponsored by Planning Board, Brandon Mazer, Chair
SPONSOR: Brandon Mazer, Planning Board 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 10/20/2025

Final
Action 11/3/2025

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: The Planning Board Chair and City staff will provide a presentation to the Council.

I. SUMMARY

The City Council is being asked to consider a draft ordinance amendment to Chapter 14, Article 17 of the City Code that would update the Hotel Inclusionary Zoning Ordinance by increasing the fee-in-lieu from \$4,831 to \$9,520 per hotel room and revising the unit contribution requirement from one affordable unit per 28 hotel rooms to one unit per 19 hotel rooms.

II. AGENDA DESCRIPTION

On November 4, 2024, the City Council enacted a moratorium on new hotel development in Portland in response to concerns about the effectiveness of the City's hotel inclusionary zoning program and its relationship to housing affordability. The moratorium, which will remain in place until November 29, 2025, directed staff to evaluate the policy and bring forward recommendations for potential amendments.

Since that time, staff worked with the Greater Portland Council of Governments (GPCOG) to update the City's nexus study, presented alternatives to the Housing and Economic Development Committee, and engaged Colliers International to complete a third-party feasibility assessment of potential fee levels. At a public hearing before the Planning Board on September 23, 2025, staff presented an amendment to the hotel inclusionary zoning ordinance, which included raising the amount of the fee-in-lieu of constructing housing units from \$4,831 to \$9,520 per hotel room and changing the alternative unit contribution option from one affordable unit per 28 rooms to one unit per 19 rooms. A motion to recommend the proposed changes to the City Council did not pass with a majority vote by the Planning Board. The Board voted 3-3 (Mazer, Silk, and Fox opposed, Robertson absent). This item is now being forwarded to the Council for a vote on the proposed amendment.

This item must be read on two separate days. It received its first reading on October 20. Five affirmative votes are required for passage after public comment.

III. BACKGROUND

Please see the attached Planning Board Report to the City Council for additional background on this proposal.

IV. INTENDED RESULT AND/OR COUNCIL GOAL ADDRESSED

This amendment supports the Council's priority of addressing the housing crisis by recalibrating the hotel inclusionary zoning fee to reflect current wage and housing data. It aligns with the City Council's 2025 goal on housing affordability and the City's Comprehensive Plan by ensuring that new hotel development contributes to workforce housing needs, while being informed by updated data, a feasibility analysis, and stakeholder feedback.

The Planning Board reviewed the proposal at its September 23, 2025 public hearing and provided a split 3-3 recommendation to the City Council. Members who supported the amendment emphasized that increasing the fee would strengthen existing housing tools identified in the Comprehensive Plan, expand contributions to the Housing Trust Fund, and help ensure that Portland's economic growth is accompanied by housing opportunities for residents across income levels. Members who opposed the amendment raised concerns that hotels are the only sector bearing this responsibility, that smaller operators could be disproportionately affected, and that cumulative development fees could discourage investment and undermine the City's goal of sustaining downtown Portland as a vibrant regional economic center.

V. FINANCIAL IMPACT

This amendment has no direct expenditure impact on the City. If the fee-in-lieu amount is increased, it may generate additional revenues to the City's Housing Trust Fund, which could be leveraged to support the creation of more affordable housing across Portland. The actual revenue impact will depend on the pace and scale of new hotel development. If the fee-in-lieu amount is not increased, the current rate will continue to generate revenue to the City's Housing Trust Fund.

VI. STAFF ANALYSIS AND BACKGROUND

Please see the attached Planning Board Report to the City Council for additional analysis on this proposal.

VII. RECOMMENDATION

The Planning Board voted 3-3 (Mazer, Silk, and Fox opposed; Robertson absent) on the draft text amendments to Ch. 14, Article 17 of the City Code of Ordinances. As a result, the Board forwarded a split recommendation to the Council, with members in opposition recommending that the policy remain unchanged.

VIII. LIST ATTACHMENTS

1. Amendment - Ch14 re Hotel Inclusionary Zoning
2. Hotel IZ City Council Report
3. A. Article 17. Housing_redlined_final
4. B. Order 77 24-25
5. C. Order 177 24-25
6. D. Order 134 18-19
7. E. HEDC Committee_Hotel IZ Memo
8. F. 2018 GPCOG Hotel Linkage Fee Study
9. G. 2025 GPCOG Updated Hotel Linkage Fee Study
10. H. Colliers Financial Feasibility Assessment.Rev 9.19.25

Prepared by:

Matthew Grooms, Historic Preservation

Date: 10/22/2025

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 14 RE: HOTEL INCLUSIONARY ZONING**

WHEREAS, based on the findings, conclusions, recommendations, and other information provided in the staff report to the City Council dated October 15, 2025, which is incorporated herein by reference, as well as the testimony, public comment, and other information submitted to the City Council at the public hearing held on November 3, 2025, the City Council adopts the findings and conclusions in the staff report and finds that the below referenced amendments to Chapter 14 of the City's Code of Ordinances is pursuant to and consistent with the City's Comprehensive Plan.

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF PORTLAND,
MAINE IN CITY COUNCIL ASSEMBLED AS FOLLOWS:**

That Chapter 14, Article 17, is hereby amended to read as follows, on the following pages:

shall be \$150,000 per unit, adjusted annually in the same way as the fee under Subsection 17.1.8.

6. Workforce housing units for sale, if converted to workforce housing units for rent, shall become subject to the income limits and other requirements of such units.
 7. The term of affordability for the required 25% workforce units provided shall be defined as shown in Table 17-C.
 8. Projects shall be subject to an affordable housing agreement with the City of Portland, unless a project is otherwise subject to such an agreement requiring an equal or greater percentage of affordable units at an equal or lower income target level than required by this section.
- D. Density and height bonuses.** Projects that are subject to this subsection shall be eligible for density and height bonuses under Subsection 17.2.2(D).
- E. Implementation guidance.** The Housing & Economic Development Department shall provide guidance on income verification methods, affordable housing agreements, and subsequent monitoring requirements.
- F. Reporting to City Council.** In conjunction with the annual report on the Housing Trust Fund, the Planning Authority shall annually report on developments subject to this subsection, the number of units produced, the amount of fee-in-lieu collected, and the overall effectiveness of this subsection in achieving its stated purpose.

17.2.4 Inclusionary zoning for hotel projects

- A. Purpose.** This subsection is based on City analysis, most specifically the analysis

documented in the Greater Portland Council of Government study *Proposed Hotel Linkage Fee: Supportable Range* dated ~~August 29, 2018~~ March 18, 2025, that finds that new hospitality developments create a need for new affordable housing. This need is the result of the fact that hospitality developments necessarily create a number of jobs that do not pay employees at a rate sufficient to allow those employees to afford market-rate housing in the City of Portland.

- B. Hotel projects.** For the purposes of this subsection, hotel projects shall include any hotel as defined in Article 3 consisting of 10 or more guest rooms for rent to transient guests or to extended stay guests of up to six months. Any expansion of an existing hotel by 10 or more rooms within any five-year period will also be considered a hotel project.
- C. Low-income housing minimum.** All hotel projects shall provide one unit of low-income housing for rent in the City of Portland for every ~~1928~~ rooms in the hotel project, which shall meet the standards outlined in Subsections 17.2.3(C)(2), (3), and (4) and in the implementing regulations governing low-income units. Such units shall contain two bedrooms and be a minimum of 900 SF in floor area. This amount shall be rounded up to the nearest increment of ~~1928~~ rooms. These units shall be deed restricted for the longest period permitted by law, shall not be used for short-term rentals of less than 30 days, and must be provided with distinct entrances from the street to delineate them from the hotel itself.
- D. Fee-in-lieu alternative.** As an alternative to providing low-income housing units under Subsection 17.2.4(C) above, a hotel project may

pay a fee-in-lieu of \$~~9,5203,806~~ per hotel guest room. This amount shall be paid into the City's Housing Trust Fund and used for the purposes set forth in the ordinance and regulations applicable to that trust.

- E. Annual adjustments.** The amounts in Subsection 17.2.4(D) above shall be adjusted annually in the same way as the fee under Section 17.1.8.
- F. Implementation guidance.** The Housing & Economic Development Department shall provide guidance on income verification methods, affordable housing agreements, and subsequent monitoring requirements.

17.3 JILL C. DUSON HOUSING TRUST FUND

17.3.1 Purpose

The purpose of enacting this section is:

- A.** To establish a City of Portland Housing Trust Fund for the promotion, retention, and creation of an adequate supply of housing, particularly affordable housing, for all economic groups and to limit the net loss of housing units in the city.
- B.** To serve as a vehicle for addressing very low, low, and moderate income housing needs through a combination of funds as set out in this article.

17.3.2 Establishment of the Jill C. Duson Housing Trust Fund

The City Council shall establish a special revenue account under the name "City of Portland Jill C. Duson Housing Trust Fund" (Housing Trust Fund). Deposits into the fund shall include:

- A.** Contributions from the City's housing replacement ordinance under Subsection 17.1.8.
- B.** In-lieu fees under Subsections 17.2.3 and 17.2.5.

- C.** Funds appropriated to be deposited into the fund by vote of the City Council.
- D.** Voluntary contributions of money or other liquid assets to the fund.
- E.** Any federal, state, or private grant or loan funds provided to the fund.
- F.** Interest from fund deposits and investments.
- G.** Repayments of loans made from the fund.

17.3.3 Management of the trust fund

The City Manager, or their designee, shall serve as the manager of the Housing Trust Fund. The responsibilities of the manager, subject to the orders of the City Council, shall include:

- A.** Maintaining the financial and other records of the Housing Trust Fund.
- B.** Disbursing and collecting Housing Trust Fund monies in accordance with the Housing Trust Fund annual plan.
- C.** Monitoring the use of monies distributed to successful applicants for Housing Trust Fund support to assure on-going compliance with the purposes of the fund and the conditions under which these monies were granted or loaned.

17.3.4 Housing Trust Fund annual plan

- A.** Each fiscal year, the City Council shall adopt a Housing Trust Fund annual plan. The City Manager shall submit to the City Council a recommended Housing Trust Fund annual plan, utilizing the revenues of the Housing Trust Fund as well as any other funds the manager may propose as appropriate. The housing committee of the City Council or such other committee as the council shall designate shall conduct public hearings on the recommended

PLANNING BOARD REPORT
TO CITY COUNCIL
PORTLAND, MAINE

Hotel Inclusionary Zoning
Land Use Code Amendment: Article 17
Applicant: City of Portland



Submitted to:	Mayor Dion & the City Council	From:	Portland Planning Board
1st Read Date:	October 20, 2025	Date:	October 15, 2025
2nd Read Date:	November 3, 2025 (public hearing)		

I. INTRODUCTION

The Planning Board held a public hearing on September 23, 2025, where staff presented an amendment to the hotel inclusionary zoning ordinance Section 17.2.4, which included raising the amount of the fee-in-lieu of constructing housing units associated with hotel projects from \$4,831 to \$9,520 per hotel room and changing the alternative unit contribution option from one affordable unit per 28 rooms to one unit per 19 rooms. A motion to recommend the proposed changes to the City Council did not pass with a majority vote by the Planning Board. The Board voted 3-3 (Mazer, Silk, and Fox opposed, Robertson absent). This item is now being forwarded to the Council for a vote on the proposed amendment.

On November 4, 2024, the City Council passed Order 77-24/25 (6-2, Dion and Rodriguez opposed; Fournier absent), establishing a 180-day moratorium on new hotel projects in Portland (Attachment B). In adopting this moratorium, the Council cited several concerns, including:

- A shortage of affordable housing;
- A high share of hotel-related jobs that are expected to pay below 60% of Area Median Income (AMI);
- The number of hotel projects since the adoption of the City's hotel inclusionary zoning policy in 2018;
- The fact that the hotel IZ ordinance has not directly resulted in the construction of residential units;
- The total hotel IZ fees in the amount of \$3,556,000 contributed to the Jill C. Dusen Housing Trust Fund; and
- The fact that the hotel IZ ordinance has "not been substantially changed since its initial passage...and is inadequate to address the lack of sufficient affordable housing for hotel employees employed at new hotels."

The moratorium took effect on December 4, 2024, and was originally set to expire on June 2, 2025. On May 5, 2025, the Council unanimously approved Order 177-24/25, extending the moratorium for an additional 180 days (Attachment C). As outlined in Order 77-24/25, the purpose of the moratorium was to allow the Housing and Economic Development Committee (HEDC) to review the City's hotel IZ ordinance and identify policy issues for the Planning Board to consider in drafting potential amendments.

Since that time, staff have undertaken a series of steps to evaluate the ordinance. This work has included updating the City's hotel IZ nexus study in collaboration with the Greater Portland Council of Governments (GPCOG), presenting potential hotel IZ fee alternatives to the Housing and Economic Development Committee (HEDC), directly soliciting feedback from hotel operators and other stakeholders, and

commissioning Colliers International to conduct a third-party feasibility assessment of potential fee levels. In addition, staff held a workshop with the Planning Board to review alternative methodologies for recalibrating the fee.

II. DRAFT TEXT AMENDMENTS

The draft amendment presented to the Planning Board would increase the hotel inclusionary zoning fee from \$4,831 to \$9,520 per room, based on updated housing cost estimates using the Portland Rent Board's locally sourced rental data, with annual adjustments to continue based on changes in the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W). The Rent Board dataset offers the most accurate measure of median rental costs in Portland and provides a defensible basis for recalibrating the fee.

Draft text amendment excerpt is listed below.

Sec. 17.2.4.D Fee in-lieu alternative. *As an alternative to providing low-income housing units under Subsection 17.2.4(C) above, a hotel project may pay a fee-in-lieu of ~~\$3,806~~ \$9,520 per hotel guest room. This amount shall be paid into the City's Housing Trust Fund and used for the purposes set forth in the ordinance and regulations applicable to that trust.*

The draft amendments presented to the Planning Board also included an update to the ratio that applies if a hotel developer elects to provide affordable units on-site rather than pay the fee. The current ratio (one affordable unit for every 28 hotel rooms), was originally based on a comparison between the residential inclusionary zoning fee (per unit) and the hotel fee-in-lieu (per room). Applying the same calculation with the updated fee amounts (\$182,830 per residential IZ unit divided by the proposed \$9,520 hotel IZ fee) results in a revised ratio of one affordable unit for every 19 hotel rooms. In practice, this would mean a hotel developer could comply with the ordinance either by providing one affordable unit for every 19 rooms built or by paying the updated hotel IZ fee-in-lieu.

Draft text amendment excerpt is listed below.

Sec. 17.2.4.C. Low-income housing minimum. *All hotel projects shall provide one unit of low-income housing for rent in the City of Portland for every ~~28~~ 19 rooms in the hotel project, which shall meet the standards outlined in Subsections 17.2.3(C)(2), (3), and (4) and in the implementing regulations governing low-income units. Such units shall contain two bedrooms and be a minimum of 900 SF in floor area. This amount shall be rounded up to the nearest increment of ~~28~~ 19 rooms. These units shall be deed restricted for the longest period permitted by law, shall not be used for short-term rentals of less than 30 days, and must be provided with distinct entrances from the street to delineate them from the hotel itself.*

As drafted, the fee increase to \$9,520 per room would represent a significant increase over the current requirement, equating to approximately \$14 per square foot. This amount falls within the range of fees charged in other communities (Table 1).

Table 1: Overview of Peer Community Linkage Fees²

Jurisdiction	Year of Nexus Study	Maximum Defensible Hotel Fee ¹	Current Fee
Boston, MA	2022	\$80.20 per SF	\$23.09 per SF
Fee Recommended by Staff			
Portland, ME	2025	\$13,731 per room (\$20.34 per SF)	\$9,520 per room (\$14.10 per SF)
Current Fee			
Portland, ME	2018	\$5,165 per room \$7.65 per SF)	\$4,831 per room (\$7.16 per SF)
Los Angeles, CA	2016	\$18.60 per SF	\$3.86 - \$6.44 per SF
Culver City, CA	2022	\$28 per SF	\$5 per SF
Somerville, MA	2017	\$86.43 per SF	\$3.10 per SF
Santa Rosa, CA	2019	\$75 per SF	\$3 per SF
San Diego, CA	2013	\$5-\$6 per SF	\$1.28 per SF, Adjusted Annually by Consumer Price Index (CPI)

1. As noted above, each of the nexus studies evaluated included a broader set of uses than just hotels. The fee listed would be the fee applicable to hotels, and in certain studies, hotels have a separate fee calculated specifically for hotels, whereas in other studies, the fee may apply to hotels along with other commercial uses.
2. For an overview of the City's review of peer community linkage fee programs, please see the Planning Board's July 8th memo, found [here](#).

For comparison purposes, the City projected total fee amounts at all potential fee levels for a representative “median” hotel project with 85 rooms, reflecting the average size of hotels developed in Portland over the past decade (Table 2). Using this as a reference point enables a consistent comparison of how different fee levels translate into total project costs, while grounding the analysis in a project scale typical for the local market.

Table 2: Overview of Hotel IZ Fees on Example 85-Room Hotel

		Fee Per Room	Fee Per SF ¹ (675 SF)	Total Fee
Current	Current Fee	\$4,831.00	\$7.16	\$410,635.00
Updated Nexus Study	COP Rent Board data	\$9,520.00 ²	\$14.10	\$809,200.00
	ACS Median Rent data	\$10,620.00	\$15.73	\$902,700.00
	Fair Market Rent data	\$13,731.00	\$20.34	\$1,167,135.00

1. Portland's hotel linkage fee is calculated based upon the number of hotel rooms within the hotel, and not on the basis of the total floor area as is done in other municipalities with a commercial or hotel linkage fee. This makes the comparison of Portland's policy with that of other jurisdictions more challenging. In order to simplify this comparison, staff have converted both the current and potential new rates from a per room to a per square foot ratio, using industry average data ([Penner, R. H., Adams, L., & Rutes, W. A. \(2013\). Hotel design, planning, and development \(2nd ed.\). Routledge.](#)), which estimates that a typical hotel room results in between 600-750 square feet of floor area (inclusive of common spaces and amenity areas). For the purposes of this comparison, the range has been averaged, assuming that the typical hotel development included 675 square feet of total floor area per hotel room.
2. Draft fee amendment is highlighted in green.

III. COMPREHENSIVE PLAN ANALYSIS

The text amendments to the City's hotel inclusionary zoning ordinance as drafted is broadly consistent with the goals and strategies outlined in [Portland's Plan 2030](#). By updating the hotel IZ fee to reflect current

hotel worker incomes and market-rate housing costs, the amendment strengthens the City’s ability to ensure that those who work in Portland have a fair opportunity to live in Portland. In doing so, the amendment advances the Plan’s emphasis on equity, affordability, and livability as core values guiding Portland’s growth.

Additionally, the Housing Chapter calls for the City to increase, preserve, and adapt its housing supply while reinforcing and refining existing tools such as inclusionary zoning and the Housing Trust Fund. This amendment updates one of those tools in response to new data, ensuring that it continues to function proportionately and effectively over time. By recalibrating the hotel IZ fee, the City is strengthening its ability to generate affordable housing resources and secure greater contributions to the Housing Trust Fund.

The amendment also aligns with the Comprehensive Plan’s broader emphasis on balancing economic vitality with housing affordability, and on grounding policy in evidence. By recalibrating the hotel fee, the amendment ensures that continued growth in the hospitality sector is paired with contributions toward housing for those employed in that sector. This approach strengthens housing stability while supporting the long-term sustainability of a key segment of Portland’s economy. In addition, the proposal is based on an updated nexus study and a third-party feasibility assessment, reflecting the Comprehensive Plan’s call for data-driven, evidence-based policymaking that adapts City tools to current conditions.

At the same time, the Planning Board acknowledged that the Comprehensive Plan is a broad framework, and its goals can reasonably be interpreted in different ways. Some members raised concerns about the alignment of the draft text amendment with equity goals, questioning whether it is appropriate to apply these fees only to hotel development, and suggesting that other sectors generating housing demand might also be considered. Others pointed to the risk that higher fees could strain smaller hotel operators and, if taken too far, potentially limit Portland’s goal of maintaining downtown as a competitive regional destination and a 24/7 hub of activity.

In this way, while the amendment can reasonably be read as consistent with the housing and equity goals of Portland’s Plan 2030, the Board’s split vote reflects the presence of competing priorities within the Plan that the Council must weigh in its deliberation.

IV. HOUSING AND ECONOMIC DEVELOPMENT COMMITTEE DELIBERATION

On [April 15, 2025](#), Planning & Urban Development Department (PUD) staff met with the City Council’s Housing and Economic Development Committee to discuss background and development trends related to the City’s hotel inclusionary zoning ordinance (Attachment E). At this meeting, staff presented three alternatives for updated fee-in-lieu amounts, based on the updated GPCOG linkage fee study (Attachment G). While there was general acknowledgment and support of the updated fee-in-lieu alternative, a question was raised about the methodology used to develop the City’s current inclusionary zoning hotel linkage fee. It was suggested that staff consider exploring an alternative approach, linking the new fee to the cost of constructing affordable dwelling units, rather than basing it on the affordability gap between a typical hotel employee households income and the median market-rate rental cost.

V. PLANNING BOARD REVIEW & DELIBERATION

On [July 8, 2025](#), the Planning Board held a workshop, and on [September 23, 2025](#), the Board held a public hearing to review and consider two potential methodologies for recalibrating the City's Hotel Inclusionary Zoning (IZ) fee.

The first methodology was an updated version of the Greater Portland Council of Governments (GPCOG) nexus study, which analyzes the gap between what a typical hotel employee household can afford and the market rent for a two-bedroom apartment. GPCOG provided three potential fee-in-lieu figures based on different rental cost data sources: the City of Portland Rent Board reports, the American Community Survey (ACS), and HUD Fair Market Rent (FMR). Using current data, these analyses produced fee-in-lieu estimates of \$9,520, \$10,620, and \$13,731 per room, respectively, depending on the rent data source. The second methodology, a “unit production model,” was developed in response to feedback from the Housing & Economic Development Committee. This approach sought to estimate the number of affordable units needed to accommodate housing demand generated by hotel employment and to distribute those costs proportionally across hotel projects.

After review, the Board expressed strong support for continuing with the updated GPCOG methodology, citing its defensibility, consistency with past practice, and alignment with approaches used in peer communities. Members also discussed broader policy considerations, including relationship between the hotel and residential IZ programs, potential developer impacts, and whether these requirements might influence decisions to pursue housing or hotel projects. In response, staff noted that there is no evidence from data, application trends, or developer meetings indicating that the IZ requirements have caused a shift between hotel and housing development.

Some members questioned whether it would be more equitable to evaluate linkage fees across multiple development types rather than solely for hotels and questioned the policy's legal framework under home rule authority. In response, staff noted that the hotel inclusionary zoning policy is legally permissible under the City's home rule authority and that broadening the fee to other commercial uses would not be advised due to market conditions in Portland. The Board and staff also noted that the hotel IZ fee represents just one of several development-related costs that affect overall project feasibility, alongside other municipal fees, permitting requirements, impact fees, and regulatory obligations.

At the September 23 hearing, staff recommended increasing the fee-in-lieu from \$4,831 to \$9,520 per room and revising the unit contribution requirement from one affordable unit per 28 hotel rooms to one per 19 rooms. Board members expressed mixed views—supporters of the text amendment highlighted the need to update the fee to reflect current housing costs. They found that a rate of \$9,520 per room would strike an appropriate balance of strengthening the City's housing tools in a meaningful way while maintaining feasibility for continued hotel investment, and would align the fee with current local data. Opponents raised concerns about market impacts and the burden on smaller hotel operators, which may be less capable of absorbing added costs as compared to national chains.

A motion to recommend the proposed changes to the City Council ultimately did not pass with a majority vote by the Planning Board. The Board voted 3-3 (Mazer, Silk, and Fox opposed, Robertson absent), resulting in a split recommendation to update the hotel IZ provisions in Section 17.2.4 of the Land Use Code.

VI. BACKGROUND

A. History of Hotel Inclusionary Zoning Policy

In 2019, the City proposed and established a hotel inclusionary zoning (IZ) ordinance. The ordinance applies to hotel projects with 10 or more rooms and any hotel expansions of 10 or more rooms within any five-year period. To meet the requirements of the ordinance, hotel projects may provide one unit of low-income housing for rent within the city for every 28 hotel rooms. Portland considers a low-income housing unit to mean one that is rented to households earning 80% of the area median income (AMI) or less. As an alternative, a hotel project to pay an in-lieu fee with a 2019 basis of \$3,806 per room, which is deposited into the City's Jill C. Dusen Housing Trust Fund. The fee is adjusted annually based on changes in the Consumer Price Index, with the 2025 hotel fee-in-lieu being \$4,831 per guest room.

The impetus for creating a hotel inclusionary zoning ordinance was a steady rise in hotel/inn/motel development between 2012 and 2018. Local and national data indicated that job creation in the hospitality industry would involve a considerable number of workforce households at average wage rates below what was required to afford housing in Portland at the time (Attachment F). In anticipation of continued hotel/inn/motel development in the coming years, the hotel inclusionary zoning ordinance was adopted on January 23, 2019. Order 134-18/19 (Attachment D) became effective on February 22, 2019.

B. Hotel Development Following the Adoption of the Hotel IZ Ordinance

Since the adoption of the ordinance in 2019, 15 hotel projects have been approved in the City of Portland. Of these 15 projects, three were exempt from hotel inclusionary zoning requirements (Table 3). One of these exempt projects was too small (<10 rooms) to trigger the requirement and the other two were products of approved master development plans (Thompsons Point and Portland Foreside), which gave them pending proceeding status under the pre-inclusionary zoning code.

Table 3: Approved Hotel Projects Exempt From Hotel IZ Regulations ¹				
Address	Common Name	Approval Year	Total Rooms	Status
148 Coveside Drive	Diamond Cove	2024	8	Approved
Thompson's Point	Forefront Hotel	2023	148	Under Construction
58 Fore Street	Portland Foreside	2023	128	Approved
Total	3		284	

1. Project data related to approved hotel developments, including room counts, status, and fee contributions, was compiled by Planning & Urban Development Department staff based on site plan application records maintained by the City of Portland. Information reflects the status of projects as of October 2, 2025.

Of the 12 remaining projects (Table 4), five have been constructed and completed (shown in green), resulting in a combined total of 242 rooms. Each of these projects opted to pay the fee-in-lieu, resulting in a total of \$920,975 in contributions to the Housing Trust Fund. One additional project is currently under construction (shown in orange): 215 Commercial Street, which will contain 15 rooms and will contribute \$70,380 into the Housing Trust Fund. This project is a smaller-scale renovation of a former office space in the Old Port. The remaining six projects have received approval but have not yet begun construction. If built, these projects would add 753 new hotel rooms to the city. If all 12 projects are constructed as approved, they would collectively generate approximately \$4.5 million in contributions to the Housing Trust Fund and would create 1,010 new hotel rooms.

Table 4: Approved Hotel Projects Subject to Hotel IZ Regulations¹

Address	Common Name	Approval Year	Total Rooms	Fee-in-Lieu	Status
121 Middle Street	Docent's Collection	2019	26	\$72,314	Construction Complete
1 Center Street	Canopy by Hilton	2019	135	\$513,810	Construction Complete
754 Congress Street	The Longfellow Hotel	2020	48	\$182,688	Construction Complete
54 York Street	The Weldon Hotel	2024	14	\$65,562	Construction Complete
178-184-Middle Street	Docent's Collection	2023	19	\$86,602	Construction Complete
215 Commercial Street	-	2024	15	\$70,380	Under Construction
477 Congress Street	Time & Temperature	2023	181	\$849,252	Approved
1060 Westbrook Street	Hyatt Jetport	2024	119	\$558,348	Approved
465 Congress Street	Monument Hotel	2024	92	\$431,664	Approved
385 Congress Street	Fathom	2023	179	\$815,882	Approved
245 Commercial Street	Portland Harbor Hotel Expansion	2024	52	\$243,984	Approved
203 Fore Street	Home 2 Suites	2025	130	\$628,030	Approved
Total	12		1,010	\$4,518,516	

1. Project data related to approved hotel developments, including room counts, status, and fee contributions, was compiled by Planning & Urban Development Department staff based on site plan application records maintained by the City of Portland. Information reflects the status of projects as of October 2, 2025

Regarding location, of the 15 projects approved since the City implemented its hotel IZ policy, approximately 53% or eight projects (699 rooms), are located in the City's B-3 Downtown Business zone; a zone which includes the Old Port and the Arts District and which abuts the City's iconic working waterfront. The B-3 zone is recognized as the region's hub for arts, culture, commerce, and civic life, where hotel development is anticipated and encouraged. For comparison, between 2019 and 2024, the City also approved 1,695 residential dwelling units within the B-3 zone, as can be seen in the [City of Portland Housing Dashboard](#). Collectively, this hotel and residential development reflects strong and balanced growth, aligning with the goals outlined in *Portland's Plan 2030*, which reinforces downtown as the primary hub of activity for the region.

Outside of the B-3 zone, recent hotel projects have generally been located in areas where hotel development is anticipated. Two projects are in the B-5 zone, one at Thompson's Point and the other at 54 York Street, which is located just outside the B-3 zone near Commercial Street and the Old Port and Portland's working waterfront. One project is situated in the India Street Form-Based Code District (ISFBC), a mixed-use area directly adjacent to downtown, the Old Port, and Casco Bay Lines, providing access to the islands. Another hotel is included in the master development plan for Portland Foreside, a large mixed-use

project in the B-6 zone on the Eastern Waterfront. One project is situated in the Airport Business (A-B) zone, an area typically associated with airport-related uses and business travel near the Portland International Jetport. Another project is located along Congress Street in the West End neighborhood within the B-2b zone. Finally, a hotel was approved as part of a contract zone on Great Diamond Island. Together, these projects illustrate that while hotel development is concentrated in Portland’s downtown core, it is also occurring in other mixed-use and business districts consistent with the City’s broader zoning framework.

Table 5: Approved Hotel Projects by Zone (2019-2025)¹

Zone	Total Hotel Projects	Total Rooms Approved
B-2b	1	48
B-3	8	699
B-5	2	162
B-6	1	128
A-B	1	119
IS-FBC	1	130
Contract Zone	1	8
Total	15	1,294

1. Project data related to approved hotel developments, including room counts, status, and fee contributions, was compiled by Planning & Urban Development Department staff based on site plan application records maintained by the City of Portland. Information reflects the status of projects as of October 2, 2025

In terms of size, there is no evidence of a significant trend toward hotels with fewer than 10 rooms as a way to avoid hotel IZ requirements. The average size of hotels operating before the adoption of the hotel IZ policy was 89 rooms, compared to an average of 86 rooms for hotels approved since its implementation. Only one project approved since 2019 has had fewer than 10 rooms.

More recently, however, a notable trend has emerged toward smaller-scale hotels with fewer than 30 rooms. These boutique-style properties offer an alternative to traditional accommodations, often featuring apartment-style suites with full kitchens, dining and living areas, and private bedrooms. They typically operate with limited on-site staff, minimal amenities, mobile check-in, and no centralized reception. Four recent projects—121 Middle Street, 178–184 Middle Street (Docent’s Collection), 215 Commercial Street, and 54 York Street (The Weldon Hotel)—fit this model. While these developments were required to comply with hotel IZ regulations, they represent a growing and distinct segment of the hospitality market, blurring the line between traditional hotels and short-term rentals.

C. Recode Zoning Changes

As part of the ReCode initiative adopted by the City Council on November 4, 2024, hotels are now prohibited in the B-1, B-2b, and TOD-1 zones. These districts are intended to support neighborhood- and community-oriented retail, business, and service uses within an urban development pattern. They are also designed to support mixed-use development and moderate- to high-density housing in locations served by high-frequency transit, where walking, biking, and transit use are encouraged. By prohibiting hotels in these zones, the City is prioritizing housing and mixed-use development in neighborhoods where they are most needed, while acknowledging that hotels remain important to a major city. Hotel development is therefore directed to districts better suited for such uses, where they are permitted as of right to support the diverse needs of a metropolitan area.

ReCode also updated the definition of “hotel” within the land use code. The revised definition clarifies that hotels are multi-room commercial facilities with centralized reception, management, and cleaning services. This change was made to distinguish traditional hotels from emerging non-traditional models that function more like short-term rentals, ensuring the ordinance responds effectively to evolving trends in the hospitality market.

VII. PROCESS FOR UPDATING THE HOTEL IZ FEE

A. Hotel IZ nexus study (2025)

Cities around the country use linkage fees to offset various impacts associated with new development. Before establishing a linkage fee, communities typically conduct a study that formally and systematically establishes the nexus, or the ‘link,’ between new development and the fee’s purpose. In the case of the City’s hotel IZ policy, a linkage fee study was completed in 2018 to document the nexus between hotel development and demand for affordable housing (Attachment F). The basic principle of the study, which was conducted by the Greater Portland Council of Governments (GPCOG), is that new hotel development creates new jobs, attracts new households to fill those jobs, and therefore generates demand for new affordable housing.

When the hotel IZ policy was created, it was also the intent that the fee would be periodically updated. Following the implementation of the hotel moratorium in late 2024, City staff requested an updated fee analysis from GPCOG, which was provided to the City in March of 2025 (Attachment G). It is important to note that GPCOG’s current work did not include an evaluation of the methodology from the original fee study, but instead, simply replicated the methodology, which calculated a fee based on the affordability gap between hotel employee household income and the annualized cost to rent a market-rate two-bedroom apartment, using current-day income and housing cost assumptions. In almost all cases, the current study used the same data sources as the 2018 study. The one exception was for housing cost data, where the original data source was no longer available. Due to this change in the availability of data, GPCOG supplied three possible updated fee-in-lieu figures, based on three alternative rental cost data sources (the City of Portland Rent Board reports, American Community Survey, or HUD Fair Market Rent). These updated fee-in-lieu figures range from \$9,520 to \$10,620 to \$13,731 per room, respectively, depending on the rent data source.

B. Financial feasibility assessment

Following the July 8th Planning Board meeting, the City engaged Colliers International to conduct a third-party feasibility assessment (Attachment H) on a range of potential fee levels. In their assessment, Colliers evaluated the financial impact these fee amounts would have on three separate development scenarios:

1. A 48-room urban hotel in downtown Portland.
2. A 120-room hotel near the Portland International Jetport.
3. A hypothetical 85-room hotel representative of the median hotel size developed in Portland over the past decade.

The analysis assessed the financial viability of each development scenario under three potential updated fees:

1. \$4,831 per room, or the City’s current (2025) hotel IZ fee-in-lieu amount.
2. \$13,731 per room, the highest potential fee amount generated by the 2025 GPCOG nexus study
3. \$28,835 per room, a higher fee modeled in response to feedback from the Housing & Economic Development Committee, which noted that the current methodology only considers one year of

the rental affordability gap likely to be experienced by a hotel worker. To arrive at this number, the highest potential fee in the GPCOG study was multiplied by the median tenure of a hotel employee (2.1 years), as identified by the Bureau of Labor Statistics for the year 2024.

As part of this study, Colliers International reviewed both year-round and peak summer data on local hotel performance, including room rates and revenues. Using standard industry methods, Colliers modeled typical revenues and expenses for each project. They then tested how different fee levels would affect a developer's ability to finance and build a hotel. The analysis identified the point at which a higher fee would begin to tip a project from being feasible to becoming more risky or potentially infeasible.

Key takeaways from the analysis include:

- The current fee of \$4,831 per room is below what today's housing costs and wages would justify.
- At the mid-range fee of \$13,731 per room, projects may begin to face narrower profit margins and increased financial risk.
- Fees above \$13,731 per room could discourage certain projects or reduce investor interest.

Colliers' assessment demonstrates that the City's current hotel linkage fee is likely set too low, and that a recalibrated fee at or below \$13,731 per room better reflects current market realities while remaining feasible for most hotel projects.

C. Stakeholder outreach

Staff conducted targeted outreach to members of the hospitality industry, hotel developers active within the City, the Portland Regional Chamber of Commerce, and the Maine Real Estate Development Association (MEREDA). While overall feedback on the proposed fee changes was limited, staff received substantive comments from two recent hotel developers. Both indicated that the highest fee level modeled by Colliers (\$28,835 per room) would have been cost-prohibitive and would have prevented their projects from moving forward.

One response emphasized the role hotels play in Portland's economy, noting that new hotel development fuels tourism, sustains downtown restaurants and shops, and enhances the City's reputation as a travel destination. One independent hotel operator expressed concern that higher fees may disproportionately impact smaller, locally owned hotel development projects, limiting their ability to compete with larger national chains. They also noted that many independent hotels offer competitive wages and make positive contributions to the community.

Stakeholders acknowledged that hotel development can increase housing demand by adding jobs, and agreed that the City should continue to pursue policies that incentivize housing production. Overall, respondents cautioned that while moderate increases to the current fee may be supportable, fee levels at the upper end of the scenarios modeled would create significant financial challenges and could discourage new projects.

VIII. ATTACHMENTS

Report Attachments

- A. Draft Amendment to Article 17
- B. Council Order 77-24/25
- C. Council Order 177-24-25
- D. Council Order 134-18/19
- E. PUD Memo to HEDC – 4.15.25
- F. GPCOG Portland Hotel Linkage Fee Study (2018)
- G. Updated GPCOG Portland Hotel Linkage Fee Study (2025)
- H. Colliers Financial Feasibility Assessment September 2025
- I. Public Comment

DRAFT AMENDMENTS TO ARTICLE 17 SUBMITTED FOR CITY COUNCIL CONSIDERATION

17 HOUSING

17.1 HOUSING PRESERVATION AND REPLACEMENT

17.1.1 Purpose

The purpose of the housing preservation and replacement ordinance is:

- A. To promote and facilitate an adequate supply of housing, particularly affordable housing for all economic groups.
- B. To limit the net loss of housing units in the city.
- C. To preserve housing in zones where housing is permitted in the city for all residents in order to promote the health, safety, and welfare of its citizens.

17.1.2 Applicability

- A. Except as otherwise provided in this section, the housing preservation and replacement ordinance shall apply to the loss of three or more dwelling units in a five-year period, provided that such dwelling units were a legally registered residential use as of July 1, 2002. For the purposes of this section, dwelling units shall be as defined in Article 3, but also include rooming units that people rent in or sleep in within lodging houses, dormitories, shelters, and sheltered care group homes.
- B. Except as otherwise provided in this section, the housing preservation and replacement ordinance shall also apply to proposals that result in the loss of fewer than three dwelling units which were legally registered residential

use as of July 1, 2002 for the purposes of creating surface parking.

- C. For the purposes of this section, loss of dwelling units shall mean the elimination or conversion to nonresidential use of a dwelling unit and dwelling units that remain vacant for three years or more or are lost due to demolition unless the vacancy or demolition results from accidents outside of the owner's control, fire, natural disasters, or acts of war.
- D. Determination of number of the dwelling units within a structure or structures and the number of units lost will be based on the records of the Building Authority indicating the legal, registered use of the property since July 1, 2002 through the time of application. The actual use of the property for purposes of applicability of this section may be rebutted by the owner by proof of documentary evidence including but not limited to photographs, letters, and sworn affidavits. The Planning Authority may conduct its own investigation of the actual use and shall determine the applicability of this section based on the totality of the evidence.

17.1.3 Exemptions

This section does not apply to:

- A. Consolidation, elimination, or reconfiguration of one or more dwelling units within an existing structure, as long as all the resulting units remain as dwelling units after such consolidation, elimination, or reconfiguration, except as provided by (D) below. Conversion of a dwelling unit to a hotel or motel room shall not qualify for the exemption provided by this paragraph.

- B. Legally nonconforming dwelling units existing in zones which no longer permit residential uses.
- C. Property which has been ordered demolished by the City, pursuant to 17 M.R.S. § 2851, et seq., as amended, except where it is determined by the Building Authority that the deterioration was caused by neglect or lack of maintenance.
- D. Paragraph (A) above notwithstanding, the conversion to a nonresidential use of any dwelling units located on the ground floor of a building within a mixed-use zone.

17.1.4 Planning Authority approval required

Notwithstanding any other provision of this section, a proposal to demolish or to convert three or more dwelling units to a nonresidential use in a zone where such use is otherwise permitted must first obtain approval from the Planning Authority. In addition to any other requirements of the Land Use Code, the applicant must submit a statement certifying the number of dwelling units to be demolished or converted to nonresidential use, as well as a description of the characteristics of each of those units.

17.1.5 Tenant notification requirements

Prior to elimination as a result of demolition or conversion to nonresidential use, the owner shall:

- A. Provide the Planning Authority a list containing the name of each tenant currently residing in the dwelling units to be demolished or converted to nonresidential use, as well as verification of compliance with tenant notice requirements of this subsection.
- B. Deliver to each tenant who occupies such a dwelling unit a written notice to vacate the unit. The notice shall either be sent by certified mail, return receipt requested, or served in-hand.

The notice will grant the tenant not less than 90 days from the date of receipt of the notice to vacate the unit.

- C. File proof of service of the notice with the Planning Authority.

17.1.6 Housing replacement requirements

- A. The Planning Authority shall require, as a condition of approval, that an owner shall replace any dwelling units that are demolished or converted to nonresidential use.
- B. This requirement may be satisfied in any one of the following ways, which may be used in combination:
 1. *Construction of units.* The construction of housing units within a new structure or a new addition either on site or off-site.
 2. *Residential conversion.* The conversion of a nonresidential building to residential use.

17.1.7 Replacement unit requirement

In addition to the foregoing, all replacement units built pursuant to Subsection 17.1.6.B above shall:

- A. Be located within the same United States census block group as the parcel from which the dwelling units are being removed or within 1,500 feet of the dwelling units being removed.
- B. Not previously have been on the market as of the date of application.
- C. Be situated within a development which has not been a candidate for site plan approval as of the date of the application.
- D. Be comparable in size to the units replaced. For the purpose of this section, “comparable in size” means that the aggregate size of the replacement units will be no less than 80% of the size of the aggregate of the original units to be replaced and a similar bedroom mix.

17.1.8 Contribution to the Housing Trust Fund

- A. The applicant may meet the requirements of this housing replacement ordinance by depositing \$50,000 for each dwelling unit into the City's Housing Trust Fund.
- B. Beginning on January 1, 2004 and annually thereafter, the amount of the contribution shall be adjusted by multiplying this amount originally deposited for each unit by a fraction, the denominator of which shall be the "Consumer Price Index for Urban Wage Earners and Clerical Workers ("CPI-W"), U.S. City Average, "All Items Index," as published by the United States Bureau of Labor Statistics ("the index") for January 1, 2003 year, and the numerator of which shall be the index for the same month in each subsequent year. In the event that the index is not then in existence, the parties shall use such equivalent price index as is published by any successor governmental agency then in existence, or, if none, then by such nongovernmental agency as may then be publishing an equivalent price index, in lieu of and adjusted to the index. If the index shall cease to use 1982-84 equals 100 as the basis of calculation, or if a substantial change is made in the terms or number of items contained in the index, the base index shall be adjusted to conform to such change, using such computation thereof, if available, as shall be employed by the United States Department of Labor in computing same. Notwithstanding anything herein to the contrary, contributions made after January 1, 2004 shall not be less than the amount originally required to be deposited for each rooming or dwelling unit.

Owners or affiliates must post a performance guarantee in the form of a letter of credit, or other security acceptable to the City attorney, in the amount equivalent to the amount the applicant would have been required to contribute to the City's Housing Trust Fund if the applicant had chosen that option pursuant to Subsection 17.1.8. Such a performance guarantee shall be valid for no more than three years, after which the full amount due shall be provided to the City's Housing Trust Fund if replacement units satisfying the conditions of this housing replacement ordinance do not have certificates of occupancy.

17.1.10 Partial waiver of replacement requirements

- A. Any owner who has applied for site plan review for elimination or conversion to nonresidential use of dwelling units may apply to the Zoning Board of Appeals for a partial waiver from the housing replacement requirements of this section. Such waiver may be a downward adjustment of up to 50% of the owner's housing replacement obligation if the owner establishes to the board's satisfaction that:
 1. The proposed development is consistent with the Comprehensive Plan.
 2. The proposed development provides significant value and benefit to the immediate and surrounding neighborhood, including, but not limited to, community enhancement, social benefits or job creation.
 3. The applicant demonstrates with objective evidence that the imposition of the requirements of this section would impose such an economic burden upon the

17.1.9 Performance guarantee

project relative to its scope that it renders the project impossible to develop.

4. The requested relief does not constitute a grant of a special privilege inconsistent with the limitations upon similar properties.
- B.** The Zoning Board of Appeals must make positive findings on each of the four criteria above in order for any such adjustment to be valid. An applicant aggrieved of a decision of the Zoning Board of Appeals may appeal a decision under this subsection pursuant to the provisions of Article 2.

17.1.11 Effect of other City ordinances

- A.** Nothing in this section shall permit the demolition or conversion to nonresidential use of dwelling units in residential property protected by Article 16, except as permitted by that ordinance.
- B.** A conditional zone may not be used to circumvent the application of this section. The terms of this section shall apply to any conditional zone which involves dwelling units affected by this section. Notwithstanding the foregoing, nothing herein shall be deemed to prevent the City and the applicant from agreeing to terms which exceed those imposed by this section by means of a conditional zone.

17.1.12 Appeals

Any applicant aggrieved by a decision of the Planning Authority under this section may appeal to the Zoning Board of Appeals within 30 days of that decision.

17.2 AFFORDABLE HOUSING

17.2.1 Purpose

It is in the public interest to promote an adequate supply of housing that is affordable to a range of households at different income levels. Therefore, the purpose of this section is to offer incentives to developers to include units of affordable housing within development projects and to require the inclusion of affordable housing units in development projects in certain contexts. In so doing, this section will assist the city in meeting its comprehensive goals for affordable housing, in preventing the overcrowding and deterioration of the limited supply of affordable housing, and promote the health, safety, and welfare of its citizens.

17.2.2 Affordable housing incentives

- A. Eligible projects.** Under this subsection, eligible projects shall include any development project:
1. That is permissible under the provisions of this Land Use Code in the zone in which it is proposed.
 2. That creates new dwelling units, among which is at least one low-income or workforce housing unit for rent or sale, through new construction, substantial alteration of existing structures, adaptive reuse or conversion of a nonresidential use to residential use, or any combination of these elements. Affordable housing units for sale or rent may not differ in exterior design from other units within an eligible project.
- B. Reduction of fees.** Notwithstanding any other provision of this Land Use Code or Chapter 6 to the contrary, development fees, including site plan review and inspection fees, subdivision review and inspection fees, impact fees,

TABLE 17-A: AFFORDABLE HOUSING FEE REDUCTIONS

% of New Units That are Low-Income or Workforce	Development Fee Discount	Cost of Work (Building Permit) Fees
10% up to but not including 15%	10% reduction	\$9.90 per \$1,000
15% up to but not including 20%	15% reduction	\$9.35 per \$1,000
20% up to but not including 25%	20% reduction	\$8.80 per \$1,000
25% or more	25% reduction	\$8.25 per \$1,000

administrative fees, and construction and permit fees as described in Chapter 6 of the City of Portland Code of Ordinances, shall be reduced by the City for an eligible project in the

TABLE 17-B: BONUSES FOR ELIGIBLE PROJECTS

% Low-income or Workforce Units	Density Permitted ¹
10-19%	1.1 x base
20-29%	1.25 x base
30-49%	1.3 x base
50-74%	2.5 x base
>75%	2.5 x base

¹ "Base" is the number of units allowed under the zoning without this bonus but with any other bonuses applied.

manner described in Table 17-A. Development fees do not include any fees charged for review conducted by any party other than the City.

- C. Expedited review.** The Planning Authority shall perform its review of an eligible project in as expedited a manner as is practical, without impairing the scope or thoroughness of the review. The Planning Authority may adopt administrative procedures to prioritize review of eligible projects and facilitate this expedited

review. The Planning Board shall make its best efforts to give priority in scheduling workshops and public hearings related to any plans or applications required for an eligible project that are within the Planning Board's jurisdiction, without impairing the scope or thoroughness of its review. At the conclusion of these public meetings, the Planning Board shall promptly issue a decision on all such plans and applications before it for consideration.

D. Density and height bonuses.

Notwithstanding any other provision of this Land Use Code to the contrary, in order to encourage low-income and workforce units in areas prioritized for growth, eligible projects as defined under Subsection 17.2.2 may avail themselves of the following options:

- 1. Density bonuses.** The maximum number of units that would otherwise be allowed under this Land Use Code shall be increased for an eligible project in the manner described in Table 17-B, applicable where residential is allowed as a permitted or conditional use in mainland zones.
- 2. Height bonuses.** In mixed-use zones, the TOD zones, and the RN-6, for eligible projects over ten units in size in which over 75% of units are low-income or workforce units, maximum heights as permitted under Article 7 shall be increased by 10 feet.
- 3. Unit size.** In order to be eligible for this subsection, the low-income and workforce housing units must meet Subsections 17.2.3(C)(2), (3), and (4).
- 4. Term of affordability.** Affordable units under this subsection shall be deed-restricted to remain affordable for 30

years or the longest term permitted under federal, state, and local laws, whichever is longer. Such deed restrictions shall be recorded in the Cumberland County Registry of Deeds.

17.2.3 Ensuring workforce housing

- A. Purpose.** Based on the City's Comprehensive Plan and the City's 2015 housing study, it is in the public interest to promote an adequate supply of housing that is affordable to a range of households at different income levels. The purpose of this subsection is to ensure that housing developments over a certain size provide a portion of workforce housing units and, by doing so, promote the health, safety, and welfare of Portland citizens.
- B. Applicability.** This subsection shall apply to site plan applications that create ten or more new dwelling units for rent or for sale through new construction, substantial alteration of existing structures, adaptive reuse or conversion of a nonresidential use to residential use, or any combination of these elements. This subsection shall not apply to projects that otherwise meet or exceed the standards of 17.2.3(C).
- C. Standards.** Development projects subject to this subsection shall meet to the following requirements:
1. At least 25% of the units in the project shall meet the definition of workforce housing unit for sale or for rent as defined in Article 3. The project shall have the option of paying a partial fee-in-lieu as per (5) below or providing an additional unit on-site for any fractional value.

2. Projects shall not be segmented to avoid compliance with these provisions.
3. Workforce units must be integrated with the rest of the development, must use a common entrance in the case of mixed market rate and workforce buildings, must

TABLE 17-C: MINIMUM TERM OF AFFORDABILITY FOR REQUIRED WORKFORCE UNITS

% of Workforce	
Units Provided	Minimum Term of Affordability
25%	30 years
50%	20 years
100%	10 years

provide no indication from the exterior or from areas inside the respective buildings that these units are workforce housing units, and must demonstrate general parity in unit design, finishes, and amenities between market and workforce units in the development. Applications shall include a narrative that addresses parity of workforce and market rate units, a description of workforce and market rate unit attributes and amenities, phasing if applicable, and integration into the respective building and site design.

4. Workforce units need not be the same size as other units in the development but the cumulative number of bedrooms in such units shall be no less than 25% of the total number of bedrooms in the development.
5. As an alternative to providing workforce housing units, projects may pay a fee-in-lieu of some or all of the units. In-lieu fees shall be paid into the Housing Trust Fund. The fee for affordable units not provided

shall be \$150,000 per unit, adjusted annually in the same way as the fee under Subsection 17.1.8.

6. Workforce housing units for sale, if converted to workforce housing units for rent, shall become subject to the income limits and other requirements of such units.
 7. The term of affordability for the required 25% workforce units provided shall be defined as shown in Table 17-C.
 8. Projects shall be subject to an affordable housing agreement with the City of Portland, unless a project is otherwise subject to such an agreement requiring an equal or greater percentage of affordable units at an equal or lower income target level than required by this section.
- D. Density and height bonuses.** Projects that are subject to this subsection shall be eligible for density and height bonuses under Subsection 17.2.2(D).
- E. Implementation guidance.** The Housing & Economic Development Department shall provide guidance on income verification methods, affordable housing agreements, and subsequent monitoring requirements.
- F. Reporting to City Council.** In conjunction with the annual report on the Housing Trust Fund, the Planning Authority shall annually report on developments subject to this subsection, the number of units produced, the amount of fee-in-lieu collected, and the overall effectiveness of this subsection in achieving its stated purpose.

17.2.4 Inclusionary zoning for hotel projects

- A. Purpose.** This subsection is based on City analysis, most specifically the analysis

documented in the Greater Portland Council of Government study *Proposed Hotel Linkage Fee: Supportable Range* dated ~~March 18~~^{August 29}, 20~~25~~¹⁸, that finds that new hospitality developments create a need for new affordable housing. This need is the result of the fact that hospitality developments necessarily create a number of jobs that do not pay employees at a rate sufficient to allow those employees to afford market-rate housing in the City of Portland.

- B. Hotel projects.** For the purposes of this subsection, hotel projects shall include any hotel as defined in Article 3 consisting of 10 or more guest rooms for rent to transient guests or to extended stay guests of up to six months. Any expansion of an existing hotel by 10 or more rooms within any five-year period will also be considered a hotel project.
- C. Low-income housing minimum.** All hotel projects shall provide one unit of low-income housing for rent in the City of Portland for every ~~1928~~ rooms in the hotel project, which shall meet the standards outlined in Subsections 17.2.3(C)(2), (3), and (4) and in the implementing regulations governing low-income units. Such units shall contain two bedrooms and be a minimum of 900 SF in floor area. This amount shall be rounded up to the nearest increment of ~~1928~~ rooms. These units shall be deed restricted for the longest period permitted by law, shall not be used for short-term rentals of less than 30 days, and must be provided with distinct entrances from the street to delineate them from the hotel itself.
- D. Fee-in-lieu alternative.** As an alternative to providing low-income housing units under Subsection 17.2.4(C) above, a hotel project may

pay a fee-in-lieu of \$~~9,520,806~~ per hotel guest room. This amount shall be paid into the City's Housing Trust Fund and used for the purposes set forth in the ordinance and regulations applicable to that trust.

- E. Annual adjustments.** The amounts in Subsection 17.2.4(D) above shall be adjusted annually in the same way as the fee under Section 17.1.8.
- F. Implementation guidance.** The Housing & Economic Development Department shall provide guidance on income verification methods, affordable housing agreements, and subsequent monitoring requirements.

17.3 JILL C. DUSON HOUSING TRUST FUND

17.3.1 Purpose

The purpose of enacting this section is:

- A.** To establish a City of Portland Housing Trust Fund for the promotion, retention, and creation of an adequate supply of housing, particularly affordable housing, for all economic groups and to limit the net loss of housing units in the city.
- B.** To serve as a vehicle for addressing very low, low, and moderate income housing needs through a combination of funds as set out in this article.

17.3.2 Establishment of the Jill C. Duson Housing Trust Fund

The City Council shall establish a special revenue account under the name "City of Portland Jill C. Duson Housing Trust Fund" (Housing Trust Fund). Deposits into the fund shall include:

- A.** Contributions from the City's housing replacement ordinance under Subsection 17.1.8.
- B.** In-lieu fees under Subsections 17.2.3 and 17.2.5.

- C.** Funds appropriated to be deposited into the fund by vote of the City Council.
- D.** Voluntary contributions of money or other liquid assets to the fund.
- E.** Any federal, state, or private grant or loan funds provided to the fund.
- F.** Interest from fund deposits and investments.
- G.** Repayments of loans made from the fund.

17.3.3 Management of the trust fund

The City Manager, or their designee, shall serve as the manager of the Housing Trust Fund. The responsibilities of the manager, subject to the orders of the City Council, shall include:

- A.** Maintaining the financial and other records of the Housing Trust Fund.
- B.** Disbursing and collecting Housing Trust Fund monies in accordance with the Housing Trust Fund annual plan.
- C.** Monitoring the use of monies distributed to successful applicants for Housing Trust Fund support to assure on-going compliance with the purposes of the fund and the conditions under which these monies were granted or loaned.

17.3.4 Housing Trust Fund annual plan

- A.** Each fiscal year, the City Council shall adopt a Housing Trust Fund annual plan. The City Manager shall submit to the City Council a recommended Housing Trust Fund annual plan, utilizing the revenues of the Housing Trust Fund as well as any other funds the manager may propose as appropriate. The housing committee of the City Council or such other committee as the council shall designate shall conduct public hearings on the recommended

plan and refer the matter to the council for action.

- B.** The Housing Trust Fund annual plan shall include:
 - 1.** A description of all programs to be funded in part or in full by the Housing Trust Fund.
 - 2.** A description of how funds from the Housing Trust Fund will be distributed among very low-income, low-income and moderate-income households.
 - 3.** The amount of funds budgeted for programs funded in part or in full from the Housing Trust Fund.
- C.** Priority for the expenditure of funds collected pursuant to Section 17.1 shall be given to the creation of new housing stock, through either new construction or conversion of nonresidential buildings to residential use.

17.3.5 Distribution and use of the Housing Trust Fund's assets

- A.** All distribution of principal, interest, or other assets of the Housing Trust Fund shall be made in furtherance of the public purposes set out in Section 17.1.
- B.** During each year, the Housing Trust Fund shall disburse as grants or loans so much of the Housing Trust Fund's assets as the City Council in its discretion has approved in the Housing Trust Fund annual plan.
- C.** Funds shall not be used for City administrative expenses.
- D.** Funds shall not be used for property operating expenses or supporting services.
- E.** No grants or loans shall be awarded by the Housing Trust Fund to corporations, partnerships, or individuals who are delinquent at the time of application in the payment of

property taxes or other fees to the City of Portland, who have been convicted of arson, who have been convicted of discrimination in the sale or lease of housing under the fair housing laws of the State of Maine, or who have pending violations of current City electrical, plumbing, building, or housing codes or zoning ordinances.

17.3.6 Term of affordability

- A.** Whenever funds from the Housing Trust Fund are used for the acquisition, construction, or substantial rehabilitation of an affordable rental or cooperative unit, the City of Portland shall impose enforceable requirements on the owner of the housing unit that the unit remain affordable for the remaining life of the housing unit, assuming good faith efforts by the owner to maintain the housing unit and rehabilitate it as necessary. The remaining life of the housing unit shall be presumed to be a minimum of 30 years.
- B.** Whenever funds from the Housing Trust Fund are used for the acquisition, construction, or substantial rehabilitation of ownership housing, the City of Portland shall impose enforceable resale restrictions on the owner to keep the housing unit affordable for the longest feasible time, while maintaining an equitable balance between the interests of the owner and the interests of the City of Portland.
- C.** The affordability restriction requirements described in this subsection shall run with the land and the City of Portland shall develop appropriate procedures and documentation to enforce these requirements and shall record such documentation in the Cumberland County Registry of Deeds.

17.4 CONDOMINIUM CONVERSION

17.4.1 Purpose

The purpose of this section is to regulate the conversion of rental housing to condominiums, to minimize the potential adverse impacts of such conversion on tenants, to ensure that such converted housing is safe and decent, and to maintain a reasonable balance of housing alternatives within the city for persons of all incomes.

17.4.2 Applicability

This section shall apply to the conversion of any rental unit to a condominium unit. For the purposes of this section, developer shall mean any person or other legal entity, but not including an established lending institution unless it is an active participant in a common promotional scheme, who, whether acting as principal or agent, records a declaration of condominium that includes real estate, any portion of which was previously a rental unit.

17.4.3 Protection of tenants

A. Notice of intent to convert. A developer shall give to each tenant, meaning any occupant in lawful possession of a rental unit, whether by lease, sublease, or otherwise, written notice of intent to convert at least one 120 days before the tenant is required by the developer to vacate. If a tenant has been in possession of any unit within the same building for more than four consecutive years, the notice period shall be increased by 30 additional days for each additional year, or fraction thereof, to a

maximum of 240 additional days. The notice shall set forth specifically the rights of tenants under (A), (B), and (C) of this subsection and Subsection 17.4.4, and shall contain the following statement:

If you do not buy your apartment, the developer of this project is required by law to assist you in finding another place to live and in determining your eligibility for relocation payments. If you have questions about your rights under the law, or complaints about the way you have been treated by the developer, you may contact the Department of Permitting & Inspections, City of Portland, 389 Congress Street, Portland, Maine 04101.

B. If the notice specifies a date by which the tenant is required to vacate, the notice may also serve as a notice of termination under the applicable law of forcible entry and detainer, if it meets the requirements thereof. The notice shall be hand delivered to the tenant or mailed, by certified mail, return receipt requested, postage prepaid, to the tenant at the address of the unit or such other address as the tenant may provide. The notice shall be effective when actually received. No tenant may be required by a developer to vacate without having been given notice as required herein, except for the reasons specified in the applicable law of forcible entry and detainer, and in accordance with the procedures thereof. The terms of a tenancy, including rent, may not be altered during the notice period, except as expressly provided in a preexisting written lease. If, within 120 days after a tenant is required by a developer to vacate, the developer records a

declaration of condominium without having given notice as required herein, the developer shall be presumed to have converted in violation of this article.

- C. Option to purchase.** For a 60-day period following the giving of notice as required in Subsection 17.4.3(A), the developer shall grant to the tenant an exclusive and irrevocable option to purchase the unit of which the tenant is then possessed, which option may not be assigned. If the tenant does not purchase or contract to purchase the unit during the 60-day period, the developer may not convey or offer to convey the unit to any other person during the following 180 days at a price or on terms more favorable than the price or terms previously offered to the tenant, unless the more favorable price or terms are first offered exclusively and irrevocably to the tenant for an additional 60-day period. This subsection shall not apply to any rental unit that, when converted, will be restricted exclusively to nonresidential use. If, within two years after a developer records a declaration of condominium, the use of any such unit is changed such that but for the preceding sentence, this subsection would have applied, the developer shall be presumed to have converted in violation of this article.

17.4.4 Relocation payments

If the tenant does not purchase the unit, the developer shall, before the tenant is required by the developer to vacate, make a cash payment to the tenant in an amount equal to the amount of rent paid by the tenant for the immediately preceding two months, provided that this requirement shall not apply to any tenant whose gross income

exceeds 80% of the median income of the Portland SMSA, adjusted for family size, as determined by the U.S. Department of Housing and Urban Development at the time notice is given as required in Subsection 17.4.3. Additionally, the developer shall, upon demand, provide assistance to the tenant in the form of referrals to other reasonable accommodations and in determining the tenant's eligibility for relocation payments as provided herein.

17.4.5 Conversion permit

Before conveying or offering to convey a converted unit, the developer shall obtain a conversion permit from the Building Authority. The permit shall issue only upon receipt of a completed application therefore in a form to be devised for that purpose, payment of a fee of \$25,000 per converted unit, to be adjusted annually in the same way as the fee under Chapter 14, Section 17.1.8 of this code, at least \$1,000 of which shall be appropriated to the Housing Safety Office for the administration and enforcement of the Rent Stabilization Ordinance, Chapter 6, Articles XII and XIII of this code, and the remainder of which shall be paid into the Jill C. Duson Housing Trust Fund, and a finding, upon inspection, that each unit, together with any common areas and facilities appurtenant thereto, is in full compliance with all applicable provisions of Chapter 6, Articles II, III, and V and Chapter 10, Article II of the City of Portland Code of Ordinances, and the Life Safety Code as adopted by the state. The developer shall post a copy of the permit in a conspicuous place in each unit and shall make copies available to prospective purchasers upon request.

17.4.6 Variation by agreement

No provision of or right conferred by this Section 17.4 may be waived by a tenant, by agreement or otherwise, and any such waiver shall be void. Any attempt to require, encourage, or induce a tenant to waive any provision hereof, or right conferred hereby, shall be a violation of this article. Nothing herein shall be construed to void any term of a lease which offers greater rights than those conferred hereby.

17.5 RELOCATION OF DISPLACED TENANTS

17.5.1 Purpose

The purpose of this section is to encourage the retention of a diverse housing supply throughout the downtown and in areas readily accessible to the downtown, to ensure that persons displaced as the result of redevelopment of residential units to nonresidential uses within the B-3 Downtown Business zone are treated fairly and consistently, and to ensure that persons so displaced will be relocated at the reasonable expense of the developer to comparable housing at a location providing comparable access to services and amenities.

17.5.2 Notice and eligibility for relocation assistance

When a proposed development will result in the displacement of residents of an existing structure, the developer of the property shall give all tenants written notice as set forth below and shall provide relocation assistance as set forth below for any tenant whose gross income is 80% or less of the median income of the Portland SMSA, adjusted for family size, as determined by the U.S. Department of Housing and Urban Development at the time the developer gives the tenant written notice of intent to cause removal of the residential unit. Such

written notice shall be given to the tenant at least 120 days before the tenant shall be required to vacate the premises and shall contain the following statement:

The developer of this project is required by law to assist you in finding another place to live and in determining your eligibility for relocation payments. If you have questions about your rights under the law, or complaints about the way you have been treated by the developer, you may contact the Department of Planning and Urban Development, City of Portland, 389 Congress Street, Portland, Maine 04101.

17.5.3 Relocation assistance for all tenants

The developer shall provide, upon demand, assistance to all tenants who will be displaced by the development in the form of referrals to other reasonable accommodations and in determining the tenants' eligibility for relocation payments as provided herein. The developer shall make relocation payments to eligible tenants in accordance with the schedule adopted by the City Council in Subsection 17.5.4.

17.5.4 Schedule of relocation payments for eligible tenants

The developer shall, before the tenant is required by the developer to vacate, make a cash payment to the tenant in an amount equal to the amount of rent paid by the tenant for the immediately preceding two months.

Order 77-24/25 Passage as amended: 6-2 on 11/04/2024 (Mayor Dion & Councilor Rodriguez-No, Councilor Fournier Absent)

Motion to waive second reading: Passed 7-1 (Dion-No, Fournier absent)

Motion to amend effective until date to 5/3/2024 if passed as an emergency and to send any changes made to the Planning Board. - Passed 7-1 (Dion-No, Fournier absent)

Motion to refer to HEDC Committee-Failed 3-5 (Sykes, Ali, Phillips, Trevorrow, Pelletier-No, Fournier absent)

Motion to pass as an emergency: Failed 6-2 (Dion & Rodriguez No, Fournier absent)

Effective 12/04/2024

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

CITY OF PORTLAND
IN THE CITY COUNCIL

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

**ORDER ESTABLISHING A 180-DAY MORATORIUM ON NEW HOTEL PROJECTS
IN THE CITY OF PORTLAND**

WHEREAS, the City of Portland faces a critical shortage of affordable housing;

WHEREAS, in January 2019, by Order 134-18/19, the City Council adopted an inclusionary zoning ordinance for hotel projects as set forth in Section 18.2.5 of the City's Land Use Code (the "Hotel Inclusionary Zoning Ordinance"); and

WHEREAS, hotel projects create many jobs that do not pay employees at a rate sufficient to allow those employees to afford market rate housing in Portland, and the purpose of the Hotel Inclusionary Zoning Ordinance was to address that demand; and

WHEREAS, the Hotel Inclusionary Zoning Ordinance currently requires developers of hotel projects to provide one unit of low-income long-term rental housing for every 28 rooms in the hotel project or to pay a fee-in-lieu of such units to the Jill C. Duson Housing Trust Fund in the amount of \$4,692 for each guest room in the hotel project; and

WHEREAS, since 2019, nine hotel projects have been approved, are under review, are under construction, or have been constructed, including 801 guest rooms; and

WHEREAS, the developers of those hotel projects have provided no low-income long-term rental units and will generate only about \$3,556,000 in fees to the Jill C. Duson Housing Trust Fund; and

WHEREAS, the hotel projects that have been constructed since 2019 are projected to create approximately 489 jobs, many of which are expected to pay below 60% of the area median income; and

WHEREAS, hotel development continues to be robust and competes with housing development in Portland;

WHEREAS, the Hotel Inclusionary Zoning Ordinance has not been substantially changed since its initial passage in 2019 and is inadequate to prevent serious public harm caused by hotel development, including the lack of sufficient affordable housing for hotel employees employed at new hotels;

WHEREAS, a temporary 180-day prohibition on approval for new hotel projects is appropriate in order to allow the City time to review and amend the Hotel Inclusionary Zoning Ordinance as necessary to ensure that there is sufficient affordable housing for hotel employees and otherwise prevent a worsening of the housing crisis; and

WHEREAS, in the judgment of the City Council for the City of Portland, these facts create an emergency within the meaning of 30-A M.R.S. § 4356(1) (A) and the City Charter, requiring immediate action to prevent serious public harm; and

NOW, THEREFORE, pursuant to its authority in 30-A M.R.S. §§ 3001 and 4356, the Portland City Council hereby ordains that a Moratorium is imposed, effective immediately, on any and all applications and approvals for hotel projects, except that this Moratorium does not apply to any hotel projects that have any applications with the City or the Planning Board that are currently under review by the City or the Planning Board or that have already been approved by the City or Planning Board (the “Existing Hotel Projects”); and

BET IT ORDERED, that that no permit applications for any hotel project, other than the Existing Hotel Projects, shall be accepted, processed, or reviewed by the City or the Planning Board for the period of this Moratorium; and

BE IT FURTHER ORDERED, that those provisions of the City’s Land Use Code that are inconsistent or conflicting with the provisions of this Moratorium, are hereby repealed to the extent that they are applicable for the duration of this Moratorium, but not otherwise; and

BE IT FURTHER ORDERED, that during the time that this Moratorium is in effect, the City’s Housing and Economic Development Committee shall review the Hotel Inclusionary Zoning Ordinance and identify policy concerns for the Planning Board to consider in developing potential amendments to the ordinance for consideration by the City Council; and

BE IT FURTHER ORDERED, that this Moratorium shall remain in effect until the earlier of the effective date of necessary amendments to the Hotel Inclusionary Zoning Ordinance or June 2, 2025, unless extended, repealed, or modified by the Portland City Council; and

BE IT FURTHER ORDERED, that to the extent any provision of this Moratorium is deemed invalid by a court of competent jurisdiction, the balance of the Moratorium that shall remain shall be considered valid.

Order 177-24/25
Passage: 9-0 on 5/5/2025

Effective 5/15/2025

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 EXTENDING FOR 180 DAYS THE MORATORIUM ON NEW HOTEL
PROJECTS IN THE CITY OF PORTLAND ESTABLISHED BY ORDER 77-24/25**

WHEREAS, the City of Portland continues to face a critical shortage of affordable housing; and

WHEREAS, in January 2019, by Order 134-18/19, the City Council adopted an inclusionary zoning ordinance for hotel projects as set forth in Section 18.2.5 of the City's Land Use Code (the "Hotel Inclusionary Zoning Ordinance"); and

WHEREAS, hotel projects create many jobs that do not pay employees at a rate sufficient to allow those employees to afford market rate housing in Portland, and the purpose of the Hotel Inclusionary Zoning Ordinance was to address that demand; and

WHEREAS, the Hotel Inclusionary Zoning Ordinance currently requires developers of hotel projects to provide one unit of low-income long-term rental housing for every 28 rooms in the hotel project or to pay a fee-in-lieu of such units to the Jill C. Duson Housing Trust Fund in the amount of \$4,692 for each guest room in the hotel project; and

WHEREAS, since 2019, nine hotel projects have been approved, are under review, are under construction, or have been constructed, including 801 guest rooms; and

WHEREAS, the developers of those hotel projects have provided no low-income long-term rental units and will generate only about \$3,556,000 in fees to the Jill C. Duson Housing Trust Fund; and

WHEREAS, the hotel projects that have been constructed since 2019 are projected to create approximately 489 jobs, many of which are expected to pay below 60% of the area median income; and

WHEREAS, hotel development continues to be robust and competes with housing development in Portland; and

WHEREAS, the Hotel Inclusionary Zoning Ordinance has not been substantially changed since its initial passage in 2019 and is inadequate to prevent serious public harm caused by hotel development, including the lack of sufficient affordable housing for hotel employees employed at new hotels; and

WHEREAS, a 180-day prohibition on approval for new hotel projects was approved by Order 77-24/25 on November 4, 2024 to allow the City time to review and amend the Hotel Inclusionary Zoning Ordinance as necessary to ensure that there is sufficient affordable housing for hotel employees and otherwise prevent a worsening of the housing crisis; and

WHEREAS, as required by Order 77-24/25, the City's Housing and Economic Development Committee met on April 15, 2025 and received a presentation from Planning staff outlining potential amendments to the Hotel Inclusionary Zoning Ordinance; and

WHEREAS, Planning staff anticipate presenting proposed amendments to the Planning Board in June 2025; and

WHEREAS, the existing Moratorium is scheduled to expire on June 2, 2025, prior to consideration of proposed amendments by the Planning Board and City Council; and

WHEREAS, the conditions that gave rise to the original moratorium persist, and the City is actively working to address them by pursuing amendments in accordance with the process initiated by Order 77-24/25.

NOW, THEREFORE, pursuant to its authority in 30-A M.R.S. §§ 3001 and 4356, the Portland City Council hereby extends the existing Moratorium for an additional one hundred and eighty (180) days through November 29, 2025, effective immediately, on any and all applications and approvals for hotel projects, except that this Moratorium does not apply to any hotel projects that have any applications with the City or the Planning Board that are currently under review by the City or the Planning Board or that have already been approved by the City or Planning Board (the "Existing Hotel Projects"); and

BE IT ORDERED, that no permit applications for any hotel project, other than the Existing Hotel Projects, shall be accepted, processed, or reviewed by the City or the Planning Board for the extended period of this Moratorium; and

BE IT FURTHER ORDERED, that those provisions of the City's Land Use Code that are inconsistent or conflicting with the provisions of this Moratorium, are hereby repealed to the extent that they are applicable for the duration of this Moratorium, but not otherwise; and

BE IT FURTHER ORDERED, that during the time that this extended Moratorium is in effect, the City's Housing and Economic Development Committee, with the assistance of

Housing and Economic Development and Planning staff, shall continue to review the Hotel Inclusionary Zoning Ordinance and identify policy concerns for the Planning Board to consider in developing potential amendments to the ordinance for consideration by the City Council; and

BE IT FURTHER ORDERED, that this Moratorium shall remain in effect until the earlier of the effective date of necessary amendments to the Hotel Inclusionary Zoning Ordinance or November 29, 2025, unless further extended, repealed, or modified by the Portland City Council; and

BE IT FURTHER ORDERED, that to the extent any provision of this Moratorium is deemed invalid by a court of competent jurisdiction, the balance of the Moratorium that shall remain shall be considered valid.

**DRAFT MINUTES FROM
HOUSING AND ECONOMIC DEVELOPMENT COMMITTEE MEETING
HELD ON 4/15/2025 RE HOTEL INCLUSIONARY ZONING ORDINANCE**

Item #2: Discussion: Hotel Inclusionary Zoning Ordinance and identify policy concerns for the Planning Board to consider in developing potential amendments to the Ordinance for consideration by the City Council

Kevin Kraft presented the history, background, and development trends related to the City's hotel inclusionary zoning ordinance. Nell Donaldson presented GPCOG's Nexus and Linkage Fee Study.

According to lodging license data from the Maine Department of Health and Human Services, there are currently 41 licensed lodging places in the City of Portland, with approximately 3,500 total rooms. 68% of these hotels have been developed since 2000, with 18 (44%) having been developed since 2010. In 2019, the City proposed and established a hotel inclusionary zoning ordinance. In the case of the City's IZ policy, a linkage fee study was completed in 2018 to document the nexus between hotel development and demand for affordable housing. The current linkage fee-in-lieu is \$4,831 per guest room. When the hotel policy was created, it was also the intent that the linkage fee would be periodically updated. In early 2025, City staff requested an updated fee-in-lieu analysis from GPCOG. Based on available data sources, GPCOG supplies three possible update fee-in-lieu figures based on three alternative rental cost date sources. These figures range from \$9,520 to \$10,620 to \$13,731 per room, depending on the rent date source used.

Staff is providing three options on moving forward. With committee guidance, staff is recommending the hotel moratorium be extended to allow time for staff to draft proposed Land

Use Code revisions for Planning Board review (in May/June) and eventually for consideration by the full City Council (in June/July).

The Committee held a discussion regarding the study methodology, and intended outcomes. Questions regarding the linkage fee, wage rates, number of hotel employees in Portland, creating housing affordable for hotel employees, and other methods to measure how to address the housing crisis were discussed. The Committee also noted that to create municipal led public housing, there would need to be a massive, revolving housing trust fund. Staff asked the Committee for their goal for the Hotel Inclusionary Zoning ordinance - is it to create the housing units required in the ordinance or is it to support investment into the Housing Trust Fund to leverage funding to create a greater amount of affordable housing?

Councilor Sykes noted the benefits of municipal led public housing is greater efficiency when compared to developers in the private market, and for that reason, leans towards trying to get a larger fee (that is more in line with what it costs to create housing) and try to capitalize a fund the City could use to produce publicly-owned housing.

Councilor Phillips indicated she would like to meet with the Planning Department.

Councilor Michniewicz asked staff to discuss their recommendation for option 2 (“raise IZ fee-in-lieu and reduce applicable threshold”).

Staff noted the current fee-in-lieu has not discouraged hotel development, so there is the thought there is room to increase the fee. Also, the current fee was calculated based on data from at least 2018 or earlier, so there is needed updating. Recalibrating the fee includes considering the impact on local developers. The fee should not be set so high that the unintended consequence is limiting the pool of developers from local and large commercial developers to only large commercial developers. Reducing the threshold from applying to projects that include

ten or more guest rooms would maintain consistency with changes made during ReCode.

Councilor Sykes indicated she leans towards option 2, but thinks the fee is far too low. The fee should be at a place that does not completely disincentivize hotel development. Larger corporations that are building hotels are probably in a place that is much easier for them to absorb the fee-in-lieu. Therefore, maybe tier the fee on the cost of the hotel room or ask the developer what the rate would be to rent a room for a week and then have that be the fee-in-lieu.

The Committee held a discussion on directing staff on how to proceed. Staff will implement the changes requested by the Committee, then bring the revised proposal to the Planning Board who would then make a recommendation to the City Council for consideration.

To allow the time necessary to conduct this work and hold the public hearings, the Committee directed staff to bring an extension request to the City Council to extend the moratorium from ending on June 2 to ending an additional six months from that date.

Councilor Ali opened the meeting to public comment. Seeing no one, the public comment period was closed.

On a motion by Council Sykes, seconded by Councilor Michniewicz, the Committee voted 4-0 to recommend to the City Council extension of the current 180-day moratorium on new hotel projects and expansions to allow time for a review of the Hotel Inclusionary Zoning ordinance.



Staff Memo To:

Housing & Economic Development Committee
Councilor Pious Ali, Chair

MEETING DATE

April 15, 2025

AGENDA ITEM

Agenda Item 2 – Hotel Inclusionary Zoning Ordinance

PURPOSE

An initial discussion on the history, background, and development trends related to the City’s hotel inclusionary zoning ordinance, with the committee providing direction on next steps.

COMMITTEE WORK PLAN/CITY COUNCIL GOAL ALIGNMENT

On December 16, 2024, the City Council established its 2025 Common Goals, outlining policy priorities and guiding the development of Council committee work plans. The Housing & Economic Development Committee (HEDC) identified the review and potential revision of the hotel inclusionary zoning ordinance (Chapter 14, Section 17.2.4) as a policy matter aligned with Council Common Goal #2: *“The Council will work to implement solutions to the housing crisis, including building more working class housing, improved support for the unhoused community such as an overdose prevention center as well as continued support for warming shelters. Additionally conduct independent assessment of Efficiencies, Outcomes, and Expenditures.”*

At its [January 21, 2025](#) meeting, the HEDC established its 2025 work plan, which includes reviewing and considering potential revisions to the City’s existing hotel inclusionary zoning ordinance.

BACKGROUND/ANALYSIS

On November 4, 2024, the City Council passed Order 77-24/25 (6-2, Mayor Dion & Councilor Rodriguez – No, Councilor Fournier Absent) (Attachment A) establishing a 180-day moratorium on new hotel projects in the City of Portland. The moratorium went into effect on December 4, 2024 and is set to expire on June 2, 2025.

Portland’s Hotel Inventory & Development Trends

According to lodging license data from the Maine Department of Health and Human Services, there are currently 41 licensed lodging places in the City of Portland, with approximately 3,500 total rooms. 68% of these hotels have been developed since 2000, and 18 (44%) have been developed since 2010.

History of Hotel IZ policy

In 2019, the City proposed and established a hotel inclusionary zoning (IZ) ordinance. The requirement applies to hotel projects with 10 or more rooms and any hotel expansions of 10 or more rooms within any five-year period. To meet the requirement, hotel projects can provide one unit of low-income housing for rent within the city for every 28 hotel rooms. Portland considers a low-income housing unit to mean one that is rented to households earning 80% AMI or less. The other alternative is for a hotel project to pay a linkage fee (fee-in-lieu) with a 2019 basis of \$3,806 per room, which is deposited into the City's Housing Trust Fund at the time the Certificate of Occupancy is issued. The linkage fee is adjusted annually; the 2025 hotel inclusionary fee-in-lieu is \$4,831 per guest room.

The impetus for the creation of a hotel inclusionary zoning ordinance was a steady rise in hotel/inn/motel development between 2012 and 2018. Local and national data indicated that job creation in the hospitality industry would involve a considerable amount of workforce households at average wage rates below what was required to afford housing in Portland at the time. As a result of the specifics of the industry's profile and anticipating an increase in hotel/inn/motel development in the coming years, the hotel inclusionary zoning ordinance was adopted on January 23, 2019, Order 134-18/19 (Attachment B) and became effective on February 22, 2019.

Hotel development post IZ policy

Since adoption of the ordinance in 2019, 14 projects have been approved. Of the 14 projects three hotel projects approved in that timeframe were not subject to hotel inclusionary zoning requirements (Table 1). One project was too small (<10 rooms) to trigger the requirement and the other two were products of approved master development plans (Thompsons Point and Portland Foreside), which gave them pending proceeding status under the pre-inclusionary zoning code.

Table 1: Approved Hotel Projects Exempt From Hotel IZ Regulations				
Address	Common Name	Approval Year	Total Rooms	Status
148 Coveside Drive	Diamond Cove	2024	8	Approved
Thompson's Point	Forefront Hotel	2023	148	Under Construction
58 Fore Street	Portland Foreside	2023	128	Approved
Total	3		284	

Of the 11 remaining projects (Table 2), four have been constructed and completed, resulting in a combined total of 223 rooms. Each of these projects elected to contribute to the Housing Trust Fund, generating a total of \$834,373 in contributions. Two additional projects are currently under construction: The Docent's Collection at 178–184 Middle Street, which will contain 19 rooms and contribute \$86,602 into the Housing Trust Fund and 215 Commercial Street, which will contain 15 rooms and contribute \$70,380 into the housing trust fund. Both are smaller-scale renovations of

former office spaces in the Old Port. The remaining five projects have received approval but have not yet begun construction. If built, the five remaining projects would add an additional 623 new rooms. If all 11 projects are constructed as approved, they would collectively generate approximately \$3.8 million in contributions to the Housing Trust Fund and 880 hotel rooms.

Table 2: Approved Hotel Projects Subject To Hotel IZ Regulations					
Address	Common Name	Approval Year	Total Rooms	Fee-in-lieu	Status
*121 Middle Street	Docent's Collection	2019	26	\$72,314	Construction Complete
1 Center Street	Canopy by Hilton	2019	135	\$513,810	Construction Complete
754 Congress Street	The Longfellow Hotel	2020	48	\$182,688	Construction Complete
54 York Street	The Weldon Hotel	2024	14	\$65,562	Construction Complete
178-184 Middle Street	Docent's Collection	2023	19	\$86,602	Under Construction
215 Commercial Street	-	2024	15	\$70,380	Under Construction
477 Congress Street	Time & Temperature	2023	181	\$849,252	Approved
1060 Westbrook Street	Hyatt Jetport	2024	119	\$558,348	Approved
465 Congress Street	Monument Hotel	2024	92	\$431,664	Approved
385 Congress Street	Fathom	2023	179	\$815,882	Approved
245 Commercial Street	Portland Harbor Hotel Expansion	2024	52	\$243,984	Approved
TOTAL	11		880	\$3,890,486	

121 Middle Street – Awaiting fee-in-lieu payment for 7 additional rooms, which are included in the total room count.

In terms of location, of the 14 projects approved since the implementation of the Hotel IZ policy, approximately 57%, a total of eight projects (699 rooms) are located in the City's B-3 Downtown Business zone. This zone spans from roughly Franklin Street to State Street and includes the Old Port, Arts District, and abuts the waterfront areas recognized as the region's core for arts, culture, commerce, and civic life, where hotel development is both anticipated and encouraged. For comparison, between 2019 and 2024, the City also approved 1,695 residential dwelling units within the B-3 zone, reflecting strong and balanced growth in both hotel and residential

development. This trend aligns with the goals outlined in *Portland's Plan 2030*, which reinforces downtown as the region's primary hub of activity for the region.

The remaining hotel projects are also located in areas where hotel development is generally expected. Two projects are in the B-5 zone—one at Thompson's Point and the other at 54 York Street, just outside the B-3 zone near Commercial Street and the Old Port/Waterfront Central neighborhoods. One project, part of the master development plan for the Portland Foreside mixed-use development, is located in the B-6 zone in the Eastern Waterfront. Another is situated in the Airport Business (A-B) zone, an area commonly associated with airport-related uses and business travel. Finally, one project was approved as part of a contract zone on Great Diamond Island.

Approved Hotel Projects by Zone (2019–2024)		
Zone	Total Hotel Projects	Total Rooms Approved
B-2b	1	48
B-3	8	699
B-5	2	162
B-6	1	128
A-B	1	119
Contract Zone	1	8
TOTAL	14	1,164

In terms of size, there is no clear evidence of a significant trend toward smaller hotel projects (<10 rooms) as a means of avoiding Hotel IZ requirements. The average size of hotels operating prior to the adoption of the IZ policy was 89 rooms, compared to an average of 83 rooms for hotels approved since its implementation. Only one project approved since 2019 has been under 10 rooms. However, a notable emerging trend in hotel development is the rise of smaller-scale hotels with fewer than 30 rooms, offering an alternative to traditional accommodations. These boutique-style properties typically feature apartment-style suites with fully equipped kitchens, separate dining and living areas, and private bedrooms. They often operate with limited on-site staff, minimal amenities, and rely on mobile check-ins and lacking a centralized reception area. Four such projects—121 Middle Street, 178–184 Middle Street (Docent's Collection), 215 Commercial Street, and 54 York Street (The Weldon Hotel)—fit this model. While these developments were still required to comply with Hotel IZ regulations, they reflect a growing and distinct segment of the hospitality market that tend to operate more in the vein of short term rentals.

ReCode Zoning Changes

As part of the City's ReCode initiative, adopted by the City Council on November 4, 2024, new hotels are now prohibited in the B-1, B-2b, and TOD-1 zones. The purpose of these zones is to support neighborhood- and community-oriented retail, business, and service establishments within a more urban development pattern. They are intended to foster mixed-use development and moderate- to high-density housing in urban neighborhoods that align with the City's investment in high-frequency transit infrastructure, encouraging walking, biking, and public transit use. By prohibiting hotels in these zones, the City prioritizes housing and mixed-use developments and directs hotels to designated areas better suited for such uses.

ReCode also included changes to the definition of "hotel" within the land use code. These changes were designed to more clearly define hotels as multi-room commercial facilities with centralized reception, management, and cleaning services, and to address the emerging trend toward non-traditional forms of hotel development more akin to short-term rentals.

Inclusionary Zoning Fee-in-Lieu Assumptions

Linkage fees are often used by cities as a way to offset the impacts of new development. Before establishing a linkage fee, communities typically conduct a study that formally and systematically establishes the nexus, or the 'link,' between new development and the fee's purpose. In the case of the city's hotel IZ policy, a linkage fee study was completed in 2018 to document the nexus between hotel development and demand for affordable housing (Attachment C). The basic principle of the study, which was conducted by the Greater Portland Council of Governments (GPCOG), is that new hotel development creates new jobs and attracts new households to fill those jobs, and that new affordable housing is necessary to accommodate them.

When the hotel policy was created, it was also the intent that the linkage fee would be periodically updated. Although no specific timeframe was established for these updates and in anticipation of upcoming discussions regarding the current Hotel IZ fee amounts, City staff requested an updated fee-in-lieu analysis from GPCOG in early 2025 (Attachment D). It is important to note that GPCOG's current work did not include an evaluation of the 2018 fee study methodology, but instead simply replicated the original methodology using current day income and housing cost assumptions. In almost all cases, the current study used the same data sources as the 2018 study; the one exception was for housing cost data, where the original data source was no longer available. Because of this change in the availability of data, GPCOG supplied three possible updated fee-in-lieu figures, reflecting three estimated affordability gaps based on three alternative rental cost data sources (the City of Portland Rent Board reports, American Community Survey, or HUD Fair Market Rent). These figures range from \$9,520 to \$10,620 to \$13,731 per room, depending on the rent data source used.

For purposes of comparison, staff conducted an initial analysis of the potential impact of these three possible fees, based on an average sized hotel in the City of Portland of 85 rooms. Under the possible fees, the total inclusionary zoning contribution for a hotel of this size would range from \$809,164 to \$902,720 to \$1,167,120. The total contribution for an 85 room hotel at the 2025 hotel IZ figure of \$4,831 per room would be \$410,635.

NEXT STEPS:

If the summary and recommendations for changes to the existing Hotel IZ ordinance align with the committee's and City Council's priorities, the City can proceed in several possible directions:

1. **Option 1 - Raise IZ fee-in-lieu:** This option would increase the hotel IZ fee-in-lieu based on the estimated affordability gap identified in the 2025 GPCOG study. Staff seeks committee direction on the preferred fee amount based on the rent data source used. Based on the Council's direction, the housing unit per room requirement within hotel inclusionary zoning policy would also be adjusted.
2. **Option 2 - Raise IZ fee-in-lieu & reduce applicability threshold:** In addition to raising the hotel IZ fee-in-lieu based on the estimated affordability gap from the GPCOG study, this option would amend the definition of a "Hotel project" to apply to any size hotel, rather than the current requirement of only applying to projects that include 10 or more guest rooms. Based on the Council's direction, the housing unit per room requirement within hotel inclusionary zoning policy would also be adjusted.
3. **Option 3 - Maintain existing fee-in-lieu & reduce applicability threshold:** This option would retain the existing hotel IZ fee-in-lieu while reducing the applicability threshold. The definition of a "Hotel project" would be amended to include any hotel, rather than only those with 10 or more guest rooms. As in Option 2, the threshold of >10 rooms would be removed, making the IZ requirements applicable to all hotel projects. Based on the Council's direction, the housing unit per room requirement within hotel inclusionary zoning policy would also be adjusted.

FISCAL IMPACT

The hotel IZ policy has resulted in \$834,374 in contributions to the housing trust fund, with just over \$3 million in anticipated revenues from approved projects pending construction. The fee-in-lieu amount is adjusted annually. If the fee is updated to more accurately reflect current incomes and housing costs, assuming that hotel development trends hold steady, contributions to the housing trust fund could be expected to increase significantly.

CONCLUSION(S)

This item is for discussion and direction. If the committee supports the presented options and provides additional guidance on revisions, staff recommends that the hotel moratorium be extended to allow time for staff to draft proposed Land Use Code revisions. These revisions would then be reviewed by the Planning Board, which will provide a recommendation on a text amendment to update the Hotel Inclusionary Zoning ordinance for consideration by the full City Council. Following the Planning Board's recommendation, the amendment will move forward to the full City Council for consideration and final decision.

PRIOR COMMITTEE REVIEW

N/A

PREPARED BY

Kevin Kraft, AICP
Director
Planning & Urban Development

Nell Donaldson
Director of Special Projects
Planning & Urban Development

ATTACHMENTS

Attachment A – Hotel Moratorium Order 77-24/25

Attachment B – Hotel IZ Ordinance Order 134-18/19

Attachment C – GPCOG Linkage Study 2018

Attachment D – GPCOG Linkage Study 2025

Attachment E – Hotel IZ Ordinance – Chapter 14

Order 77-24/25 Passage as amended: 6-2 on 11/04/2024 (Mayor Dion & Councilor Rodriguez-No, Councilor Fournier Absent)

Motion to waive second reading: Passed 7-1 (Dion-No, Fournier absent)

Motion to amend effective until date to 5/3/2024 if passed as an emergency and to send any changes made to the Planning Board. - Passed 7-1 (Dion-No, Fournier absent)

Motion to refer to HEDC Committee-Failed 3-5 (Sykes, Ali, Phillips, Trevorrow, Pelletier-No, Fournier absent)

Motion to pass as an emergency: Failed 6-2 (Dion & Rodriguez No, Fournier absent)

Effective 12/04/2024

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

CITY OF PORTLAND
IN THE CITY COUNCIL

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

**ORDER ESTABLISHING A 180-DAY MORATORIUM ON NEW HOTEL PROJECTS
IN THE CITY OF PORTLAND**

WHEREAS, the City of Portland faces a critical shortage of affordable housing;

WHEREAS, in January 2019, by Order 134-18/19, the City Council adopted an inclusionary zoning ordinance for hotel projects as set forth in Section 18.2.5 of the City's Land Use Code (the "Hotel Inclusionary Zoning Ordinance"); and

WHEREAS, hotel projects create many jobs that do not pay employees at a rate sufficient to allow those employees to afford market rate housing in Portland, and the purpose of the Hotel Inclusionary Zoning Ordinance was to address that demand; and

WHEREAS, the Hotel Inclusionary Zoning Ordinance currently requires developers of hotel projects to provide one unit of low-income long-term rental housing for every 28 rooms in the hotel project or to pay a fee-in-lieu of such units to the Jill C. Duson Housing Trust Fund in the amount of \$4,692 for each guest room in the hotel project; and

WHEREAS, since 2019, nine hotel projects have been approved, are under review, are under construction, or have been constructed, including 801 guest rooms; and

WHEREAS, the developers of those hotel projects have provided no low-income long-term rental units and will generate only about \$3,556,000 in fees to the Jill C. Duson Housing Trust Fund; and

WHEREAS, the hotel projects that have been constructed since 2019 are projected to create approximately 489 jobs, many of which are expected to pay below 60% of the area median income; and

WHEREAS, hotel development continues to be robust and competes with housing development in Portland;

WHEREAS, the Hotel Inclusionary Zoning Ordinance has not been substantially changed since its initial passage in 2019 and is inadequate to prevent serious public harm caused by hotel development, including the lack of sufficient affordable housing for hotel employees employed at new hotels;

WHEREAS, a temporary 180-day prohibition on approval for new hotel projects is appropriate in order to allow the City time to review and amend the Hotel Inclusionary Zoning Ordinance as necessary to ensure that there is sufficient affordable housing for hotel employees and otherwise prevent a worsening of the housing crisis; and

WHEREAS, in the judgment of the City Council for the City of Portland, these facts create an emergency within the meaning of 30-A M.R.S. § 4356(1) (A) and the City Charter, requiring immediate action to prevent serious public harm; and

NOW, THEREFORE, pursuant to its authority in 30-A M.R.S. §§ 3001 and 4356, the Portland City Council hereby ordains that a Moratorium is imposed, effective immediately, on any and all applications and approvals for hotel projects, except that this Moratorium does not apply to any hotel projects that have any applications with the City or the Planning Board that are currently under review by the City or the Planning Board or that have already been approved by the City or Planning Board (the “Existing Hotel Projects”); and

BET IT ORDERED, that that no permit applications for any hotel project, other than the Existing Hotel Projects, shall be accepted, processed, or reviewed by the City or the Planning Board for the period of this Moratorium; and

BE IT FURTHER ORDERED, that those provisions of the City’s Land Use Code that are inconsistent or conflicting with the provisions of this Moratorium, are hereby repealed to the extent that they are applicable for the duration of this Moratorium, but not otherwise; and

BE IT FURTHER ORDERED, that during the time that this Moratorium is in effect, the City’s Housing and Economic Development Committee shall review the Hotel Inclusionary Zoning Ordinance and identify policy concerns for the Planning Board to consider in developing potential amendments to the ordinance for consideration by the City Council; and

BE IT FURTHER ORDERED, that this Moratorium shall remain in effect until the earlier of the effective date of necessary amendments to the Hotel Inclusionary Zoning Ordinance or June 2, 2025, unless extended, repealed, or modified by the Portland City Council; and

BE IT FURTHER ORDERED, that to the extent any provision of this Moratorium is deemed invalid by a court of competent jurisdiction, the balance of the Moratorium that shall remain shall be considered valid.

EXHIBIT B

Order 134-18/19

Passage: 9-0 on 1/23/2019

Effective 2/22/2019

ETHAN K. STRIMLING (MAYOR)
BELINDA S. RAY (1)
SPENCER R. THIBODEAU (2)
BRIAN E. BATSON (3)
JUSTIN COSTA (4)

**CITY OF PORTLAND
IN THE CITY COUNCIL**

KIMBERLY COOK (5)
JILL C. DUSON (A/L)
PIOUS ALI (A/L)
NICHOLAS M. MAVODONES, JR (A/L)

**AMENDMENT TO PORTLAND CITY CODE CHAPTER 14
RE: HOTEL PROJECT INCLUSIONARY ZONING**

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF PORTLAND,
MAINE IN CITY COUNCIL ASSEMBLED AS FOLLOWS:**

*That Chapter 14, Sections 14-484, 14-485 and 14-488.1 is
hereby amended to read as follows:*

Sec. 14-484. Purpose.

It is in the public interest to promote an adequate supply of affordable housing for the city's residents. The purpose of this division therefore is to offer incentives to developers to include units of affordable housing within development projects, thereby mitigating the impact of market rate housing construction, or the demonstrated increase in affordable housing needs resulting from the creation of new lower-income jobs, on the limited supply of available land for suitable housing and helping to meet the housing needs of all economic groups within the city. The city believes that this division will assist in meeting the city's comprehensive goals for affordable housing, in the prevention of overcrowding and deterioration of the limited supply of affordable housing, and by doing so promote the health, safety and welfare of its citizens.

...

Sec. 14-485. Definitions.

...

Eligible project means a development project:

...

- (d) Projects shall not be considered "eligible projects" solely because they are subject to Section 14-487 ("Ensuring Workforce Housing").

Hotel Project is any hotel, inn or motel, as defined in Section 14-47 of Chapter 14 of the Portland City Code, consisting of 10 or more guest rooms for rent. Any such development that exists prior to the effective date of this Section but expands by 10 or more rooms within any 5 year period will also be considered a hotel project.

...

14-488.1 Inclusionary Zoning for Hotel Projects

(a) **Purpose:** This section is based on City analysis, most specifically the analysis documented in the Greater Portland Council of Government study "Proposed Hotel Linkage Fee: Supportable Range" dated August 29, 2018, that finds that new hospitality developments create a need for new affordable housing. This need is the result of the fact that hospitality developments necessarily create a number of jobs that do not pay employees at a rate sufficient to allow those employees to afford market-rate housing in the City of Portland.

(b) **Hotel Projects Conditional Uses:** Notwithstanding anything to the contrary in Chapter 14, all hotel projects are conditional uses subject to Planning Board review on the condition that they comply with the requirements of this Section 14-489.

(c) **Low Income Housing Minimum.** All hotel projects shall provide one unit of Low Income Housing for rent in the City of Portland for every 28 rooms in the hotel project which shall meet the standards outlined in Section 14-487 and in the implementing regulations governing Low Income Units. This amount shall be rounded up to the nearest increment of 28 rooms. These units shall be deed restricted for the longest period permitted by law; shall not be used for Short Term Rentals of less than 30 days; and must be provided with distinct entrances from the street to delineate them from the hotel itself.

(d) **Fee-in-Lieu Alternative:** As an alternative to providing Low Income Housing units under subsection (c) above, a Hotel Project may pay a fee-in-lieu of \$3,806 per hotel guest room. This amount shall be paid into the City's Housing Trust

and used for the purposes set forth in the ordinance and regulations applicable to that trust.

(e) **Annual Adjustments:** The amounts in (d) above shall be adjusted annually in the same way as the fee under Division 29 for Housing Replacement.

(f) **Regulations:** The Planning Board may promulgate implementing regulations based on this ordinance.

(g) **Applicability:** Notwithstanding the provisions of 1 M.R.S. § 302, Sec. 14-489 shall apply retroactively and include any and all actions and proceedings pending on September 26, 2018 or thereafter.

To: Jeff Levine, Planning & Urban Development Director
From: Stephanie Carver, GPCOG Planning Director
Date: 8/29/18
RE: Proposed Hotel Linkage Fee: Supportable Range

This memo has been expanded and updated based on additional data provided by the Maine Innkeepers Association.

Introduction

The City of Portland's Department of Planning & Urban Development is examining the feasibility of a proposal for assessing hotel linkage fees that would recover the cost of producing housing that is affordable for hotel employees. The purpose of this memo is to provide information to the City regarding the use of linkage fees for this purpose and outline a potential methodology for the calculation of a fee.

We have used the best available data to demonstrate how this methodology could be used to estimate a potential hotel linkage fee, but this does not constitute a recommendation from GPCOG as to the amount the City of Portland should charge for the hotel linkage fee nor is it a recommendation for the City of Portland to enact a hotel linkage fee ordinance.

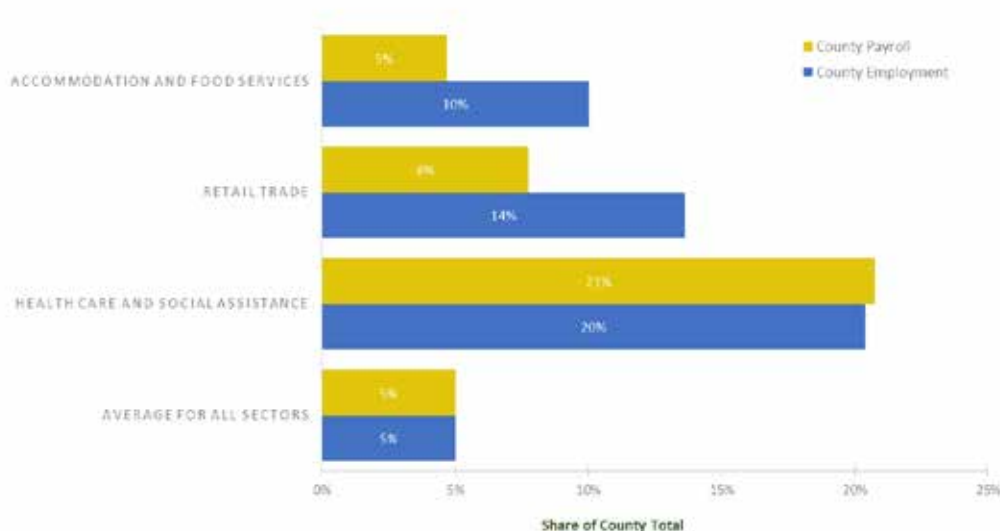
Background

Linkage fees are fees that cities may choose to implement to help mitigate the impact of new commercial development on the demand and availability of affordable housing. Prior to implementing a fee policy, communities often conduct a study to identify the connection, or “nexus” between new commercial development and the need for additional affordable housing. It is assumed that new commercial development contributes additional workers to a city’s workforce and adds new worker households. In many industries, a percentage of these households do not make enough to live and work in the same city. Looking outside the city to find affordable housing often results in longer commute times and higher transportation costs. If implemented, a linkage fee is typically charged to a developer as a condition of approval and it is assessed based on total square footage or number of units in the development.

The City's Comprehensive Plan identifies the increasing demand for affordable housing as an emerging issue and sets a goal of pursuing “policies to enable people who work in Portland to have the option to live in Portland.” To be considered affordable, housing should consume no more than 30% of a household’s income including rent, mortgage, utilities and other household related costs. Of the 1,130 housing units that were permitted and/or built in Portland between 2010 to 2014,

including apartments, condominiums and single-family homes, just 29% were offered at a rent or sales price affordable to a household earning the median incomeⁱ.

CUMBERLAND COUNTY EMPLOYMENT 2016



Source: US Census County Business Patterns, 2016

The Maine Office of Tourism estimates over 6 million tourists visited Portland in 2017. Hotel development is steadily increasing, with 1,811,050 square feet of hotel development - representing 2,647 units - currently in operation throughout the City. According to the US Census, the accommodation and food service sector is the third largest share of employment in Cumberland County, representing 10% of the County's workforce but only 5% of the County's payroll.

According to the Maine State Housing Authority the average rent (including utilities) for a two-bedroom apartment in Portland is \$1,053 per month, and the household income needed to afford the average rent in Portland is \$42,111 per year. However, this is the average rent paid by existing renters in Portland and new households moving to Portland will pay the current market rate, which is generally higher than the average rent. As of June 15, 2018, there are roughly 60 two-bedroom apartments listed for rent in Portland on Zillow, with monthly rents ranging between \$1,300-\$3,500. One third of those apartments are listed with rents between \$1,500 and \$2,000, and another third of those apartments are listed for more than \$2,000 per month. Therefore, a new household moving to Portland will expect to pay between 120%-330% of the average rent to live in the City.

There are a range of estimates available regarding the average wages of a full-time employee in this sector, and all are well below the household income needed to afford housing in Portland. According to the US Census, the average Cumberland County employee in this sector earns \$312 a week or \$16,227 per year. The Maine Department of Labor (DOL) estimates the median income for a full-time

Cumberland County employee in this sector to be significantly higher, \$24,908 per year. Additionally, as of 2017 the minimum wage in Portland is \$10.68/hour, so a full-time employee making this salary would earn an annual income of \$22,214. This affordability gap may force accommodation workers employed in Portland to seek housing outside of Portland.

Data

The minimum justified fee per square footage of hotel development outlined in this memo is based on data from both the US Census American Community Survey (ACS), and wage data from the Maine Department of Labor (DOL).

The US Census American Community Survey (ACS) data in this memo was used because it is the most comprehensive and consistent data source for demographic and economic characteristics of the population in GPCOG's service area. However, there are some limitations to the ACS data. First, it is 5-year sample data because this is the only data consistently available at the municipal, county, and state level. The drawback to using data pooled over five years is it averages out any short-term changes in income due to economic cycles or Portland's more recent minimum wage increase. Second, the median earnings reported by the ACS are based on what individuals report for their earnings regardless of whether they work full-time or part-time. As a result, these earnings may be skewed lower by individuals who work part-time, which may be more common for employment in the retail, food service, or accommodation sectors.

To balance these limitations, the median weekly wage data from the Maine DOL was also included in the analysis. The Maine DOL wage data is from the Quarterly Census of Employment and Wages (QCEW), which is based on employment and wage data reported to the Unemployment Insurance (UI) of the United States. The Maine DOL data also has some limitations. First, the data are only available at the industry level, so it is not possible to calculate the affordability gap for different occupations in the hotel sector. Second, the average weekly wage reported by the QCEW also does not differentiate between full-time and part-time employment. As a result, the weekly wage data reported by the Maine DOL may be skewed both by higher wage occupations and by part-time employment. The average weekly wage reported by Maine DOL was used to calculate yearly income based on full-time employment. This also assumes individuals employed in the accommodation sector can work full-time if they are willing and able toⁱⁱ.

Methodology

Methodologies used to calculate linkage fees vary, but in most cases the analysis begins with an estimation of the number of new employees associated with a typical development, in this case a hotel. In this methodology, a formula is used to calculate the affordability gap between what workers can afford to pay for housing and the average cost of market rate housing.

In Portland's case, a link is established between the creation of new jobs in the hotel sector and the increased demand for affordable housing through the following steps:

- **New Jobs.** Industry data was used to estimate the number of direct jobs that will be created by a new hotel with 180 units. According to the Urban Land Institute the typical hotel employs between 0.5-0.8 employees per hotel room. Using an average value of 0.65 employees per hotel room, it is estimated that a hotel with 180 rooms will employ 117 people. The current ratio of jobs per household was used to estimate how many households will be created by this new employment.
- **Households.** Currently there are 37,737 employed civilians aged 16 and over within the 30,211 total households in Portland. This means that on average there are 1.2 jobs per every household in Portland. Based on this ratio it is estimated that the 117 additional jobs created by a new hotel will create 94 new households in Portland. However, it is assumed employment in these households will be split up between different occupations, such as management, sales, service, and maintenance. The wages for each specific occupation may be higher or lower than the median wage for the hotel industry. Therefore, industry occupation employment and wage data examined from the ACS was used to estimate how many new households will be low income.

EMPLOYED POPULATION PER HOUSEHOLD 2016

	Portland	Cumberland County	Maine
Employed Civilian Population 16+	37,737	155,014	652,638
Total Households	30,211	117,871	551,109
Jobs/Household	1.2491	1.3151	1.1842

Source: American Community Survey 2016 5-year estimate

- **Jobs by Occupation.** Based on industry and occupation employment data from the ACS 64% of jobs in the hotel industry are service occupations, 19% of hotel jobs are management occupations, 13% of hotel jobs are sales and office occupations, and the remainder are maintenance and transportation occupations. The total number of jobs and households that will be created in each occupation was calculated by multiplying the share of hotel employment by occupation by the total number of new hotel jobs created.

NEW JOBS AND HOUSEHOLDS BY OCCUPATION CREATED BY NEW HOTEL EMPLOYMENT

	Share of Hotel Employment	Number of New Jobs	Number of New Households
Service	64%	74	60
Sales and Office	13%	15	12
Transportation	4%	4	3
Maintenance	1%	1	1
Management	19%	22	18
Total - All Occupations	100%	117	94

Source: American Community Survey 2016 5-year estimate;
GPCOG Analysis

Household Income. Median wage by occupation data for Cumberland County from the ACS was used to calculate the household income for each household in each occupation category. This calculation assumes 1 person in each new household works full-time in the hotel industry and any additional workers in the household earn the area median income:

NEW HOUSEHOLDS AND HOUSEHOLD INCOME BY OCCUPATION (ACS DATA)

	Number of New Households	Median Wage for Hotel Income Earner	Median Wage for Second Income Earner	Total Household Income
Service	60	\$18,109	\$9,015	\$27,124
Sales and Office	12	\$30,444	\$9,015	\$39,459
Transportation	3	\$31,695	\$9,015	\$40,710
Maintenance	1	\$33,421	\$9,015	\$42,436
Management	18	\$52,910	\$9,015	\$61,925

Source: GPCOG Analysis and American Community Survey 2016 5-year estimates

Median wage by industry data from the Maine DOL was also used to calculate the average household income for the 94 new households created by hotel employment:

NEW HOUSEHOLDS AND HOUSEHOLD INCOME (MAINE DOL DATA)

	Number of New Households	Median Wage for Hotel Income Earner	Median Wage for Second Income Earner	Total Household Income
Accommodation	94	\$24,908	\$12,164	\$37,072

Source: GPCOG Analysis and Maine DOL QCEW 2016

Affordability Gap. These estimates for household income by occupation were compared to housing affordability data from the Maine State Housing Authority to show the difference between what the new households created by hotel employment earn and the minimum income needed to afford a two-bedroom apartment in Portland. These results show that households with Service, Sales and Office, and Transportation occupations have a household income that is lower than the minimum income needed to afford rental housing in Portland. This household affordability gap is largest (\$14,987) for households with Service occupations, which also represent nearly 2/3 of households created by the new hotel employment.

AFFORDABILITY GAP ANALYSIS (ACS DATA)

	Number of New Households	Total Household Income	Income Needed to Afford Rent in Portland	Household Affordability Gap	Total Affordability Gap
Service	60	\$27,124	\$42,111	\$14,987	\$892,820
Sales and Office	12	\$39,459	\$42,111	\$2,652	\$32,048
Transportation	3	\$40,710	\$42,111	\$1,401	\$4,856
Maintenance	1	\$42,436	\$42,111	NA	\$0
Management	18	\$61,925	\$42,111	NA	\$0
Total					\$929,724

Source: Maine State Housing Authority, 2017; American Community Survey 2016 5-year estimates

The household affordability gap using the median wage by industry data from the Maine DOL was also calculated:

AFFORDABILITY GAP ANALYSIS (MAINE DOL DATA)

	Number of New Households	Total Household Income	Income Needed to Afford Rent in Portland	Household Affordability Gap	Total Affordability Gap
Accommodation	94	\$37,072	\$42,111	\$5,039	\$472,007

Source: Maine State Housing Authority, 2017; Maine DOL QCEW 2016

Aggregate Affordability Gap. The household affordability gap for each occupation was multiplied by the number of households with employment in each occupation to arrive at a total affordability gap that ranges between \$472,007 and \$929,724 per year. This number represents the difference between these households' ability to pay for their housing and the market cost of their housing based on the median monthly rent, for one year. In reality these

households may face higher rental housing costs since current Portland rents for new units are significantly higher than the median rent.

· **Final Calculation.** Dividing the affordability gap by the number of new hotel rooms results in an average affordability gap that ranges between \$2,622 and \$5,165 per room, or between \$3.91 and \$7.70 per square foot. Therefore, a fee between **\$3.90-\$7.70 per square foot** would cover a minimum justified housing affordability gap for the 94 new households created by a new 180-unit hotel employment for one year. This methodology assumes the median wage for a hotel income earner in the service industry, including full-time and part-time employees, is \$18,109 based on US Census ACS data. If it is instead assumed that hotel service industry employees are working full-time at the City's minimum wage of \$10.68/hour and making \$22,241 annually, then the minimum justified fee would be between \$2,622 and \$3,806 per room or **\$3.90-\$5.67 per square foot** of hotel development for one year. However, this assumes individuals working in the service sector are able to procure full-time employment, which is not always the caseⁱⁱ.

This example estimate represents the full cost of the affordability gap for employment in one hotel for one year as calculated by the proposed methodology. Multiple factors could potentially impact the demand for affordable housing and the City may determine a higher or lower percentage of this fee based on these variables. Furthermore, this fee could be re-evaluated periodically as circumstances such as inflation, rents, and rental housing supply change.

ⁱ Portland 2030 Housing Demand, GPCOG 2015

ⁱⁱ According to a 2016 study (<https://www.epi.org/publication/still-falling-short-on-hours-and-pay-part-time-work-becoming-new-normal/#epi-toc-21>) from the Economic Policy Institute the retail trade and leisure and hospitality sectors contributed to 63% of the growth in part-time employment and 54% of the growth in involuntary part-time employment from 2007-2015. Involuntary part-time employment is defined as individuals who are working part time because full time work could not be found or hours were reduced due to economic conditions (slack work).

MEMO

To: Kevin Kraft, Director of Planning & Urban Development
From: Kristina Egan, GPCOG Executive Director
Date: 3/18/25
Re: Hotel Linkage Fee Update

Introduction

In 2018, the City of Portland asked the Greater Portland Council of Governments (GPCOG) to assess the feasibility of a hotel linkage fee that could be used to help offset the cost of producing affordable housing for hotel employees. The resulting memo outlined the use of linkage fees for this purpose, proposed a methodology for calculating the fee, and provided a range of justifiable figures for implementation. Using this analysis, the City established inclusionary zoning requirements for hotels and an in-lieu fee of \$3,806 per guest room. This figure has been adjusted annually in the time since its adoption. The fee-in-lieu for 2025 is \$4,831 per guest room.

Recognizing significant market changes since 2018, the City of Portland requested an updated analysis in early 2025. The following memo replicates the original linkage fee methodology to the best extent possible using updated data.

Background

Linkage fees are tools cities can use to offset the impact of new commercial development on affordable housing availability and demand. Before implementing such a policy, communities typically conduct a study to identify the “nexus” between new development and the need for additional affordable housing. The assumption is that commercial growth brings new workers, some of whom may not earn enough to live in the city. This often forces households to seek housing outside the city, resulting in longer commutes and higher transportation costs. If adopted, a linkage fee is typically charged to developers as a condition of project approval, based on the development’s total square footage or number of units.

Data

Where possible, the hotel linkage fee range in this memo is based on the same data sources used in the original 2018 study. To maintain consistency, 2023 data was used across multiple sources, even when newer data was available in some cases.

Employment + Wage Data

This analysis relies on employment and wage data from the U.S. Census American Community Survey (ACS), which provides the most consistent workforce and wage estimates. The previous memo also incorporated wage data from the Maine Department of Labor as a point of comparison; however, the adopted hotel linkage fee was ultimately based on wage data from the ACS.

Housing Cost Data

The 2018 linkage fee study used rental data from the Maine State Housing Authority to establish a baseline housing cost, using a two-bedroom unit as a reference point (due to its ability to accommodate the assumed household size). However, in the time since, Maine Housing has stopped publishing rental data. As a result, this memo relies on several other readily available sources of rental data to estimate housing costs, including the Department of Housing and Urban Development's Fair Market Rent (FMR) Documentation System, the American Community Survey, and the City of Portland's Rent Board Report.

- **Fair Market Rent:** FMR represents the average cost of renting a moderately priced home, including utilities, in a specific area. It is used to set rent limits for housing assistance programs to ensure they align with current market conditions. The Portland, ME HUD Metro FMR Area includes municipalities in Cumberland County and parts of York County. Updated annually, FMR estimates are based on rental market surveys, American Community Survey data, and inflation adjustments.¹
- **U.S. Census ACS Data:** The ACS provides median gross rent estimates by unit size, accounting for both rent and utilities when not already included. Data is based on five-year samples, which help ensure statistical reliability but smooth out short-term rent fluctuations. Estimates reflect both market-rate and subsidized rentals.²
- **City of Portland Rent Board Report:** These annual reports provide data on rental availability, city-wide rent prices, rental market trends, and board actions on rent increases, among other topics.³

Methodology

Linkage fee calculations typically estimate the number of new employees and households generated by a development, such as a hotel. Wage and rent data are then used to estimate the gap between what these workers can afford for housing and the average market rent. This memo presents that analysis for Portland, using the most recent and locally relevant data, through the following steps:

Number of New Jobs

To estimate job creation, industry data was applied to a 180-room hotel – chosen as a representative example based on an actual development. While staffing levels vary based on factors such as hotel size, service level, and operational needs, the original linkage fee study assumed a ratio of .65 employees per hotel room, based on numbers from the Urban Land Institute. Using this ratio, a 180-room hotel is expected to generate 117 jobs.

Number of New Households

The current ratio of jobs per household was then used to estimate the number of households represented by this new employment. Portland currently has 39,590 employed civilians aged 16 and over across 32,393 households⁴, or an average of 1.22 jobs per household. Using this ratio, the 117 new jobs created by the example 180-room hotel would generate an estimated 96 new households.

Employment and Households by Occupation

The jobs held by hotel employees would span various occupations – management, sales, service, maintenance, etc.— with wages varying by role. To estimate how many of the households employed by a new hotel would be low-income, industry-specific employment and wage data from the American Community Survey was used. The American Community Survey groups Arts, Entertainment, Recreation, Accommodation, and Food Services together, reflecting industries tied to the service sector. While this broad category includes more than just hotel jobs, it offers the best available estimate for occupational distribution. Within this sector, approximately 56% of jobs are in service occupations, 31% in management, 7% in sales and office, 6% in transportation, and 1% in maintenance.⁵

The table below estimates the number of new employees and households created by occupation.

ESTIMATED NEW HOTEL JOBS AND HOUSEHOLDS BY OCCUPATION

	% of Service Sector Employment	# of New Hotel Employees ⁱ	# of New Households ⁱⁱ
Service	55.5%	65	53
Management	30.6%	36	29
Sales and Office	6.8%	8	7
Transportation	5.8%	7	6
Maintenance	1.2%	1	1
Total	100%	117	96

ⁱ Calculated by multiplying the percentage of service sector employment by the total estimated 117 hotel employees.

ⁱⁱ Calculated by multiplying the percentage of service sector employment by the total estimated 96 households.

Household Incomes

Household income estimates were calculated using Cumberland County's ACS median earnings data by occupation for 2023.⁶ This approach reflects the broader region where hotel workers in Portland may reside. The one exception is for service workers, where the City of Portland's 2023 minimum wage of \$14/hour was substituted for the ACS median wage. The household income calculations assume one person in each household works full time in the hotel industry and also assumes a second household member makes the area median earnings.⁷ The table below presents these estimated household incomes by occupation.

ESTIMATED NEW HOUSEHOLDS AND HOUSEHOLD INCOME BY OCCUPATION (2023 ACS DATA)

	# of New Households	Median Wage for Hotel Employee	Median Wage for 2 nd Income Earner ⁱⁱ	Total Household Income
Service ⁱ	53	\$29,120	\$10,899	\$40,019
Management	29	\$71,711	\$10,899	\$82,610
Sales and Office	7	\$42,467	\$10,899	\$53,366
Transportation	6	\$40,829	\$10,899	\$51,728
Maintenance	1	\$50,572	\$10,899	\$61,471

ⁱ The Service wage reflects Portland's 2023 minimum wage of \$14/hour, as the Census estimate was below the legal minimum.

ⁱⁱ The second income earner's wage of \$10,899 is based on 0.22 of the 2023 Census median earnings for all occupations in Cumberland County (\$49,540), reflecting the estimated 1.22 employees per household.

Affordability Gap

To create a range, the estimated household incomes for each occupation category were then compared to three different rent data sources to assess whether new hotel employees can afford a two-bedroom unit in Portland and to calculate the cumulative 'affordability gap.'

ESTIMATED AFFORDABILITY GAP: 2023 FAIR MARKET RENT FOR PORTLAND METRO AREA

[\$1,859 for a two-bedroom unit]

	New Households	Household Income	Income Needed ⁱ	Affordability Gap (HH)	Total Gap
Service	53	\$40,019	\$79,671	\$39,652	\$2,101,556
Management	29	\$82,610	\$79,671	- \$2,939	N/A
Sales and Office	7	\$53,366	\$79,671	\$26,305	\$184,135
Transportation	6	\$51,728	\$79,671	\$27,943	\$167,658
Maintenance	1	\$61,471	\$79,671	\$18,200	\$18,200
Total	96	--	--	--	\$2,471,549
Per Room					\$13,731

ⁱAnnualizing Fair Market Rent (\$1,859 * 12 months = \$22,308) and dividing by 0.28 yields \$79,671, ensuring rent remains just below the 30% housing cost burden threshold.

ESTIMATED AFFORDABILITY GAP: 2023 ACS MEDIAN GROSS RENT FOR PORTLAND

[\$1,664 for a two-bedroom unit]

	New Households	Household Income	Income Needed ⁱ	Affordability Gap (HH)	Total Gap
Service	53	\$40,019	\$71,314	\$31,295	\$1,658,635
Management	29	\$82,610	\$71,314	- \$11,296	N/A
Sales and Office	7	\$53,366	\$71,314	\$17,948	\$125,636
Transportation	6	\$51,728	\$71,314	\$19,586	\$117,516
Maintenance	1	\$61,471	\$71,314	\$9,843	\$9,843
Total	96	--	--	--	\$1,911,630
Per Room					\$10,620

ⁱAnnualizing ACS median rent (\$1,664 * 12 months = \$19,968) and dividing by 0.28 yields \$71,314, ensuring rent remains just below the 30% housing cost burden threshold.

ESTIMATED AFFORDABILITY GAP: 2023 CITY OF PORTLAND RENT BOARD

[\$1,595 for a two-bedroom unit]

	New Households	Household Income	Income Needed ⁱ	Affordability Gap (HH)	Total Gap
Service	53	\$40,019	\$68,357	\$28,338	\$1,501,914
Management	29	\$82,610	\$68,357	- \$14,253	N/A
Sales and Office	7	\$53,366	\$68,357	\$14,991	\$104,937
Transportation	6	\$51,728	\$68,357	\$16,629	\$99,774
Maintenance	1	\$61,471	\$68,357	\$6,886	\$6,886
Total	96	--	--	--	\$1,713,511
Per Room					\$9,520

ⁱAnnualizing ACS median rent (\$1,595 * 12 months = \$19,140) and dividing by 0.28 yields \$68,357, ensuring rent remains just below the 30% housing cost burden threshold.

Final Calculation

As shown on the previous page, dividing the total affordability gap by the 180 new hotel rooms results in an **estimated per-room affordability gap ranging from \$9,520 to \$10,620 to \$13,731** depending on the rent data source used (City of Portland Rent Board, American Community Survey, or HUD Fair Market Rent). This estimate reflects the full annual affordability gap associated with the jobs generated by a single hotel room based on the methodology from the original 2018 study.

¹ Department of Housing and Urban Development [FY 2023 Fair Market Rent Documentation System](#) for the Portland, ME HUD Metro FMR Area

² U.S. Census American Community Survey 2019-2023 5-year estimate (Table B25031)

³ [2023 Portland Rent Board Annual Report](#) (pg. 12)

⁴ U.S. Census American Community Survey 2019-2023 5-year estimate (Table DP03)

⁵ U.S. Census American Community Survey 2019-2023 5-year estimate (Table S2405)

⁶ U.S. Census American Community Survey 2019-2023 5-year estimate (Table B24011)

⁷ U.S. Census American Community Survey 2019-2023 5-year estimate (Table S2001)

17 HOUSING

17.1 HOUSING PRESERVATION AND REPLACEMENT

17.1.1 Purpose

The purpose of the housing preservation and replacement ordinance is:

- A. To promote and facilitate an adequate supply of housing, particularly affordable housing for all economic groups.
- B. To limit the net loss of housing units in the city.
- C. To preserve housing in zones where housing is permitted in the city for all residents in order to promote the health, safety, and welfare of its citizens.

17.1.2 Applicability

- A. Except as otherwise provided in this section, the housing preservation and replacement ordinance shall apply to the loss of three or more dwelling units in a five-year period, provided that such dwelling units were a legally registered residential use as of July 1, 2002. For the purposes of this section, dwelling units shall be as defined in Article 3, but also include rooming units that people rent in or sleep in within lodging houses, dormitories, shelters, and sheltered care group homes.
- B. Except as otherwise provided in this section, the housing preservation and replacement ordinance shall also apply to proposals that result in the loss of fewer than three dwelling units which were legally registered residential use as of July 1, 2002 for the purposes of creating surface parking.
- C. For the purposes of this section, loss of dwelling units shall mean the elimination or conversion to nonresidential use of a dwelling

unit and dwelling units that remain vacant for three years or more or are lost due to demolition unless the vacancy or demolition results from accidents outside of the owner's control, fire, natural disasters, or acts of war.

- D. Determination of number of the dwelling units within a structure or structures and the number of units lost will be based on the records of the Building Authority indicating the legal, registered use of the property since July 1, 2002 through the time of application. The actual use of the property for purposes of applicability of this section may be rebutted by the owner by proof of documentary evidence including but not limited to photographs, letters, and sworn affidavits. The Planning Authority may conduct its own investigation of the actual use and shall determine the applicability of this section based on the totality of the evidence.

17.1.3 Exemptions

This section does not apply to:

- A. Consolidation, elimination, or reconfiguration of one or more dwelling units within an existing structure, as long as all the resulting units remain as dwelling units after such consolidation, elimination, or reconfiguration, except as provided by (D) below. Conversion of a dwelling unit to a hotel or motel room shall not qualify for the exemption provided by this paragraph.
- B. Legally nonconforming dwelling units existing in zones which no longer permit residential uses.
- C. Property which has been ordered demolished by the City, pursuant to 17 M.R.S. § 2851, et seq., as amended, except where it is determined by

the Building Authority that the deterioration was caused by neglect or lack of maintenance.

- D. Paragraph (A) above notwithstanding, the conversion to a nonresidential use of any dwelling units located on the ground floor of a building within a mixed-use zone.

17.1.4 Planning Authority approval required

Notwithstanding any other provision of this section, a proposal to demolish or to convert three or more dwelling units to a nonresidential use in a zone where such use is otherwise permitted must first obtain approval from the Planning Authority. In addition to any other requirements of the Land Use Code, the applicant must submit a statement certifying the number of dwelling units to be demolished or converted to nonresidential use, as well as a description of the characteristics of each of those units.

17.1.5 Tenant notification requirements

Prior to elimination as a result of demolition or conversion to nonresidential use, the owner shall:

- A. Provide the Planning Authority a list containing the name of each tenant currently residing in the dwelling units to be demolished or converted to nonresidential use, as well as verification of compliance with tenant notice requirements of this subsection.
- B. Deliver to each tenant who occupies such a dwelling unit a written notice to vacate the unit. The notice shall either be sent by certified mail, return receipt requested, or served in-hand. The notice will grant the tenant not less than 90 days from the date of receipt of the notice to vacate the unit.
- C. File proof of service of the notice with the Planning Authority.

17.1.6 Housing replacement requirements

- A. The Planning Authority shall require, as a condition of approval, that an owner shall replace any dwelling units that are demolished or converted to nonresidential use.
- B. This requirement may be satisfied in any one of the following ways, which may be used in combination:
 - 1. *Construction of units.* The construction of housing units within a new structure or a new addition either on site or off-site.
 - 2. *Residential conversion.* The conversion of a nonresidential building to residential use.

17.1.7 Replacement unit requirement

In addition to the foregoing, all replacement units built pursuant to Subsection 17.1.6.B above shall:

- A. Be located within the same United States census block group as the parcel from which the dwelling units are being removed or within 1,500 feet of the dwelling units being removed.
- B. Not previously have been on the market as of the date of application.
- C. Be situated within a development which has not been a candidate for site plan approval as of the date of the application.
- D. Be comparable in size to the units replaced. For the purpose of this section, “comparable in size” means that the aggregate size of the replacement units will be no less than 80% of the size of the aggregate of the original units to be replaced and a similar bedroom mix.

17.1.8 Contribution to the Housing Trust Fund

- A. The applicant may meet the requirements of this housing replacement ordinance by depositing \$50,000 for each dwelling unit into the City’s Housing Trust Fund.

B. Beginning on January 1, 2004 and annually thereafter, the amount of the contribution shall be adjusted by multiplying this amount originally deposited for each unit by a fraction, the denominator of which shall be the “Consumer Price Index for Urban Wage Earners and Clerical Workers (“CPI-W”),” U.S. City Average, “All Items Index,” as published by the United States Bureau of Labor Statistics (“the index”) for January 1, 2003 year, and the numerator of which shall be the index for the same month in each subsequent year. In the event that the index is not then in existence, the parties shall use such equivalent price index as is published by any successor governmental agency then in existence, or, if none, then by such nongovernmental agency as may then be publishing an equivalent price index, in lieu of and adjusted to the index. If the index shall cease to use 1982-84 equals 100 as the basis of calculation, or if a substantial change is made in the terms or number of items contained in the index, the base index shall be adjusted to conform to such change, using such computation thereof, if available, as shall be employed by the United States Department of Labor in computing same. Notwithstanding anything herein to the contrary, contributions made after January 1, 2004 shall not be less than the amount originally required to be deposited for each rooming or dwelling unit.

17.1.9 Performance guarantee

Owners or affiliates must post a performance guarantee in the form of a letter of credit, or other security acceptable to the City attorney, in the amount equivalent to the amount the applicant would have been required to contribute to the

City’s Housing Trust Fund if the applicant had chosen that option pursuant to Subsection 17.1.8. Such a performance guarantee shall be valid for no more than three years, after which the full amount due shall be provided to the City’s Housing Trust Fund if replacement units satisfying the conditions of this housing replacement ordinance do not have certificates of occupancy.

17.1.10 Partial waiver of replacement requirements

A. Any owner who has applied for site plan review for elimination or conversion to nonresidential use of dwelling units may apply to the Zoning Board of Appeals for a partial waiver from the housing replacement requirements of this section. Such waiver may be a downward adjustment of up to 50% of the owner’s housing replacement obligation if the owner establishes to the board’s satisfaction that:

- 1.** The proposed development is consistent with the Comprehensive Plan.
- 2.** The proposed development provides significant value and benefit to the immediate and surrounding neighborhood, including, but not limited to, community enhancement, social benefits or job creation.
- 3.** The applicant demonstrates with objective evidence that the imposition of the requirements of this section would impose such an economic burden upon the project relative to its scope that it renders the project impossible to develop.
- 4.** The requested relief does not constitute a grant of a special privilege inconsistent with the limitations upon similar properties.

- B.** The Zoning Board of Appeals must make positive findings on each of the four criteria above in order for any such adjustment to be valid. An applicant aggrieved of a decision of the Zoning Board of Appeals may appeal a decision under this subsection pursuant to the provisions of Article 2.

17.1.11 Effect of other City ordinances

- A.** Nothing in this section shall permit the demolition or conversion to nonresidential use of dwelling units in residential property protected by Article 16, except as permitted by that ordinance.
- B.** A conditional zone may not be used to circumvent the application of this section. The terms of this section shall apply to any conditional zone which involves dwelling units affected by this section. Notwithstanding the foregoing, nothing herein shall be deemed to prevent the City and the applicant from agreeing to terms which exceed those imposed by this section by means of a conditional zone.

17.1.12 Appeals

Any applicant aggrieved by a decision of the Planning Authority under this section may appeal to the Zoning Board of Appeals within 30 days of that decision.

17.2 AFFORDABLE HOUSING

17.2.1 Purpose

It is in the public interest to promote an adequate supply of housing that is affordable to a range of households at different income levels. Therefore, the purpose of this section is to offer incentives to developers to include units of affordable housing within development projects and to require the

inclusion of affordable housing units in development projects in certain contexts. In so doing, this section will assist the city in meeting its comprehensive goals for affordable housing, in preventing the overcrowding and deterioration of the limited supply of affordable housing, and promote the health, safety, and welfare of its citizens.

17.2.2 Affordable housing incentives

- A. Eligible projects.** Under this subsection, eligible projects shall include any development project:
 - 1.** That is permissible under the provisions of this Land Use Code in the zone in which it is proposed.
 - 2.** That creates new dwelling units, among which is at least one low-income or workforce housing unit for rent or sale, through new construction, substantial alteration of existing structures, adaptive reuse or conversion of a nonresidential use to residential use, or any combination of these elements. Affordable housing units for sale or rent may not differ in exterior design from other units within an eligible project.
- B. Reduction of fees.** Notwithstanding any other provision of this Land Use Code or Chapter 6 to the contrary, development fees, including site plan review and inspection fees, subdivision review and inspection fees, impact fees, administrative fees, and construction and permit fees as described in Chapter 6 of the City of Portland Code of Ordinances, shall be reduced by the City for an eligible project in the manner described in Table 17-A. Development

TABLE 17-A: AFFORDABLE HOUSING FEE REDUCTIONS

% of New Units That are Low- Income or Workforce	Development Fee Discount	Cost of Work (Building Permit) Fees
10% up to but not including 15%	10% reduction	\$9.90 per \$1,000
15% up to but not including 20%	15% reduction	\$9.35 per \$1,000
20% up to but not including 25%	20% reduction	\$8.80 per \$1,000
25% or more	25% reduction	\$8.25 per \$1,000

TABLE 17-B: BONUSES FOR ELIGIBLE PROJECTS

% Low-income or Workforce Units	Density Permitted¹
10-19%	1.1 x base
20-29%	1.25 x base
30-49%	1.3 x base
50-74%	2.5 x base
>75%	2.5 x base

¹ "Base" is the number of units allowed under the zoning without this bonus but with any other bonuses applied.

fees do not include any fees charged for review conducted by any party other than the City.

- C. Expedited review.** The Planning Authority shall perform its review of an eligible project in as expedited a manner as is practical, without impairing the scope or thoroughness of the review. The Planning Authority may adopt administrative procedures to prioritize review of eligible projects and facilitate this expedited review. The Planning Board shall make its best efforts to give priority in scheduling workshops and public hearings related to any plans or applications required for an eligible project that are within the Planning Board's jurisdiction, without impairing the scope or thoroughness

of its review. At the conclusion of these public meetings, the Planning Board shall promptly issue a decision on all such plans and applications before it for consideration.

D. Density and height bonuses.

Notwithstanding any other provision of this Land Use Code to the contrary, in order to encourage low-income and workforce units in areas prioritized for growth, eligible projects as defined under Subsection 17.2.2 may avail themselves of the following options:

- 1. Density bonuses.** The maximum number of units that would otherwise be allowed under this Land Use Code shall be increased for an eligible project in the manner described in Table 17-B, applicable where residential is allowed as a permitted or conditional use in mainland zones.
- 2. Height bonuses.** In mixed-use zones, the TOD zones, and the RN-6, for eligible projects over ten units in size in which over 75% of units are low-income or workforce units, maximum heights as permitted under Article 7 shall be increased by 10 feet.
- 3. Unit size.** In order to be eligible for this subsection, the low-income and workforce housing units must meet Subsections 17.2.3(C)(2), (3), and (4).
- 4. Term of affordability.** Affordable units under this subsection shall be deed-restricted to remain affordable for 30 years or the longest term permitted under federal, state, and local laws, whichever is longer. Such deed restrictions shall be recorded in the Cumberland County Registry of Deeds.

17.2.3 Ensuring workforce housing

- A. Purpose.** Based on the City’s Comprehensive Plan and the City’s 2015 housing study, it is in the public interest to promote an adequate supply of housing that is affordable to a range of households at different income levels. The purpose of this subsection is to ensure that housing developments over a certain size provide a portion of workforce housing units and, by doing so, promote the health, safety, and welfare of Portland citizens.
- B. Applicability.** This subsection shall apply to site plan applications that create ten or more new dwelling units for rent or for sale through new construction, substantial alteration of existing structures, adaptive reuse or conversion of a nonresidential use to residential use, or any combination of these elements. This subsection shall not apply to projects that otherwise meet or exceed the standards of 17.2.3(C).
- C. Standards.** Development projects subject to this subsection shall meet to the following requirements:
1. At least 25% of the units in the project shall meet the definition of workforce housing unit for sale or for rent as defined in Article 3. The project shall have the option of paying a partial fee-in-lieu as per (5) below or providing an additional unit on-site for any fractional value.
 2. Projects shall not be segmented to avoid compliance with these provisions.
 3. Workforce units must be integrated with the rest of the development, must use a common entrance in the case of mixed market rate and workforce buildings, must

TABLE 17-C: MINIMUM TERM OF AFFORDABILITY FOR REQUIRED WORKFORCE UNITS

% of Workforce	
Units Provided	Minimum Term of Affordability
25%	30 years
50%	20 years
100%	10 years

provide no indication from the exterior or from areas inside the respective buildings that these units are workforce housing units, and must demonstrate general parity in unit design, finishes, and amenities between market and workforce units in the development. Applications shall include a narrative that addresses parity of workforce and market rate units, a description of workforce and market rate unit attributes and amenities, phasing if applicable, and integration into the respective building and site design.

4. Workforce units need not be the same size as other units in the development but the cumulative number of bedrooms in such units shall be no less than 25% of the total number of bedrooms in the development.
5. As an alternative to providing workforce housing units, projects may pay a fee-in-lieu of some or all of the units. In-lieu fees shall be paid into the Housing Trust Fund. The fee for affordable units not provided shall be \$150,000 per unit, adjusted annually in the same way as the fee under Subsection 17.1.8.
6. Workforce housing units for sale, if converted to workforce housing units for

rent, shall become subject to the income limits and other requirements of such units.

7. The term of affordability for the required 25% workforce units provided shall be defined as shown in Table 17-C.
 8. Projects shall be subject to an affordable housing agreement with the City of Portland, unless a project is otherwise subject to such an agreement requiring an equal or greater percentage of affordable units at an equal or lower income target level than required by this section.
- D. Density and height bonuses.** Projects that are subject to this subsection shall be eligible for density and height bonuses under Subsection 17.2.2(D).
- E. Implementation guidance.** The Housing & Economic Development Department shall provide guidance on income verification methods, affordable housing agreements, and subsequent monitoring requirements.
- F. Reporting to City Council.** In conjunction with the annual report on the Housing Trust Fund, the Planning Authority shall annually report on developments subject to this subsection, the number of units produced, the amount of fee-in-lieu collected, and the overall effectiveness of this subsection in achieving its stated purpose.

17.2.4 Inclusionary zoning for hotel projects

- A. Purpose.** This subsection is based on City analysis, most specifically the analysis documented in the Greater Portland Council of Government study *Proposed Hotel Linkage Fee: Supportable Range* dated August 29, 2018, that finds that new hospitality developments create a need for new affordable housing. This need is

the result of the fact that hospitality developments necessarily create a number of jobs that do not pay employees at a rate sufficient to allow those employees to afford market-rate housing in the City of Portland.

- B. Hotel projects.** For the purposes of this subsection, hotel projects shall include any hotel as defined in Article 3 consisting of 10 or more guest rooms for rent to transient guests or to extended stay guests of up to six months. Any expansion of an existing hotel by 10 or more rooms within any five-year period will also be considered a hotel project.
- C. Low-income housing minimum.** All hotel projects shall provide one unit of low-income housing for rent in the City of Portland for every 28 rooms in the hotel project, which shall meet the standards outlined in Subsections 17.2.3(C)(2), (3), and (4) and in the implementing regulations governing low-income units. Such units shall contain two bedrooms and be a minimum of 900 SF in floor area. This amount shall be rounded up to the nearest increment of 28 rooms. These units shall be deed restricted for the longest period permitted by law, shall not be used for short-term rentals of less than 30 days, and must be provided with distinct entrances from the street to delineate them from the hotel itself.
- D. Fee-in-lieu alternative.** As an alternative to providing low-income housing units under Subsection 17.2.4(C) above, a hotel project may pay a fee-in-lieu of \$3,806 per hotel guest room. This amount shall be paid into the City's Housing Trust Fund and used for the purposes set forth in the ordinance and regulations applicable to that trust.

- E. Annual adjustments.** The amounts in Subsection 17.2.4(D) above shall be adjusted annually in the same way as the fee under Section 17.1.8.
- F. Implementation guidance.** The Housing & Economic Development Department shall provide guidance on income verification methods, affordable housing agreements, and subsequent monitoring requirements.

17.3 JILL C. DUSON HOUSING TRUST FUND

17.3.1 Purpose

The purpose of enacting this section is:

- A.** To establish a City of Portland Housing Trust Fund for the promotion, retention, and creation of an adequate supply of housing, particularly affordable housing, for all economic groups and to limit the net loss of housing units in the city.
- B.** To serve as a vehicle for addressing very low, low, and moderate income housing needs through a combination of funds as set out in this article.

17.3.2 Establishment of the Jill C. Duson Housing Trust Fund

The City Council shall establish a special revenue account under the name “City of Portland Jill C. Duson Housing Trust Fund” (Housing Trust Fund). Deposits into the fund shall include:

- A.** Contributions from the City’s housing replacement ordinance under Subsection 17.1.8.
- B.** In-lieu fees under Subsections 17.2.3 and 17.2.5.
- C.** Funds appropriated to be deposited into the fund by vote of the City Council.
- D.** Voluntary contributions of money or other liquid assets to the fund.

- E.** Any federal, state, or private grant or loan funds provided to the fund.
- F.** Interest from fund deposits and investments.
- G.** Repayments of loans made from the fund.

17.3.3 Management of the trust fund

The City Manager, or their designee, shall serve as the manager of the Housing Trust Fund. The responsibilities of the manager, subject to the orders of the City Council, shall include:

- A.** Maintaining the financial and other records of the Housing Trust Fund.
- B.** Disbursing and collecting Housing Trust Fund monies in accordance with the Housing Trust Fund annual plan.
- C.** Monitoring the use of monies distributed to successful applicants for Housing Trust Fund support to assure on-going compliance with the purposes of the fund and the conditions under which these monies were granted or loaned.

17.3.4 Housing Trust Fund annual plan

- A.** Each fiscal year, the City Council shall adopt a Housing Trust Fund annual plan. The City Manager shall submit to the City Council a recommended Housing Trust Fund annual plan, utilizing the revenues of the Housing Trust Fund as well as any other funds the manager may propose as appropriate. The housing committee of the City Council or such other committee as the council shall designate shall conduct public hearings on the recommended plan and refer the matter to the council for action.
- B.** The Housing Trust Fund annual plan shall include:

1. A description of all programs to be funded in part or in full by the Housing Trust Fund.
 2. A description of how funds from the Housing Trust Fund will be distributed among very low-income, low-income and moderate-income households.
 3. The amount of funds budgeted for programs funded in part or in full from the Housing Trust Fund.
- C. Priority for the expenditure of funds collected pursuant to Section 17.1 shall be given to the creation of new housing stock, through either new construction or conversion of nonresidential buildings to residential use.

17.3.5 Distribution and use of the Housing Trust Fund's assets

- A. All distribution of principal, interest, or other assets of the Housing Trust Fund shall be made in furtherance of the public purposes set out in Section 17.1.
- B. During each year, the Housing Trust Fund shall disburse as grants or loans so much of the Housing Trust Fund's assets as the City Council in its discretion has approved in the Housing Trust Fund annual plan.
- C. Funds shall not be used for City administrative expenses.
- D. Funds shall not be used for property operating expenses or supporting services.
- E. No grants or loans shall be awarded by the Housing Trust Fund to corporations, partnerships, or individuals who are delinquent at the time of application in the payment of property taxes or other fees to the City of Portland, who have been convicted of arson, who have been convicted of discrimination in the sale or lease of housing under the fair

housing laws of the State of Maine, or who have pending violations of current City electrical, plumbing, building, or housing codes or zoning ordinances.

17.3.6 Term of affordability

- A. Whenever funds from the Housing Trust Fund are used for the acquisition, construction, or substantial rehabilitation of an affordable rental or cooperative unit, the City of Portland shall impose enforceable requirements on the owner of the housing unit that the unit remain affordable for the remaining life of the housing unit, assuming good faith efforts by the owner to maintain the housing unit and rehabilitate it as necessary. The remaining life of the housing unit shall be presumed to be a minimum of 30 years.
- B. Whenever funds from the Housing Trust Fund are used for the acquisition, construction, or substantial rehabilitation of ownership housing, the City of Portland shall impose enforceable resale restrictions on the owner to keep the housing unit affordable for the longest feasible time, while maintaining and equitable balance between the interests of the owner and the interests of the City of Portland.
- C. The affordability restriction requirements described in this subsection shall run with the land and the City of Portland shall develop appropriate procedures and documentation to enforce these requirements and shall record such documentation in the Cumberland County Registry of Deeds.

17.4 CONDOMINIUM CONVERSION

17.4.1 Purpose

The purpose of this section is to regulate the conversion of rental housing to condominiums, to minimize the potential adverse impacts of such conversion on tenants, to ensure that such converted housing is safe and decent, and to maintain a reasonable balance of housing alternatives within the city for persons of all incomes.

17.4.2 Applicability

This section shall apply to the conversion of any rental unit to a condominium unit. For the purposes of this section, developer shall mean any person or other legal entity, but not including an established lending institution unless it is an active participant in a common promotional scheme, who, whether acting as principal or agent, records a declaration of condominium that includes real estate, any portion of which was previously a rental unit.

17.4.3 Protection of tenants

A. Notice of intent to convert. A developer shall give to each tenant, meaning any occupant in lawful possession of a rental unit, whether by lease, sublease, or otherwise, written notice of intent to convert at least one 120 days before the tenant is required by the developer to vacate. If a tenant has been in possession of any unit within the same building for more than four consecutive years, the notice period shall be increased by 30 additional days for each additional year, or fraction thereof, to a maximum of 240 additional days. The notice shall set forth specifically the rights of tenants under (A), (B), and (C) of this subsection and

Subsection 17.4.4, and shall contain the following statement:

If you do not buy your apartment, the developer of this project is required by law to assist you in finding another place to live and in determining your eligibility for relocation payments. If you have questions about your rights under the law, or complaints about the way you have been treated by the developer, you may contact the Department of Permitting & Inspections, City of Portland, 389 Congress Street, Portland, Maine 04101.

B. If the notice specifies a date by which the tenant is required to vacate, the notice may also serve as a notice of termination under the applicable law of forcible entry and detainer, if it meets the requirements thereof. The notice shall be hand delivered to the tenant or mailed, by certified mail, return receipt requested, postage prepaid, to the tenant at the address of the unit or such other address as the tenant may provide. The notice shall be effective when actually received. No tenant may be required by a developer to vacate without having been given notice as required herein, except for the reasons specified in the applicable law of forcible entry and detainer, and in accordance with the procedures thereof. The terms of a tenancy, including rent, may not be altered during the notice period, except as expressly provided in a preexisting written lease. If, within 120 days after a tenant is required by a developer to vacate, the developer records a declaration of condominium without having given notice as required herein, the developer

shall be presumed to have converted in violation of this article.

- C. Option to purchase.** For a 60-day period following the giving of notice as required in Subsection 17.4.3(A), the developer shall grant to the tenant an exclusive and irrevocable option to purchase the unit of which the tenant is then possessed, which option may not be assigned. If the tenant does not purchase or contract to purchase the unit during the 60-day period, the developer may not convey or offer to convey the unit to any other person during the following 180 days at a price or on terms more favorable than the price or terms previously offered to the tenant, unless the more favorable price or terms are first offered exclusively and irrevocably to the tenant for an additional 60-day period. This subsection shall not apply to any rental unit that, when converted, will be restricted exclusively to nonresidential use. If, within two years after a developer records a declaration of condominium, the use of any such unit is changed such that but for the preceding sentence, this subsection would have applied, the developer shall be presumed to have converted in violation of this article.

17.4.4 Relocation payments

If the tenant does not purchase the unit, the developer shall, before the tenant is required by the developer to vacate, make a cash payment to the tenant in an amount equal to the amount of rent paid by the tenant for the immediately preceding two months, provided that this requirement shall not apply to any tenant whose gross income exceeds 80% of the median income of the Portland SMSA, adjusted for family size, as determined by the

U.S. Department of Housing and Urban Development at the time notice is given as required in Subsection 17.4.3. Additionally, the developer shall, upon demand, provide assistance to the tenant in the form of referrals to other reasonable accommodations and in determining the tenant's eligibility for relocation payments as provided herein.

17.4.5 Conversion permit

Before conveying or offering to convey a converted unit, the developer shall obtain a conversion permit from the Building Authority. The permit shall issue only upon receipt of a completed application therefore in a form to be devised for that purpose, payment of a fee of \$25,000 per converted unit, to be adjusted annually in the same way as the fee under Chapter 14, Section 17.1.8 of this code, at least \$1,000 of which shall be appropriated to the Housing Safety Office for the administration and enforcement of the Rent Stabilization Ordinance, Chapter 6, Articles XII and XIII of this code, and the remainder of which shall be paid into the Jill C. Dusen Housing Trust Fund, and a finding, upon inspection, that each unit, together with any common areas and facilities appurtenant thereto, is in full compliance with all applicable provisions of Chapter 6, Articles II, III, and V and Chapter 10, Article II of the City of Portland Code of Ordinances, and the Life Safety Code as adopted by the state. The developer shall post a copy of the permit in a conspicuous place in each unit and shall make copies available to prospective purchasers upon request.

17.4.6 Variation by agreement

No provision of or right conferred by this Section 17.4 may be waived by a tenant, by agreement or

otherwise, and any such waiver shall be void. Any attempt to require, encourage, or induce a tenant to waive any provision hereof, or right conferred hereby, shall be a violation of this article. Nothing herein shall be construed to void any term of a lease which offers greater rights than those conferred hereby.

17.5 RELOCATION OF DISPLACED TENANTS

17.5.1 Purpose

The purpose of this section is to encourage the retention of a diverse housing supply throughout the downtown and in areas readily accessible to the downtown, to ensure that persons displaced as the result of redevelopment of residential units to nonresidential uses within the B-3 Downtown Business zone are treated fairly and consistently, and to ensure that persons so displaced will be relocated at the reasonable expense of the developer to comparable housing at a location providing comparable access to services and amenities.

17.5.2 Notice and eligibility for relocation assistance

When a proposed development will result in the displacement of residents of an existing structure, the developer of the property shall give all tenants written notice as set forth below and shall provide relocation assistance as set forth below for any tenant whose gross income is 80% or less of the median income of the Portland SMSA, adjusted for family size, as determined by the U.S. Department of Housing and Urban Development at the time the developer gives the tenant written notice of intent to cause removal of the residential unit. Such written notice shall be given to the tenant at least 120 days before the tenant shall be required to

vacate the premises and shall contain the following statement:

The developer of this project is required by law to assist you in finding another place to live and in determining your eligibility for relocation payments. If you have questions about your rights under the law, or complaints about the way you have been treated by the developer, you may contact the Department of Planning and Urban Development, City of Portland, 389 Congress Street, Portland, Maine 04101.

17.5.3 Relocation assistance for all tenants

The developer shall provide, upon demand, assistance to all tenants who will be displaced by the development in the form of referrals to other reasonable accommodations and in determining the tenants' eligibility for relocation payments as provided herein. The developer shall make relocation payments to eligible tenants in accordance with the schedule adopted by the City Council in Subsection 17.5.4.

17.5.4 Schedule of relocation payments for eligible tenants

The developer shall, before the tenant is required by the developer to vacate, make a cash payment to the tenant in an amount equal to the amount of rent paid by the tenant for the immediately preceding two months.

Order 134-18/19
Passage: 9-0 on 1/23/2019

Effective 2/22/2019

ETHAN K. STRIMLING (MAYOR)
BELINDA S. RAY (1)
SPENCER R. THIBODEAU (2)
BRIAN E. BATSON (3)
JUSTIN COSTA (4)

**CITY OF PORTLAND
IN THE CITY COUNCIL**

KIMBERLY COOK (5)
JILL C. DUSON (A/L)
PIOUS ALI (A/L)
NICHOLAS M. MAVODONES, JR (A/L)

**AMENDMENT TO PORTLAND CITY CODE CHAPTER 14
RE: HOTEL PROJECT INCLUSIONARY ZONING**

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF PORTLAND,
MAINE IN CITY COUNCIL ASSEMBLED AS FOLLOWS:**

*That Chapter 14, Sections 14-484, 14-485 and 14-488.1 is
hereby amended to read as follows:*

Sec. 14-484. Purpose.

It is in the public interest to promote an adequate supply of affordable housing for the city's residents. The purpose of this division therefore is to offer incentives to developers to include units of affordable housing within development projects, thereby mitigating the impact of market rate housing construction, or the demonstrated increase in affordable housing needs resulting from the creation of new lower-income jobs, on the limited supply of available land for suitable housing and helping to meet the housing needs of all economic groups within the city. The city believes that this division will assist in meeting the city's comprehensive goals for affordable housing, in the prevention of overcrowding and deterioration of the limited supply of affordable housing, and by doing so promote the health, safety and welfare of its citizens.

...

Sec. 14-485. Definitions.

...

Eligible project means a development project:

...

- (d) Projects shall not be considered "eligible projects" solely because they are subject to Section 14-487 ("Ensuring Workforce Housing").

Hotel Project is any hotel, inn or motel, as defined in Section 14-47 of Chapter 14 of the Portland City Code, consisting of 10 or more guest rooms for rent. Any such development that exists prior to the effective date of this Section but expands by 10 or more rooms within any 5 year period will also be considered a hotel project.

...

14-488.1 Inclusionary Zoning for Hotel Projects

(a) **Purpose:** This section is based on City analysis, most specifically the analysis documented in the Greater Portland Council of Government study "Proposed Hotel Linkage Fee: Supportable Range" dated August 29, 2018, that finds that new hospitality developments create a need for new affordable housing. This need is the result of the fact that hospitality developments necessarily create a number of jobs that do not pay employees at a rate sufficient to allow those employees to afford market-rate housing in the City of Portland.

(b) **Hotel Projects Conditional Uses:** Notwithstanding anything to the contrary in Chapter 14, all hotel projects are conditional uses subject to Planning Board review on the condition that they comply with the requirements of this Section 14-489.

(c) **Low Income Housing Minimum.** All hotel projects shall provide one unit of Low Income Housing for rent in the City of Portland for every 28 rooms in the hotel project which shall meet the standards outlined in Section 14-487 and in the implementing regulations governing Low Income Units. This amount shall be rounded up to the nearest increment of 28 rooms. These units shall be deed restricted for the longest period permitted by law; shall not be used for Short Term Rentals of less than 30 days; and must be provided with distinct entrances from the street to delineate them from the hotel itself.

(d) **Fee-in-Lieu Alternative:** As an alternative to providing Low Income Housing units under subsection (c) above, a Hotel Project may pay a fee-in-lieu of \$3,806 per hotel guest room. This amount shall be paid into the City's Housing Trust

and used for the purposes set forth in the ordinance and regulations applicable to that trust.

(e) **Annual Adjustments:** The amounts in (d) above shall be adjusted annually in the same way as the fee under Division 29 for Housing Replacement.

(f) **Regulations:** The Planning Board may promulgate implementing regulations based on this ordinance.

(g) **Applicability:** Notwithstanding the provisions of 1 M.R.S. § 302, Sec. 14-489 shall apply retroactively and include any and all actions and proceedings pending on September 26, 2018 or thereafter.



Staff Memo To:

Housing & Economic Development Committee
Councilor Pious Ali, Chair

MEETING DATE

April 15, 2025

AGENDA ITEM

Agenda Item 2 – Hotel Inclusionary Zoning Ordinance

PURPOSE

An initial discussion on the history, background, and development trends related to the City’s hotel inclusionary zoning ordinance, with the committee providing direction on next steps.

COMMITTEE WORK PLAN/CITY COUNCIL GOAL ALIGNMENT

On December 16, 2024, the City Council established its 2025 Common Goals, outlining policy priorities and guiding the development of Council committee work plans. The Housing & Economic Development Committee (HEDC) identified the review and potential revision of the hotel inclusionary zoning ordinance (Chapter 14, Section 17.2.4) as a policy matter aligned with Council Common Goal #2: *“The Council will work to implement solutions to the housing crisis, including building more working class housing, improved support for the unhoused community such as an overdose prevention center as well as continued support for warming shelters. Additionally conduct independent assessment of Efficiencies, Outcomes, and Expenditures.”*

At its [January 21, 2025](#) meeting, the HEDC established its 2025 work plan, which includes reviewing and considering potential revisions to the City’s existing hotel inclusionary zoning ordinance.

BACKGROUND/ANALYSIS

On November 4, 2024, the City Council passed Order 77-24/25 (6-2, Mayor Dion & Councilor Rodriguez – No, Councilor Fournier Absent) (Attachment A) establishing a 180-day moratorium on new hotel projects in the City of Portland. The moratorium went into effect on December 4, 2024 and is set to expire on June 2, 2025.

Portland’s Hotel Inventory & Development Trends

According to lodging license data from the Maine Department of Health and Human Services, there are currently 41 licensed lodging places in the City of Portland, with approximately 3,500 total rooms. 68% of these hotels have been developed since 2000, and 18 (44%) have been developed since 2010.

History of Hotel IZ policy

In 2019, the City proposed and established a hotel inclusionary zoning (IZ) ordinance. The requirement applies to hotel projects with 10 or more rooms and any hotel expansions of 10 or more rooms within any five-year period. To meet the requirement, hotel projects can provide one unit of low-income housing for rent within the city for every 28 hotel rooms. Portland considers a low-income housing unit to mean one that is rented to households earning 80% AMI or less. The other alternative is for a hotel project to pay a linkage fee (fee-in-lieu) with a 2019 basis of \$3,806 per room, which is deposited into the City's Housing Trust Fund at the time the Certificate of Occupancy is issued. The linkage fee is adjusted annually; the 2025 hotel inclusionary fee-in-lieu is \$4,831 per guest room.

The impetus for the creation of a hotel inclusionary zoning ordinance was a steady rise in hotel/inn/motel development between 2012 and 2018. Local and national data indicated that job creation in the hospitality industry would involve a considerable amount of workforce households at average wage rates below what was required to afford housing in Portland at the time. As a result of the specifics of the industry's profile and anticipating an increase in hotel/inn/motel development in the coming years, the hotel inclusionary zoning ordinance was adopted on January 23, 2019, Order 134-18/19 (Attachment B) and became effective on February 22, 2019.

Hotel development post IZ policy

Since adoption of the ordinance in 2019, 14 projects have been approved. Of the 14 projects three hotel projects approved in that timeframe were not subject to hotel inclusionary zoning requirements (Table 1). One project was too small (<10 rooms) to trigger the requirement and the other two were products of approved master development plans (Thompsons Point and Portland Foreside), which gave them pending proceeding status under the pre-inclusionary zoning code.

Table 1: Approved Hotel Projects Exempt From Hotel IZ Regulations				
Address	Common Name	Approval Year	Total Rooms	Status
148 Coveside Drive	Diamond Cove	2024	8	Approved
Thompson's Point	Forefront Hotel	2023	148	Under Construction
58 Fore Street	Portland Foreside	2023	128	Approved
Total	3		284	

Of the 11 remaining projects (Table 2), four have been constructed and completed, resulting in a combined total of 223 rooms. Each of these projects elected to contribute to the Housing Trust Fund, generating a total of \$834,373 in contributions. Two additional projects are currently under construction: The Docent's Collection at 178–184 Middle Street, which will contain 19 rooms and contribute \$86,602 into the Housing Trust Fund and 215 Commercial Street, which will contain 15 rooms and contribute \$70,380 into the housing trust fund. Both are smaller-scale renovations of

former office spaces in the Old Port. The remaining five projects have received approval but have not yet begun construction. If built, the five remaining projects would add an additional 623 new rooms. If all 11 projects are constructed as approved, they would collectively generate approximately \$3.8 million in contributions to the Housing Trust Fund and 880 hotel rooms.

Table 2: Approved Hotel Projects Subject To Hotel IZ Regulations					
Address	Common Name	Approval Year	Total Rooms	Fee-in-lieu	Status
*121 Middle Street	Docent's Collection	2019	26	\$72,314	Construction Complete
1 Center Street	Canopy by Hilton	2019	135	\$513,810	Construction Complete
754 Congress Street	The Longfellow Hotel	2020	48	\$182,688	Construction Complete
54 York Street	The Weldon Hotel	2024	14	\$65,562	Construction Complete
178-184 Middle Street	Docent's Collection	2023	19	\$86,602	Under Construction
215 Commercial Street	-	2024	15	\$70,380	Under Construction
477 Congress Street	Time & Temperature	2023	181	\$849,252	Approved
1060 Westbrook Street	Hyatt Jetport	2024	119	\$558,348	Approved
465 Congress Street	Monument Hotel	2024	92	\$431,664	Approved
385 Congress Street	Fathom	2023	179	\$815,882	Approved
245 Commercial Street	Portland Harbor Hotel Expansion	2024	52	\$243,984	Approved
TOTAL	11		880	\$3,890,486	

121 Middle Street – Awaiting fee-in-lieu payment for 7 additional rooms, which are included in the total room count.

In terms of location, of the 14 projects approved since the implementation of the Hotel IZ policy, approximately 57%, a total of eight projects (699 rooms) are located in the City's B-3 Downtown Business zone. This zone spans from roughly Franklin Street to State Street and includes the Old Port, Arts District, and abuts the waterfront areas recognized as the region's core for arts, culture, commerce, and civic life, where hotel development is both anticipated and encouraged. For comparison, between 2019 and 2024, the City also approved 1,695 residential dwelling units within the B-3 zone, reflecting strong and balanced growth in both hotel and residential

development. This trend aligns with the goals outlined in *Portland's Plan 2030*, which reinforces downtown as the region's primary hub of activity for the region.

The remaining hotel projects are also located in areas where hotel development is generally expected. Two projects are in the B-5 zone—one at Thompson's Point and the other at 54 York Street, just outside the B-3 zone near Commercial Street and the Old Port/Waterfront Central neighborhoods. One project, part of the master development plan for the Portland Foreside mixed-use development, is located in the B-6 zone in the Eastern Waterfront. Another is situated in the Airport Business (A-B) zone, an area commonly associated with airport-related uses and business travel. Finally, one project was approved as part of a contract zone on Great Diamond Island.

Approved Hotel Projects by Zone (2019–2024)		
Zone	Total Hotel Projects	Total Rooms Approved
B-2b	1	48
B-3	8	699
B-5	2	162
B-6	1	128
A-B	1	119
Contract Zone	1	8
TOTAL	14	1,164

In terms of size, there is no clear evidence of a significant trend toward smaller hotel projects (<10 rooms) as a means of avoiding Hotel IZ requirements. The average size of hotels operating prior to the adoption of the IZ policy was 89 rooms, compared to an average of 83 rooms for hotels approved since its implementation. Only one project approved since 2019 has been under 10 rooms. However, a notable emerging trend in hotel development is the rise of smaller-scale hotels with fewer than 30 rooms, offering an alternative to traditional accommodations. These boutique-style properties typically feature apartment-style suites with fully equipped kitchens, separate dining and living areas, and private bedrooms. They often operate with limited on-site staff, minimal amenities, and rely on mobile check-ins and lacking a centralized reception area. Four such projects—121 Middle Street, 178–184 Middle Street (Docent's Collection), 215 Commercial Street, and 54 York Street (The Weldon Hotel)—fit this model. While these developments were still required to comply with Hotel IZ regulations, they reflect a growing and distinct segment of the hospitality market that tend to operate more in the vein of short term rentals.

ReCode Zoning Changes

As part of the City's ReCode initiative, adopted by the City Council on November 4, 2024, new hotels are now prohibited in the B-1, B-2b, and TOD-1 zones. The purpose of these zones is to support neighborhood- and community-oriented retail, business, and service establishments within a more urban development pattern. They are intended to foster mixed-use development and moderate- to high-density housing in urban neighborhoods that align with the City's investment in high-frequency transit infrastructure, encouraging walking, biking, and public transit use. By prohibiting hotels in these zones, the City prioritizes housing and mixed-use developments and directs hotels to designated areas better suited for such uses.

ReCode also included changes to the definition of "hotel" within the land use code. These changes were designed to more clearly define hotels as multi-room commercial facilities with centralized reception, management, and cleaning services, and to address the emerging trend toward non-traditional forms of hotel development more akin to short-term rentals.

Inclusionary Zoning Fee-in-Lieu Assumptions

Linkage fees are often used by cities as a way to offset the impacts of new development. Before establishing a linkage fee, communities typically conduct a study that formally and systematically establishes the nexus, or the 'link,' between new development and the fee's purpose. In the case of the city's hotel IZ policy, a linkage fee study was completed in 2018 to document the nexus between hotel development and demand for affordable housing (Attachment C). The basic principle of the study, which was conducted by the Greater Portland Council of Governments (GPCOG), is that new hotel development creates new jobs and attracts new households to fill those jobs, and that new affordable housing is necessary to accommodate them.

When the hotel policy was created, it was also the intent that the linkage fee would be periodically updated. Although no specific timeframe was established for these updates and in anticipation of upcoming discussions regarding the current Hotel IZ fee amounts, City staff requested an updated fee-in-lieu analysis from GPCOG in early 2025 (Attachment D). It is important to note that GPCOG's current work did not include an evaluation of the 2018 fee study methodology, but instead simply replicated the original methodology using current day income and housing cost assumptions. In almost all cases, the current study used the same data sources as the 2018 study; the one exception was for housing cost data, where the original data source was no longer available. Because of this change in the availability of data, GPCOG supplied three possible updated fee-in-lieu figures, reflecting three estimated affordability gaps based on three alternative rental cost data sources (the City of Portland Rent Board reports, American Community Survey, or HUD Fair Market Rent). These figures range from \$9,520 to \$10,620 to \$13,731 per room, depending on the rent data source used.

For purposes of comparison, staff conducted an initial analysis of the potential impact of these three possible fees, based on an average sized hotel in the City of Portland of 85 rooms. Under the possible fees, the total inclusionary zoning contribution for a hotel of this size would range from \$809,164 to \$902,720 to \$1,167,120. The total contribution for an 85 room hotel at the 2025 hotel IZ figure of \$4,831 per room would be \$410,635.

NEXT STEPS:

If the summary and recommendations for changes to the existing Hotel IZ ordinance align with the committee's and City Council's priorities, the City can proceed in several possible directions:

1. **Option 1 - Raise IZ fee-in-lieu:** This option would increase the hotel IZ fee-in-lieu based on the estimated affordability gap identified in the 2025 GPCOG study. Staff seeks committee direction on the preferred fee amount based on the rent data source used. Based on the Council's direction, the housing unit per room requirement within hotel inclusionary zoning policy would also be adjusted.
2. **Option 2 - Raise IZ fee-in-lieu & reduce applicability threshold:** In addition to raising the hotel IZ fee-in-lieu based on the estimated affordability gap from the GPCOG study, this option would amend the definition of a "Hotel project" to apply to any size hotel, rather than the current requirement of only applying to projects that include 10 or more guest rooms. Based on the Council's direction, the housing unit per room requirement within hotel inclusionary zoning policy would also be adjusted.
3. **Option 3 - Maintain existing fee-in-lieu & reduce applicability threshold:** This option would retain the existing hotel IZ fee-in-lieu while reducing the applicability threshold. The definition of a "Hotel project" would be amended to include any hotel, rather than only those with 10 or more guest rooms. As in Option 2, the threshold of >10 rooms would be removed, making the IZ requirements applicable to all hotel projects. Based on the Council's direction, the housing unit per room requirement within hotel inclusionary zoning policy would also be adjusted.

FISCAL IMPACT

The hotel IZ policy has resulted in \$834,374 in contributions to the housing trust fund, with just over \$3 million in anticipated revenues from approved projects pending construction. The fee-in-lieu amount is adjusted annually. If the fee is updated to more accurately reflect current incomes and housing costs, assuming that hotel development trends hold steady, contributions to the housing trust fund could be expected to increase significantly.

CONCLUSION(S)

This item is for discussion and direction. If the committee supports the presented options and provides additional guidance on revisions, staff recommends that the hotel moratorium be extended to allow time for staff to draft proposed Land Use Code revisions. These revisions would then be reviewed by the Planning Board, which will provide a recommendation on a text amendment to update the Hotel Inclusionary Zoning ordinance for consideration by the full City Council. Following the Planning Board's recommendation, the amendment will move forward to the full City Council for consideration and final decision.

PRIOR COMMITTEE REVIEW

N/A

PREPARED BY

Kevin Kraft, AICP
Director
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Planning & Urban Development

ATTACHMENTS

Attachment A – Hotel Moratorium Order 77-24/25

Attachment B – Hotel IZ Ordinance Order 134-18/19

Attachment C – GPCOG Linkage Study 2018

Attachment D – GPCOG Linkage Study 2025

Attachment E – Hotel IZ Ordinance – Chapter 14

To: Jeff Levine, Planning & Urban Development Director
From: Stephanie Carver, GPCOG Planning Director
Date: 8/29/18
RE: Proposed Hotel Linkage Fee: Supportable Range

This memo has been expanded and updated based on additional data provided by the Maine Innkeepers Association.

Introduction

The City of Portland's Department of Planning & Urban Development is examining the feasibility of a proposal for assessing hotel linkage fees that would recover the cost of producing housing that is affordable for hotel employees. The purpose of this memo is to provide information to the City regarding the use of linkage fees for this purpose and outline a potential methodology for the calculation of a fee.

We have used the best available data to demonstrate how this methodology could be used to estimate a potential hotel linkage fee, but this does not constitute a recommendation from GPCOG as to the amount the City of Portland should charge for the hotel linkage fee nor is it a recommendation for the City of Portland to enact a hotel linkage fee ordinance.

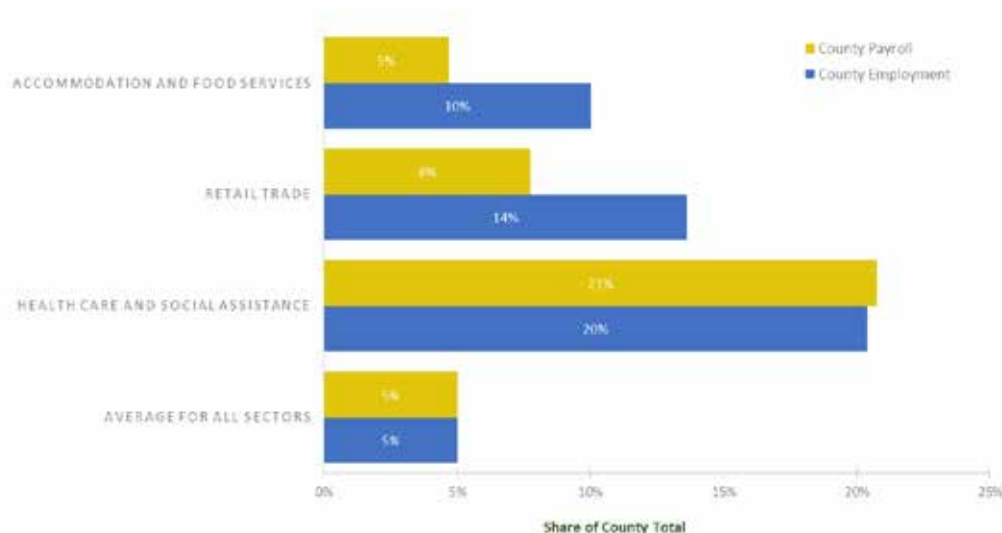
Background

Linkage fees are fees that cities may choose to implement to help mitigate the impact of new commercial development on the demand and availability of affordable housing. Prior to implementing a fee policy, communities often conduct a study to identify the connection, or “nexus” between new commercial development and the need for additional affordable housing. It is assumed that new commercial development contributes additional workers to a city’s workforce and adds new worker households. In many industries, a percentage of these households do not make enough to live and work in the same city. Looking outside the city to find affordable housing often results in longer commute times and higher transportation costs. If implemented, a linkage fee is typically charged to a developer as a condition of approval and it is assessed based on total square footage or number of units in the development.

The City's Comprehensive Plan identifies the increasing demand for affordable housing as an emerging issue and sets a goal of pursuing “policies to enable people who work in Portland to have the option to live in Portland.” To be considered affordable, housing should consume no more than 30% of a household’s income including rent, mortgage, utilities and other household related costs. Of the 1,130 housing units that were permitted and/or built in Portland between 2010 to 2014,

including apartments, condominiums and single-family homes, just 29% were offered at a rent or sales price affordable to a household earning the median incomeⁱ.

CUMBERLAND COUNTY EMPLOYMENT 2016



Source: US Census County Business Patterns, 2016

The Maine Office of Tourism estimates over 6 million tourists visited Portland in 2017. Hotel development is steadily increasing, with 1,811,050 square feet of hotel development - representing 2,647 units - currently in operation throughout the City. According to the US Census, the accommodation and food service sector is the third largest share of employment in Cumberland County, representing 10% of the County's workforce but only 5% of the County's payroll.

According to the Maine State Housing Authority the average rent (including utilities) for a two-bedroom apartment in Portland is \$1,053 per month, and the household income needed to afford the average rent in Portland is \$42,111 per year. However, this is the average rent paid by existing renters in Portland and new households moving to Portland will pay the current market rate, which is generally higher than the average rent. As of June 15, 2018, there are roughly 60 two-bedroom apartments listed for rent in Portland on Zillow, with monthly rents ranging between \$1,300-\$3,500. One third of those apartments are listed with rents between \$1,500 and \$2,000, and another third of those apartments are listed for more than \$2,000 per month. Therefore, a new household moving to Portland will expect to pay between 120%-330% of the average rent to live in the City.

There are a range of estimates available regarding the average wages of a full-time employee in this sector, and all are well below the household income needed to afford housing in Portland. According to the US Census, the average Cumberland County employee in this sector earns \$312 a week or \$16,227 per year. The Maine Department of Labor (DOL) estimates the median income for a full-time

Cumberland County employee in this sector to be significantly higher, \$24,908 per year. Additionally, as of 2017 the minimum wage in Portland is \$10.68/hour, so a full-time employee making this salary would earn an annual income of \$22,214. This affordability gap may force accommodation workers employed in Portland to seek housing outside of Portland.

Data

The minimum justified fee per square footage of hotel development outlined in this memo is based on data from both the US Census American Community Survey (ACS), and wage data from the Maine Department of Labor (DOL).

The US Census American Community Survey (ACS) data in this memo was used because it is the most comprehensive and consistent data source for demographic and economic characteristics of the population in GPCOG's service area. However, there are some limitations to the ACS data. First, it is 5-year sample data because this is the only data consistently available at the municipal, county, and state level. The drawback to using data pooled over five years is it averages out any short-term changes in income due to economic cycles or Portland's more recent minimum wage increase. Second, the median earnings reported by the ACS are based on what individuals report for their earnings regardless of whether they work full-time or part-time. As a result, these earnings may be skewed lower by individuals who work part-time, which may be more common for employment in the retail, food service, or accommodation sectors.

To balance these limitations, the median weekly wage data from the Maine DOL was also included in the analysis. The Maine DOL wage data is from the Quarterly Census of Employment and Wages (QCEW), which is based on employment and wage data reported to the Unemployment Insurance (UI) of the United States. The Maine DOL data also has some limitations. First, the data are only available at the industry level, so it is not possible to calculate the affordability gap for different occupations in the hotel sector. Second, the average weekly wage reported by the QCEW also does not differentiate between full-time and part-time employment. As a result, the weekly wage data reported by the Maine DOL may be skewed both by higher wage occupations and by part-time employment. The average weekly wage reported by Maine DOL was used to calculate yearly income based on full-time employment. This also assumes individuals employed in the accommodation sector can work full-time if they are willing and able toⁱⁱ.

Methodology

Methodologies used to calculate linkage fees vary, but in most cases the analysis begins with an estimation of the number of new employees associated with a typical development, in this case a hotel. In this methodology, a formula is used to calculate the affordability gap between what workers can afford to pay for housing and the average cost of market rate housing.

In Portland's case, a link is established between the creation of new jobs in the hotel sector and the increased demand for affordable housing through the following steps:

- **New Jobs.** Industry data was used to estimate the number of direct jobs that will be created by a new hotel with 180 units. According to the Urban Land Institute the typical hotel employs between 0.5-0.8 employees per hotel room. Using an average value of 0.65 employees per hotel room, it is estimated that a hotel with 180 rooms will employ 117 people. The current ratio of jobs per household was used to estimate how many households will be created by this new employment.
- **Households.** Currently there are 37,737 employed civilians aged 16 and over within the 30,211 total households in Portland. This means that on average there are 1.2 jobs per every household in Portland. Based on this ratio it is estimated that the 117 additional jobs created by a new hotel will create 94 new households in Portland. However, it is assumed employment in these households will be split up between different occupations, such as management, sales, service, and maintenance. The wages for each specific occupation may be higher or lower than the median wage for the hotel industry. Therefore, industry occupation employment and wage data examined from the ACS was used to estimate how many new households will be low income.

EMPLOYED POPULATION PER HOUSEHOLD 2016

	Portland	Cumberland County	Maine
Employed Civilian Population 16+	37,737	155,014	652,638
Total Households	30,211	117,871	551,109
Jobs/Household	1.2491	1.3151	1.1842

Source: American Community Survey 2016 5-year estimate

- **Jobs by Occupation.** Based on industry and occupation employment data from the ACS 64% of jobs in the hotel industry are service occupations, 19% of hotel jobs are management occupations, 13% of hotel jobs are sales and office occupations, and the remainder are maintenance and transportation occupations. The total number of jobs and households that will be created in each occupation was calculated by multiplying the share of hotel employment by occupation by the total number of new hotel jobs created.

NEW JOBS AND HOUSEHOLDS BY OCCUPATION CREATED BY NEW HOTEL EMPLOYMENT

	Share of Hotel Employment	Number of New Jobs	Number of New Households
Service	64%	74	60
Sales and Office	13%	15	12
Transportation	4%	4	3
Maintenance	1%	1	1
Management	19%	22	18
Total - All Occupations	100%	117	94

Source: American Community Survey 2016 5-year estimate;
GPCOG Analysis

Household Income. Median wage by occupation data for Cumberland County from the ACS was used to calculate the household income for each household in each occupation category. This calculation assumes 1 person in each new household works full-time in the hotel industry and any additional workers in the household earn the area median income:

NEW HOUSEHOLDS AND HOUSEHOLD INCOME BY OCCUPATION (ACS DATA)

	Number of New Households	Median Wage for Hotel Income Earner	Median Wage for Second Income Earner	Total Household Income
Service	60	\$18,109	\$9,015	\$27,124
Sales and Office	12	\$30,444	\$9,015	\$39,459
Transportation	3	\$31,695	\$9,015	\$40,710
Maintenance	1	\$33,421	\$9,015	\$42,436
Management	18	\$52,910	\$9,015	\$61,925

Source: GPCOG Analysis and American Community Survey 2016 5-year estimates

Median wage by industry data from the Maine DOL was also used to calculate the average household income for the 94 new households created by hotel employment:

NEW HOUSEHOLDS AND HOUSEHOLD INCOME (MAINE DOL DATA)

	Number of New Households	Median Wage for Hotel Income Earner	Median Wage for Second Income Earner	Total Household Income
Accommodation	94	\$24,908	\$12,164	\$37,072

Source: GPCOG Analysis and Maine DOL QCEW 2016

Affordability Gap. These estimates for household income by occupation were compared to housing affordability data from the Maine State Housing Authority to show the difference between what the new households created by hotel employment earn and the minimum income needed to afford a two-bedroom apartment in Portland. These results show that households with Service, Sales and Office, and Transportation occupations have a household income that is lower than the minimum income needed to afford rental housing in Portland. This household affordability gap is largest (\$14,987) for households with Service occupations, which also represent nearly 2/3 of households created by the new hotel employment.

AFFORDABILITY GAP ANALYSIS (ACS DATA)

	Number of New Households	Total Household Income	Income Needed to Afford Rent in Portland	Household Affordability Gap	Total Affordability Gap
Service	60	\$27,124	\$42,111	\$14,987	\$892,820
Sales and Office	12	\$39,459	\$42,111	\$2,652	\$32,048
Transportation	3	\$40,710	\$42,111	\$1,401	\$4,856
Maintenance	1	\$42,436	\$42,111	NA	\$0
Management	18	\$61,925	\$42,111	NA	\$0
Total					\$929,724

Source: Maine State Housing Authority, 2017; American Community Survey 2016 5-year estimates

The household affordability gap using the median wage by industry data from the Maine DOL was also calculated:

AFFORDABILITY GAP ANALYSIS (MAINE DOL DATA)

	Number of New Households	Total Household Income	Income Needed to Afford Rent in Portland	Household Affordability Gap	Total Affordability Gap
Accommodation	94	\$37,072	\$42,111	\$5,039	\$472,007

Source: Maine State Housing Authority, 2017; Maine DOL QCEW 2016

Aggregate Affordability Gap. The household affordability gap for each occupation was multiplied by the number of households with employment in each occupation to arrive at a total affordability gap that ranges between \$472,007 and \$929,724 per year. This number represents the difference between these households' ability to pay for their housing and the market cost of their housing based on the median monthly rent, for one year. In reality these

households may face higher rental housing costs since current Portland rents for new units are significantly higher than the median rent.

Final Calculation. Dividing the affordability gap by the number of new hotel rooms results in an average affordability gap that ranges between \$2,622 and \$5,165 per room, or between \$3.91 and \$7.70 per square foot. Therefore, a fee between **\$3.90-\$7.70 per square foot** would cover a minimum justified housing affordability gap for the 94 new households created by a new 180-unit hotel employment for one year. This methodology assumes the median wage for a hotel income earner in the service industry, including full-time and part-time employees, is \$18,109 based on US Census ACS data. If it is instead assumed that hotel service industry employees are working full-time at the City's minimum wage of \$10.68/hour and making \$22,241 annually, then the minimum justified fee would be between \$2,622 and \$3,806 per room or **\$3.90-\$5.67 per square foot** of hotel development for one year. However, this assumes individuals working in the service sector are able to procure full-time employment, which is not always the caseⁱⁱ.

This example estimate represents the full cost of the affordability gap for employment in one hotel for one year as calculated by the proposed methodology. Multiple factors could potentially impact the demand for affordable housing and the City may determine a higher or lower percentage of this fee based on these variables. Furthermore, this fee could be re-evaluated periodically as circumstances such as inflation, rents, and rental housing supply change.

ⁱ Portland 2030 Housing Demand, GPCOG 2015

ⁱⁱ According to a 2016 study (<https://www.epi.org/publication/still-falling-short-on-hours-and-pay-part-time-work-becoming-new-normal/#epi-toc-21>) from the Economic Policy Institute the retail trade and leisure and hospitality sectors contributed to 63% of the growth in part-time employment and 54% of the growth in involuntary part-time employment from 2007-2015. Involuntary part-time employment is defined as individuals who are working part time because full time work could not be found or hours were reduced due to economic conditions (slack work).

MEMO

To: Kevin Kraft, Director of Planning & Urban Development
From: Kristina Egan, GPCOG Executive Director
Date: 3/18/25
Re: Hotel Linkage Fee Update

Introduction

In 2018, the City of Portland asked the Greater Portland Council of Governments (GPCOG) to assess the feasibility of a hotel linkage fee that could be used to help offset the cost of producing affordable housing for hotel employees. The resulting memo outlined the use of linkage fees for this purpose, proposed a methodology for calculating the fee, and provided a range of justifiable figures for implementation. Using this analysis, the City established inclusionary zoning requirements for hotels and an in-lieu fee of \$3,806 per guest room. This figure has been adjusted annually in the time since its adoption. The fee-in-lieu for 2025 is \$4,831 per guest room.

Recognizing significant market changes since 2018, the City of Portland requested an updated analysis in early 2025. The following memo replicates the original linkage fee methodology to the best extent possible using updated data.

Background

Linkage fees are tools cities can use to offset the impact of new commercial development on affordable housing availability and demand. Before implementing such a policy, communities typically conduct a study to identify the “nexus” between new development and the need for additional affordable housing. The assumption is that commercial growth brings new workers, some of whom may not earn enough to live in the city. This often forces households to seek housing outside the city, resulting in longer commutes and higher transportation costs. If adopted, a linkage fee is typically charged to developers as a condition of project approval, based on the development’s total square footage or number of units.

Data

Where possible, the hotel linkage fee range in this memo is based on the same data sources used in the original 2018 study. To maintain consistency, 2023 data was used across multiple sources, even when newer data was available in some cases.

Employment + Wage Data

This analysis relies on employment and wage data from the U.S. Census American Community Survey (ACS), which provides the most consistent workforce and wage estimates. The previous memo also incorporated wage data from the Maine Department of Labor as a point of comparison; however, the adopted hotel linkage fee was ultimately based on wage data from the ACS.

Housing Cost Data

The 2018 linkage fee study used rental data from the Maine State Housing Authority to establish a baseline housing cost, using a two-bedroom unit as a reference point (due to its ability to accommodate the assumed household size). However, in the time since, Maine Housing has stopped publishing rental data. As a result, this memo relies on several other readily available sources of rental data to estimate housing costs, including the Department of Housing and Urban Development's Fair Market Rent (FMR) Documentation System, the American Community Survey, and the City of Portland's Rent Board Report.

- **Fair Market Rent:** FMR represents the average cost of renting a moderately priced home, including utilities, in a specific area. It is used to set rent limits for housing assistance programs to ensure they align with current market conditions. The Portland, ME HUD Metro FMR Area includes municipalities in Cumberland County and parts of York County. Updated annually, FMR estimates are based on rental market surveys, American Community Survey data, and inflation adjustments.¹
- **U.S. Census ACS Data:** The ACS provides median gross rent estimates by unit size, accounting for both rent and utilities when not already included. Data is based on five-year samples, which help ensure statistical reliability but smooth out short-term rent fluctuations. Estimates reflect both market-rate and subsidized rentals.²
- **City of Portland Rent Board Report:** These annual reports provide data on rental availability, city-wide rent prices, rental market trends, and board actions on rent increases, among other topics.³

Methodology

Linkage fee calculations typically estimate the number of new employees and households generated by a development, such as a hotel. Wage and rent data are then used to estimate the gap between what these workers can afford for housing and the average market rent. This memo presents that analysis for Portland, using the most recent and locally relevant data, through the following steps:

Number of New Jobs

To estimate job creation, industry data was applied to a 180-room hotel – chosen as a representative example based on an actual development. While staffing levels vary based on factors such as hotel size, service level, and operational needs, the original linkage fee study assumed a ratio of .65 employees per hotel room, based on numbers from the Urban Land Institute. Using this ratio, a 180-room hotel is expected to generate 117 jobs.

Number of New Households

The current ratio of jobs per household was then used to estimate the number of households represented by this new employment. Portland currently has 39,590 employed civilians aged 16 and over across 32,393 households⁴, or an average of 1.22 jobs per household. Using this ratio, the 117 new jobs created by the example 180-room hotel would generate an estimated 96 new households.

Employment and Households by Occupation

The jobs held by hotel employees would span various occupations – management, sales, service, maintenance, etc.— with wages varying by role. To estimate how many of the households employed by a new hotel would be low-income, industry-specific employment and wage data from the American Community Survey was used. The American Community Survey groups Arts, Entertainment, Recreation, Accommodation, and Food Services together, reflecting industries tied to the service sector. While this broad category includes more than just hotel jobs, it offers the best available estimate for occupational distribution. Within this sector, approximately 56% of jobs are in service occupations, 31% in management, 7% in sales and office, 6% in transportation, and 1% in maintenance.⁵

The table below estimates the number of new employees and households created by occupation.

ESTIMATED NEW HOTEL JOBS AND HOUSEHOLDS BY OCCUPATION

	% of Service Sector Employment	# of New Hotel Employees ⁱ	# of New Households ⁱⁱ
Service	55.5%	65	53
Management	30.6%	36	29
Sales and Office	6.8%	8	7
Transportation	5.8%	7	6
Maintenance	1.2%	1	1
Total	100%	117	96

ⁱ Calculated by multiplying the percentage of service sector employment by the total estimated 117 hotel employees.

ⁱⁱ Calculated by multiplying the percentage of service sector employment by the total estimated 96 households.

Household Incomes

Household income estimates were calculated using Cumberland County's ACS median earnings data by occupation for 2023.⁶ This approach reflects the broader region where hotel workers in Portland may reside. The one exception is for service workers, where the City of Portland's 2023 minimum wage of \$14/hour was substituted for the ACS median wage. The household income calculations assume one person in each household works full time in the hotel industry and also assumes a second household member makes the area median earnings.⁷ The table below presents these estimated household incomes by occupation.

ESTIMATED NEW HOUSEHOLDS AND HOUSEHOLD INCOME BY OCCUPATION (2023 ACS DATA)

	# of New Households	Median Wage for Hotel Employee	Median Wage for 2 nd Income Earner ⁱⁱ	Total Household Income
Service ⁱ	53	\$29,120	\$10,899	\$40,019
Management	29	\$71,711	\$10,899	\$82,610
Sales and Office	7	\$42,467	\$10,899	\$53,366
Transportation	6	\$40,829	\$10,899	\$51,728
Maintenance	1	\$50,572	\$10,899	\$61,471

ⁱ The Service wage reflects Portland's 2023 minimum wage of \$14/hour, as the Census estimate was below the legal minimum.

ⁱⁱ The second income earner's wage of \$10,899 is based on 0.22 of the 2023 Census median earnings for all occupations in Cumberland County (\$49,540), reflecting the estimated 1.22 employees per household.

Affordability Gap

To create a range, the estimated household incomes for each occupation category were then compared to three different rent data sources to assess whether new hotel employees can afford a two-bedroom unit in Portland and to calculate the cumulative 'affordability gap.'

ESTIMATED AFFORDABILITY GAP: 2023 FAIR MARKET RENT FOR PORTLAND METRO AREA

[\$1,859 for a two-bedroom unit]

	New Households	Household Income	Income Needed ⁱ	Affordability Gap (HH)	Total Gap
Service	53	\$40,019	\$79,671	\$39,652	\$2,101,556
Management	29	\$82,610	\$79,671	- \$2,939	N/A
Sales and Office	7	\$53,366	\$79,671	\$26,305	\$184,135
Transportation	6	\$51,728	\$79,671	\$27,943	\$167,658
Maintenance	1	\$61,471	\$79,671	\$18,200	\$18,200
Total	96	--	--	--	\$2,471,549
Per Room					\$13,731

ⁱAnnualizing Fair Market Rent (\$1,859 * 12 months = \$22,308) and dividing by 0.28 yields \$79,671, ensuring rent remains just below the 30% housing cost burden threshold.

ESTIMATED AFFORDABILITY GAP: 2023 ACS MEDIAN GROSS RENT FOR PORTLAND

[\$1,664 for a two-bedroom unit]

	New Households	Household Income	Income Needed ⁱ	Affordability Gap (HH)	Total Gap
Service	53	\$40,019	\$71,314	\$31,295	\$1,658,635
Management	29	\$82,610	\$71,314	- \$11,296	N/A
Sales and Office	7	\$53,366	\$71,314	\$17,948	\$125,636
Transportation	6	\$51,728	\$71,314	\$19,586	\$117,516
Maintenance	1	\$61,471	\$71,314	\$9,843	\$9,843
Total	96	--	--	--	\$1,911,630
Per Room					\$10,620

ⁱAnnualizing ACS median rent (\$1,664 * 12 months = \$19,968) and dividing by 0.28 yields \$71,314, ensuring rent remains just below the 30% housing cost burden threshold.

ESTIMATED AFFORDABILITY GAP: 2023 CITY OF PORTLAND RENT BOARD

[\$1,595 for a two-bedroom unit]

	New Households	Household Income	Income Needed ⁱ	Affordability Gap (HH)	Total Gap
Service	53	\$40,019	\$68,357	\$28,338	\$1,501,914
Management	29	\$82,610	\$68,357	- \$14,253	N/A
Sales and Office	7	\$53,366	\$68,357	\$14,991	\$104,937
Transportation	6	\$51,728	\$68,357	\$16,629	\$99,774
Maintenance	1	\$61,471	\$68,357	\$6,886	\$6,886
Total	96	--	--	--	\$1,713,511
Per Room					\$9,520

ⁱAnnualizing ACS median rent (\$1,595 * 12 months = \$19,140) and dividing by 0.28 yields \$68,357, ensuring rent remains just below the 30% housing cost burden threshold.

Final Calculation

As shown on the previous page, dividing the total affordability gap by the 180 new hotel rooms results in an **estimated per-room affordability gap ranging from \$9,520 to \$10,620 to \$13,731** depending on the rent data source used (City of Portland Rent Board, American Community Survey, or HUD Fair Market Rent). This estimate reflects the full annual affordability gap associated with the jobs generated by a single hotel room based on the methodology from the original 2018 study.

¹ Department of Housing and Urban Development [FY 2023 Fair Market Rent Documentation System](#) for the Portland, ME HUD Metro FMR Area

² U.S. Census American Community Survey 2019-2023 5-year estimate (Table B25031)

³ [2023 Portland Rent Board Annual Report](#) (pg. 12)

⁴ U.S. Census American Community Survey 2019-2023 5-year estimate (Table DP03)

⁵ U.S. Census American Community Survey 2019-2023 5-year estimate (Table S2405)

⁶ U.S. Census American Community Survey 2019-2023 5-year estimate (Table B24011)

⁷ U.S. Census American Community Survey 2019-2023 5-year estimate (Table S2001)

Real Estate Consulting Study

Hotel IZ Feasibility Assessment

Presented to: City of Portland, ME
Presented to: Department of Planning and Urban Development
Presented by: Colliers
Date: 9/19/2025



Presentation Outline

1. About Colliers
2. Understanding of the Situation
3. Colliers Study Assumptions
4. Executive Summary
5. Urban Hotel
6. Airport Hotel
7. Prototype Hotel
8. Conclusions
9. Q&A Discussion



Who is Colliers

We are enterprising.

Our expert advice to property occupiers, owners and investors leads the industry into the future. We invest in relationships to create enduring value.

What sets us apart is not what we do, but how we do it. Our people are passionate, take personal responsibility and always do what's right for our clients, people and communities. We attract and develop industry leaders, empowering them to think and act differently to drive exceptional results.

What's more, our global reach maximizes the power of property, wherever our clients do business.

At Colliers, we **accelerate success.**



Annual
revenue

\$4.3B

Countries we
operate in

66

Assets under
management

\$98B

Lease and sale
transactions

46,000

Square feet
managed

2B

Professionals

19,000

Number of countries includes affiliates

Our **clients**

Who do we work with?



Landlords & Investors

- Investment Sales
- Leasing
- Real Estate Management
- Project Management
- Valuation & Advisory
- Consulting
- Tax Appeal
- Research



Tenants / Occupiers

- Leasing
- Corporate Solutions
- Consulting
- Lease Audits
- Real Estate Management
- Tax Appeal
- Research
- Location Advisory
- Workplace Strategy & Innovation



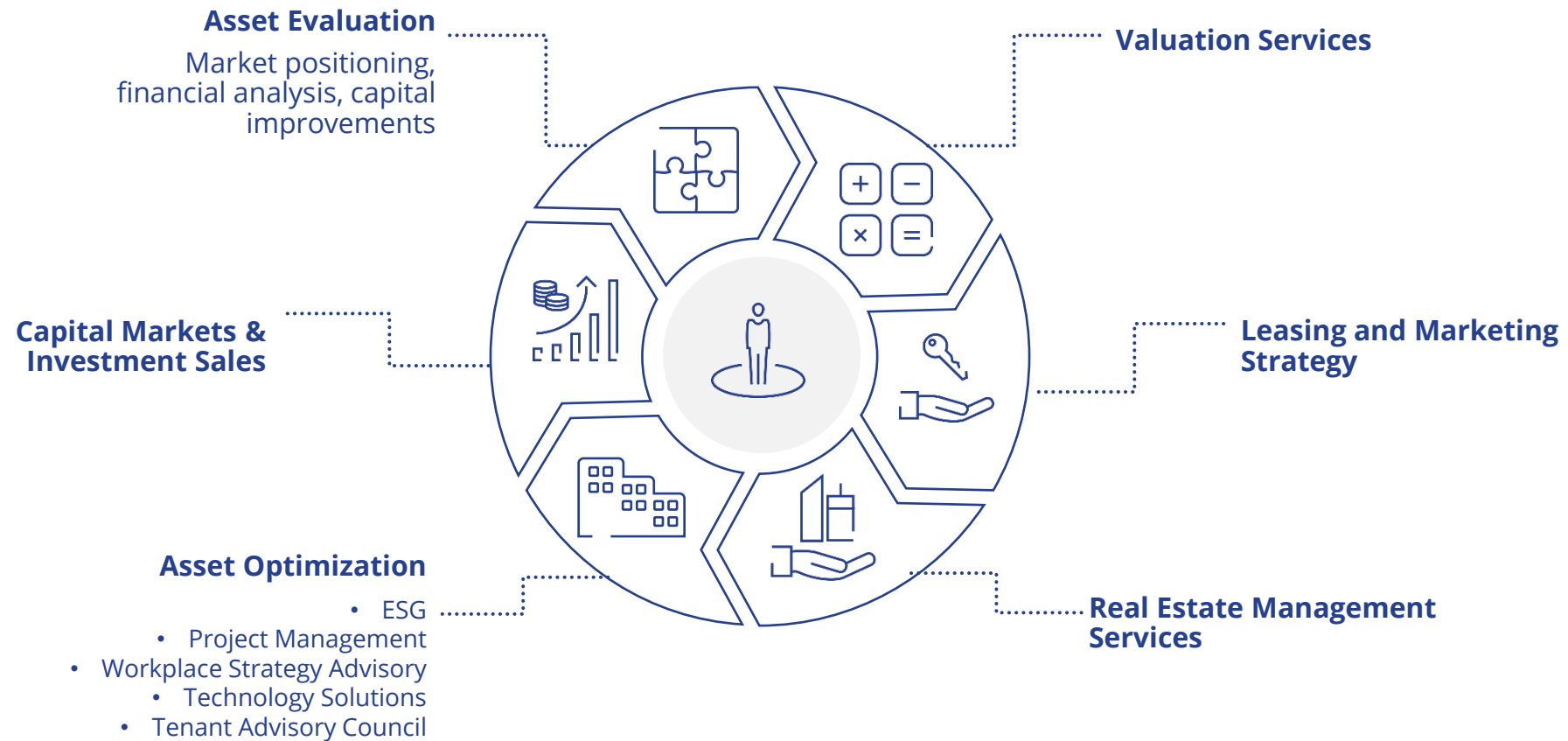
Developers & Investors

- Investment Sales
- Leasing
- Project Management
- Valuation & Advisory
- Consulting
- Research



Platform **Depth**

Maximize the potential



Understanding of the Situation

Study Objectives



Overview

- The City of Portland is evaluating a potential update to its hotel linkage fee to supports the development of affordable housing.
- A range of potential per-room fees, ranging from the current fee of \$4,831 to a maximum fee of \$13,731, was identified.
- A further modification is being considered that would yield a maximum per-room linkage fee of \$28,835.10.
- Colliers International was retained to assess the feasibility of the various hotel linkage fees on multiple hotel development scenarios including a:
 - Boutique Urban Hotel Project: 48-room, full service
 - Airport Hotel Project: 120-room, select service
 - A Prototype Hotel Project: 85-room, full service

Understanding of the Situation

Requested Scope of Work



Colliers' Scope of Work

- Colliers modeled the feasibility impacts of the hotel linkage fee at the low end (\$4,831/room), middle, based upon the highest figure in the 2025 GPCOG Nexus Study (\$13,731/room), and high end (\$28,835/room) of the proposed fee range.
- Colliers identified the threshold fee level at which the linkage fee would materially impact the financial feasibility, using standard industry metrics such as Yield on Cost (YoC), Internal Rate of Return (IRR), and Total Development Cost (TDC).
- Colliers calculated a maximum level of economically supportable fees that can be determined based on the analysis.

Colliers Study Assumptions

Sources of Information



Development Assumptions

- Colliers utilized its Research Group and Valuation Group to collect information on historical construction costs, land sales and future development pipeline.
- Colliers leveraged industry contacts to understand current construction hard costs for similar development projects.
- Colliers inflation adjusted the collected data to “true up” the values to 2025 estimates.
- When possible, Colliers utilized industry standard ratios to calculate architecture and engineering costs, insurance and real estate taxes, contingencies, developer fees, debt/lending costs, and other soft costs.
- Colliers assumes the estimated budgets are in-line with what the actual project costs are for the Urban and Airport projects.
- Colliers assumes that all developments are low-rise projects.

Colliers Study Assumptions

Sources of Information



Operating Assumptions

- Colliers utilized public and internal repositories to collect submarket information on Average Daily Rate (“ADR”), Revenue Per Available Room (RevPAR), and forward-looking trends.
- Colliers used both the 3-month (June-August) and 12-month (September-August) averages from CoStar and Smith Travel Research to produce its best estimates for its analysis.
- Colliers assumed the various submarkets in the Greater Portland Area reflect the differences between the various hotel development types analyzed. The submarkets used were:
 - Portland Downtown Submarket: Urban and Prototype Projects
 - Portland Surrounding: Airport Hotel
- When possible, Colliers utilized industry standard ratios to calculate department revenue and expense, undistributed costs, management and franchise fees, and return hurdles.

Colliers Study Assumptions Definitions & Return Hurdles



Colliers reviewed the scenarios based on perspective of real estate developer/sponsor. Although each investor group will have different return requirements, Colliers has applied generally acceptable return hurdles that would make a project appealing to both equity investors as well as lenders.

- **Unlevered vs. Levered:** Unlevered means without debt (all cash). Levered means with debt. Almost all real estate development project assumes there is leverage (with debt).
- **Internal Rate of Return (IRR):** The discount rate that makes the net present value of a project zero. An IRR that is above this breakeven percentage or the investor's cost of capital generally signifies a more desirable investment, making it a useful tool for comparing different investment opportunities that have longer hold periods. A viable project should achieve a Levered IRR near 20% over a 10-year hold period.
- **Equity Multiple (EMx):** A return metric which shows how much an investor earned on his or her invested capital. It is calculated by dividing the total profit of a project against the equity contribution by the investors. It is the number of times a project has returned its cost. A viable project should achieve a Levered EMx close to 2.50x. The longer the hold period, the better the EMx
- **Yield on Cost (YoC):** A short-term return calculation that takes the asset's Net Operating Income (Cashflow from Operations) divided by the total project cost. As a rule of thumb, the YoC must exceed the project's cost of capital. Typically, an untrended (not inflation adjusted) YoC should be 7.50% or higher.

Return metrics cannot be considered independent of each other. Some merchant/serial developers will be more concerned with an immediate return on investment (Yield-on-Cost) since their hold period horizon is short. Other developers will have a longer-term perspective and consider the total cashflow over the hold term paramount to an immediate return (IRR).

Colliers Executive Summary

Overall Conclusions



- **Current Linkage Fees are likely too low:** In all scenarios, the Low Linkage Fee amount still produced a very profitable project. If all other variables are held level, the fee can be increased to varying levels so long as developers still achieve
- **Full-service hotels do not produce overarching returns:** Although the RevPAR/ADR is higher in urban hotels, the operating costs are higher too. Overall margins were similar across all scenarios.
- **Scale could translate to better returns:** The largest scenario is the Airport Hotel Project, and the short term Yield on Cost is better than the Urban Hotel Project. Even better is the Prototype Hotel Project as it takes advantage of additional scale and the urban hotel model that has additional revenue sources.
- **Linkage Fee Breakeven is not a “one size fits all” amount:** Because of this, any new Linkage Fee increased will likely be defined by the returns of the worst performing scenario.

Colliers Executive Summary

Urban Hotel Project



A downtown, full-service hotel offer a wide array of amenities and services, including on-site restaurants, room service, fitness centers, spa, concierge services, and meeting and banquet rooms.

- **Current Fee:** The current fee of \$4,831/key generates sufficient return metrics which may allow increases to the fee.
- **Middle Fee:** The middle fee of \$13,831/key should generate sufficient return metrics, and there is a possibility to increase the fee amount slightly.
- **High Fee:** The high fee of \$28,835/key is not feasible for a hotel project of this scale.
- **Conclusion:** The potential for additional Linkage Fees can be can be increased. The limiting factor in this scenario is the low room key count. Higher room counts may provide more ability to increase Linkage Fees.

Colliers Executive Summary

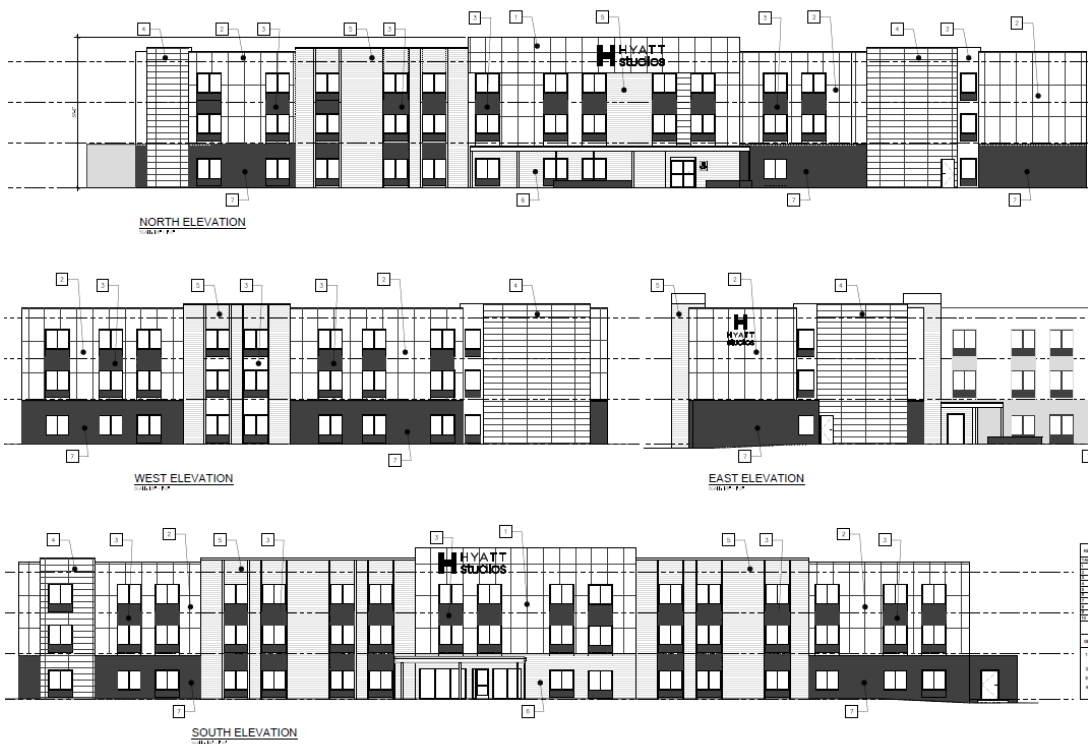
Urban Hotel Project

Low Linkage Fee	Cash Outflow	Profit	IRR	Equity Multiple	Yield on Cost: 7.96%
Unlevered	(\$18,042,540)	\$16,879,341	14.37%	1.97x	
Levered	(\$7,216,152)	\$12,578,948	Ok 22.09%	Ok 2.52x	
Limited Partner	(\$7,431,621)	\$9,698,463	20.15%	2.31x	
Sponsor	(\$825,736)	\$2,880,485	34.32%	4.49x	
Middle Linkage Fee	Cash Outflow	Profit	IRR	Equity Multiple	Yield on Cost: 7.77%
Unlevered	(\$18,490,976)	\$16,452,141	13.76%	1.92x	
Levered	(\$7,396,291)	\$12,130,512	Ok 20.64%	Ok 2.44x	
Limited Partner	(\$7,593,747)	\$9,462,571	18.91%	2.25x	
Sponsor	(\$843,750)	\$2,667,940	31.88%	4.16x	
High Linkage Fee	Cash Outflow	Profit	IRR	Equity Multiple	Yield on Cost: 7.46%
Unlevered	(\$19,251,881)	\$15,727,149	12.79%	1.85x	
Levered	(\$7,701,659)	\$11,369,607	Does Not Work 18.40%	Does Not Work 2.30x	
Limited Partner	(\$7,868,578)	\$9,062,304	17.02%	2.15x	
Sponsor	(\$874,286)	\$2,307,302	27.84%	3.64x	

The Urban Hotel can sustain a higher Linkage Fee payment than its current basis. The Middle Linkage Fee of \$13,731/unit may be possible.

Colliers Executive Summary

Airport Hotel Project



An in-town, select service hotel. These hotels typically feature quality guestrooms, free Wi-Fi, small fitness centers, and lobby areas, along with limited food and beverage options, such as complimentary breakfast or a grab-and-go market.

- **Current Fee:** The current fee of \$4,831/key generates sufficient returns, which may allow higher linkage fees.
- **Middle Fee:** The middle fee of \$13,831/key produces near breakeven returns, but additional increases may not be possible.
- **High Fee:** The maximum fee of \$28,835/key is not feasible for a hotel project of this scale.
- **Conclusion:** The potential for additional Linkage Fees can be higher. The limiting factor is the low RevPAR and lack of additional revenue compared to the Urban Hotel Project.

Executive Summary

Airport Hotel Project

Low Linkage Fee	Cash Outflow	Profit	IRR	Equity Multiple	Yield on Cost: 8.46%
Unlevered	(\$24,717,914)	\$21,529,942	13.94%	1.90x	
Levered	(\$9,887,661)	\$15,375,029	Ok 22.79%	Ok 2.34x	
Limited Partner	(\$10,305,262)	\$11,793,888	20.75%	2.14x	
Sponsor	(\$1,145,029)	\$3,581,142	35.50%	4.13x	
Middle Linkage Fee	Cash Outflow	Profit	IRR	Equity Multiple	Yield on Cost: 8.10%
Unlevered	(\$25,834,623)	\$20,461,942	12.82%	1.82x	
Levered	(\$10,333,219)	\$14,258,320	Ok 19.78%	Ok 2.20x	
Limited Partner	(\$10,706,264)	\$11,208,479	18.18%	2.05x	
Sponsor	(\$1,189,585)	\$3,049,841	30.38%	3.56x	
High Linkage Fee	Cash Outflow	Profit	IRR	Equity Multiple	Yield on Cost: 7.54%
Unlevered	(\$27,733,487)	\$18,649,450	11.09%	1.70x	
Levered	(\$11,094,660)	\$12,359,456	Does Not Work 15.54%	Does Not Work 1.98x	
Limited Partner	(\$11,391,560)	\$10,202,043	14.65%	1.90x	
Sponsor	(\$1,265,729)	\$2,157,413	22.15%	2.70x	

The Airport Hotel can sustain a higher Linkage Fee payment than its current basis. The Middle Linkage Fee of \$13,731/unit may be possible.

Break-even @ \$35,000/Key

Unlevered

Levered

Limited Partner

Sponsor

Cash Outflow

(\$33,165,399)

(\$13,267,099)

(\$13,645,329)

(\$1,516,148)

Profit

\$30,037,195

\$22,186,125

\$17,245,424

\$4,940,701

IRR

13.92%

21.02%

19.24%

32.50%

Equity Multiple

1.94x

2.46x

2.26x

4.26x

Colliers

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Executive Summary

Prototype Hotel Project



A downtown, full-service hotel offer a wide array of amenities and services, including on-site restaurants, room service, fitness centers, spa, concierge services, and meeting and banquet rooms.

- **Current Fee:** The current fee of \$4,831/key generates sufficient returns, which may allow higher linkage fees.
- **Middle Fee:** The middle fee of \$13,831/key generates sufficient returns, which may allow higher linkage fees.
- **High Fee:** The maximum fee of \$28,835/key generates sufficient returns, which may allow higher linkage fees.
- **Conclusion:** The Prototype Hotel Project has the advantage over the Urban Hotel Project due to increased room count. However, any advantages gained would likely be lost if the project becomes a mid-rise or high-rise construction project.

For Illustration Purposes Only

Executive Summary

Prototype Hotel Project

Low Linkage Fee	Cash Outflow	Profit	IRR	Equity Multiple	Yield on Cost: 8.44%
Unlevered	(\$30,915,364)	\$32,176,560	15.68%	2.08x	
Levered	(\$12,367,079)	\$24,436,161	Ok 25.38%	Ok 2.71x	
Limited Partner	(\$12,835,311)	\$18,428,922	23.02%	2.44x	
Sponsor	(\$1,426,146)	\$6,007,238	39.46%	5.21x	
Middle Hotel Fee	Cash Outflow	Profit	IRR	Equity Multiple	Yield on Cost: 8.23%
Unlevered	(\$31,709,914)	\$31,420,060	15.03%	2.03x	
Levered	(\$12,682,733)	\$23,641,611	Ok 23.73%	Ok 2.62x	
Limited Partner	(\$13,119,400)	\$18,011,167	21.58%	2.37x	
Sponsor	(\$1,457,711)	\$5,630,444	36.92%	4.86x	
High Linkage Fee	Cash Outflow	Profit	IRR	Equity Multiple	Yield on Cost: 7.90%
Unlevered	(\$33,057,433)	\$30,136,211	14.00%	1.94x	
Levered	(\$13,222,939)	\$22,294,092	Ok 21.21%	Ok 2.47x	
Limited Partner	(\$13,605,585)	\$17,302,295	19.40%	2.27x	
Sponsor	(\$1,511,732)	\$4,991,797	32.82%	4.30x	

The Prototype Hotel can sustain a higher Linkage Fee payment than its current basis. Due to its increased scale and urban location, the High Linkage Fee amount may be possible.

Hotel IZ Feasibility Study

Discussion

Appendix

Development and Operations Ratios

Development Assumptions

Land Costs	Urban	Airport	Prototype
Acquisition Cost (Land)	Actual Land Cost	Actual Land Cost	Urban Hotel Cost
Acquisition Cost (Legal)	1.00% of Land Cost	1.00% of Land Cost	1.00% of Land Cost
Transfer Taxes (Buy Side)	\$1.10 per \$500	\$1.10 per \$500	\$1.10 per \$500
Due Diligence Fees	1.00% of Land Cost	1.00% of Land Cost	1.00% of Land Cost

Hard Costs	Urban	Airport	Prototype
Hard Cost (Vertical)	\$250.00/GSF	\$250.00/GSF	\$250.00/GSF
Hard Cost (Garage)	\$50,000/Space	N/A	\$50,000/Space
Cost Escalation	5.00%/Year to Midpoint	5.00%/Year to Midpoint	5.00%/Year to Midpoint
CM Fee	2.00% of Direct Costs	2.00% of Direct Costs	2.00% of Direct Costs
Hard Cost Contingency	5.00% of Hard Costs	5.00% of Hard Costs	5.00% of Hard Costs

Soft Costs	Urban	Airport	Prototype
Architect - Design Phase	5.00% of Hard Costs	5.00% of Hard Costs	5.00% of Hard Costs
Architect - CA	1.50% of Hard Costs	1.50% of Hard Costs	1.50% of Hard Costs
Engineering	1.50% of Hard Costs	1.50% of Hard Costs	1.50% of Hard Costs
Legal	\$50,000	\$50,000	\$50,000
Owner's Project Manager	1.00% of Hard Costs	1.00% of Hard Costs	1.00% of Hard Costs
Permitting & Entitlement	1.25% of Hard Costs	1.25% of Hard Costs	1.25% of Hard Costs
Developer Fee	3.00% of TDC	3.00% of TDC	3.00% of TDC
Insurance	1.25% of Hard Costs	1.25% of Hard Costs	1.25% of Hard Costs
Real Estate Taxes	\$15.01 Per \$1,000	\$15.01 Per \$1,000	\$15.01 Per \$1,000
FF&E (Common Areas)	\$25.00/SF (Common)	\$25.00/SF (Common)	\$25.00/SF (Common)
FF&E (Rooms)	\$10,000/Key	\$10,000/Key	\$10,000/Key
Marketing	\$2,000/Key	\$2,000/Key	\$2,000/Key
Soft Cost Contingency	5.00% of Soft Costs	5.00% of Soft Costs	5.00% of Soft Costs
City of Portland Impact Fee	Variable	Variable	Variable

Colliers did not have access to updated information related to the development costs and operational performance with respect to any of the projects. The underwriting is based on information collected from Colliers internal and external resources. Any variation from the actual performance of the identified assets may occur, and Colliers has assumed that its estimates are as accurate as possible given the limited availability of information.

Operations Assumptions

Department Revenues	Urban	Airport	Prototype
ADR	\$247.93/Night	\$188.08/Night	\$247.93/Night
Occupancy Rate	80% Occupancy	80% Occupancy	80% Occupancy
Restaurant	\$75.00 RevPOR	N/A	\$75.00 RevPOR
Café	\$50.00 RevPOR	N/A	\$50.00 RevPOR
Lobby / Bar	\$25.00 RevPOR	\$5.00 RevPOR	\$25.00 RevPOR
In-Room	\$55.00 RevPOR	N/A	\$55.00 RevPOR
Conference Room	30.00% of Total Revenue	N/A	30.00% of Total Revenue
Mini Bar Food Revenue	\$12.00 RevPOR	\$5.00 RevPOR	\$12.00 RevPOR
Other F&B	\$5.00 RevPOR	N/A	\$5.00 RevPOR
Parking Revenue	\$32.00 RevPOR	N/A	\$32.00 RevPOR
Spa	\$35.00 RevPOR	N/A	\$35.00 RevPOR

Department Expenses	Urban	Airport	Prototype
Room Expense	30% of Room Revenue	30% of Room Revenue	30% of Room Revenue
Total Cost of F&B	32.00% of F&B Revenue	32.00% of F&B Revenue	32.00% of F&B Revenue
Payroll and Related Expenses	30.00% of F&B Revenue	30.00% of F&B Revenue	30.00% of F&B Revenue
Other Expenses	0.50% of F&B Revenue	0.50% of F&B Revenue	0.50% of F&B Revenue
Parking Garage Costs	3.00% of Total Revenue	N/A	3.00% of Total Revenue

Undistributed Expense	Urban	Airport	Prototype
G&A	10.00% of Total Revenue	10.00% of Total Revenue	10.00% of Total Revenue
Credit Card Fees	1.88% of Total Revenue	1.88% of Total Revenue	1.88% of Total Revenue
Sales & Marketing	1.00% of Total Revenue	1.00% of Total Revenue	1.00% of Total Revenue
Franchise Fees - Royalty	5.50% of Total Revenue	5.50% of Total Revenue	5.50% of Total Revenue
Franchise Fees - Marketing	2.50% of Total Revenue	2.50% of Total Revenue	2.50% of Total Revenue
IT Costs	0.25% of Total Revenue	0.25% of Total Revenue	0.25% of Total Revenue
Repairs & Maintenance	5.00% of Total Revenue	5.00% of Total Revenue	5.00% of Total Revenue
Utilities	5.00% of Total Revenue	5.00% of Total Revenue	5.00% of Total Revenue
Management Fee	3.0% of Total Revenue	3.0% of Total Revenue	3.0% of Total Revenue
Real Estate Taxes	Variable	Variable	Variable
Insurance	1.70% of Total Revenue	1.70% of Total Revenue	1.70% of Total Revenue
Capital & FF&E Reserve	\$500.00/Key	\$500.00/Key	\$500.00/Key



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MEMORANDUM
City Council Agenda Item

FROM:

DATE: October 22, 2025

SUBJECT: Order 83-25/26 Amendment to the Portland City Code Chapter 28 RE: Snow Ban Fee - Sponsored by Sustainability & Transportation Committee, Councilor Regina Phillips, Chair

SPONSOR: Sustainability and Transportation Committee, Regina Phillips, Chair. The Committee met on October 8, 2025 and voted 3-0 to refer this proposed change to the City Code to 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

**Final
Action**

Can action be taken at a later date: No Action cannot be taken at a later date in order to implement the approved change prior to the 2025-26 winter season.

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

PRESENTATION: Parking Director Tony Wirkus will provide an overview and be available for questions.

I. SUMMARY

II. AGENDA DESCRIPTION

At its October 8, 2025 meeting, the Sustainability & Transportation Committee unanimously recommended this item to the Council for approval.

The proposed change to Chapter 28 of the Portland City Code would increase the fine for failing to move a vehicle during winter storm parking bans from \$40.00 to \$175.00. The goal of the change is to increase compliance and improve the speed and efficiency of snow removal, and ultimately the safety and accessibility of city streets. Historically, the City has attempted to tow vehicles found to be in violation of winter storm parking bans. The total cost to reclaim a towed vehicle within 24 hours is \$210.00 (\$40 parking fine + \$35 impound fee + \$135 towing charge). However, a variety of constraints will reduce the scale of potential towing during the 2025-26 winter season, including the loss of a large-scale inbound lot at Ocean Gateway terminal, inconsistent availability of tow truck operators, insufficient capacity of tow truck operators to tow vehicles at the scale needed to be an effective deterrent, and city staffing constraints.

In connection with the proposed parking fine increase, the City would add six (6) additional snow ban parking locations where residents can relocate their cars free of charge. These locations will supplement fifteen (15) free locations previously used, and seven (7) locations (including garages) that charge a fee.

If approved, City staff would implement a communications campaign on the changes prior to winter's onset, and would enhance communications efforts with the public following the declaration of a parking ban.

This item must be read on two separate days. It received its first reading on October 20. Five affirmative votes are required for passage after public comment.

III. BACKGROUND

During significant snow events, the City Manager has the authority to declare an emergency parking ban to aid in snow removal efforts throughout the City of Portland. While this declaration may be inconvenient at times, it is necessary to maintain accessibility for first responders and residents.

Historically, the Police Department cites and tows vehicles that interfere with snow removal efforts at the direction of Public Works. The vehicles are towed to a city-owned lot that is staffed by the Parking Division and Police Department. While there is a significant lack of compliance, the scope of towing is limited due to time and resources. The current operation has been carried out in this form for many years but needs to be reviewed due to the changing landscape of the peninsula.

In addition to the lack of compliance and resources to enforce the ban, the prospect of maintaining an impound lot on the peninsula or nearby presents a constant challenge. The impound lot has moved several times over the history of the emergency snow ban, most recently to the Ocean Gateway Lot located at Commercial St. and India St. The Ocean Gateway Lot will become the site of Harbor Commons park and is scheduled to close to parking in November. Staff have been actively exploring other options, but have not been successful in securing an alternate location. As the peninsula continues to become more densely populated, identifying a large, unused parking lot that is suitable for an impound lot during an emergency snow ban will be a perennial problem that is likely to become increasingly difficult.

Chapter 28 Traffic and Motor Vehicles (Section 28-51) of the Portland City Code stipulates fines for various parking violations. If a vehicle is in violation of the emergency parking ban and is towed, the total cost to reclaim the vehicle within 24 hours is \$210. If a vehicle is in violation of the ban and not towed, but the owner is cited, the fee is \$40. Currently, there is a significant lack of compliance with the parking ban due to low fines and the relatively small degree of towing. There is not enough time and resources to equitably enforce the ban as it's not possible to tow every vehicle. The disparity of enforcement due to these limiting factors impedes the ability of the Public Works Department to clear the roads and makes the city less accessible to first responders and residents.

IV. INTENDED RESULT AND/OR COUNCIL GOAL ADDRESSED

Improved speed and efficiency of winter storm snow clearing in order to ensure streets are safe and accessible as soon as possible after a winter storm.

V. FINANCIAL IMPACT

There are no material costs impacts anticipated related to approval of the amendment. Because the goal of the amendment is improved compliance with winter parking bans, staff do not anticipate material changes in parking fine revenue.

VI. STAFF ANALYSIS AND BACKGROUND

In order to gain additional compliance, staff propose to increase the citation fee from \$40 to \$175. If a vehicle is towed to a private operator's lot during snow ban hours, the citation fee will be reduced to \$40, which would, in combination with towing fees, result in a more equitable penalty for lack of compliance with the existing ordinance. In addition to increasing the citation, staff propose adding approved snow ban parking locations in the areas below.

- Baxter Blvd - Coveside between Preble St. Ext. and Bates St
- Eastern Promenade - Extend closer to Major Charles Loring Memorial Park
- St. James - Odd side next to the park
- Douglass St. - Odd side next to the park
- Rainbow Mall Road - Next to the woods

- Valley St. - South of C St. next to the park

Below is a list of currently approved snow ban locations which includes public and private options.

- Dougherty Field Skate Park parking lot.
- Deering Oaks - Parking on Tennis Court Road Only
- Fitzpatrick Stadium Parking Lot
- Hadlock Field Parking Lot
- All Portland Public School Parking lots (except Reiche Community Center lot; limited parking at Presumpscot School)
- Cutter Street Lots (off the Eastern Prom)
- Beach Street lot
- Angelo's Acre (city lot at the corner of Park/Commercial Streets)
- On Peaks Island, snow ban parking is available at the Welch St. Parking Lot
- Western Prom (The entire waterside of the Western Prom)
- Eastern Prom (Turner St. to the East End School Property light pole 33; waterside)
- Marginal Way (limited to certain segments)
- Preble Street Extension Parking Lot (Across from Hannaford)
- State Street Extension (between Forest Avenue and Park Avenue)
- Spring Street Garage (\$3 snow ban rate)
- Elm Street Garage (\$3 snow ban rate)
- Arts District Garage (Private operator offers snow ban parking for a fee)
- Cumberland County Courthouse Garage (Private operator offers snow ban parking for a fee)
- Ocean Gateway Garage (Private operator offers snow ban parking for a fee)
- Public Market Garage (Private operator offers snow ban parking for a fee)
- Temple Street Garage (Private operator offers snow ban parking for a fee)

Subject to City Council approval of the parking fine amount, staff will implement a communication plan to educate residents and visitors about the change through existing digital assets, fliers, and other means. Every effort will be made to educate the public about the change and how to sign up for snow ban notifications. This plan is in line with the procedure that takes place each year with the start of street maintenance restrictions.

The exact financial impact is unknown. In FY25, 868 citations for \$40 were issued, resulting in \$34,720 in fines. While this measure would substantially increase the fine, staff also anticipate an increase in compliance. It is not anticipated that additional revenue will be collected by increasing the citation fee. The new fee structure would be a lower out-of-pocket cost compared to the previous towing, impound and citation fees, resulting in a more equitable approach to enforcement. The current citation fee is one of the lowest among peer cities reviewed.

<u>City</u>	<u>Citation Fee</u>	<u>Tow Fee</u>
Boston, MA	\$100.00	\$105.00*

Manchester, NH	\$150.00	\$200.00
Dover, NH	\$56.00	Varies**
Syracuse, NY	\$75.00	Varies
Burlington, VT	\$75.00	\$75.00
Portsmouth, NH	\$35.00	Varies**
Concord, NH	\$50.00	\$185.00***
*\$90 tow fee, \$3 /hour storage fee, up to \$15/day for City-owned tow lot		
**Fees vary per private towing company's rates, NH State limit \$175. Private companies can charge service and storage fees.		
***\$50.00 ticket fee waived if towed		

VII. RECOMMENDATION

Approve the proposed amendment to the Portland City Code.

VIII. LIST ATTACHMENTS

1. Amendment - Ch 28 re Snow Ban
2. Snow Ban Parking Maps

Prepared by:

Date: 10/22/2025

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 28 RE: SNOW BAN FEE**

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF PORTLAND,
MAINE IN CITY COUNCIL ASSEMBLED AS FOLLOWS:**

1. *That Section 28-51 of the Portland City Code Chapter 28 is hereby amended to read as follows:*

Sec. 28-51. Traffic schedule.

The stopping, standing and/or parking of motor vehicles and movement of traffic are hereby regulated on the streets or parts of streets and ways and on publicly owned property as set forth on the traffic schedule and, when signs are erected giving notice thereof the stopping, standing and/or parking of motor vehicles and movement of traffic shall be regulated as set forth on the schedule for such streets or parts of streets and ways and on such publicly owned property. The traffic schedule shall be updated regularly by the city's traffic engineer and kept on file in the office of the city clerk. Amendments to the traffic schedule shall be made by the traffic engineer acting pursuant to his or her authority under this chapter or by order of the city council.

Parking Violations and Waiver Fees

1	Expired Meter or receipt/no receipt/receipt face down	\$25.00
[2...		
[3	repealed by Order 109-FY18 when odd/even house numbers overnight parking rule ended]	
4	No Parking This Side of Street	\$40.00
5	Double Parking, Obstructing Traffic, or Parking in bicycle lane	\$40.00
6	Parking in Hazardous Area -Fire Hydrant-Crosswalk	\$70.00
7	Snow Removal or Plowing Area	\$175.00 40.00

8	No Parking Bus Stop	\$40.00
9	Blocking Driveway (On Complaint)	\$40.00
10	Displaying vehicle for sale	\$25.00
11	Washing, greasing or repairing such vehicle except for repairs necessitated by an emergency	\$25.00
12	Advertising purposes	\$25.00
13	Storage/abandoned vehicle (10 consecutive days)	\$30.00
14	Angle Parking Only	\$30.00
15	Parking a Vehicle 20' or more in Residential Area November-March	\$30.00
16	Camper, Trailer, boat, Etc. Over 24 hrs in any 7 calendar day period	\$30.00
17	Driver to Remain with Vehicle in Taxi Stand	\$30.00
18	Non-EV parking at EV charging station or EV at charging station not plugged in	\$40.00
19	Unregistered motor vehicle	\$35.00
A....	Parking in Disabled Zone	\$200.00
B....	Other.	
C	Prolonged Parking-Feeding Meters	\$30.00
D	Overtime In Time Zone (Green Sign)	\$20.00
E	No Parking Zone	\$40.00
F	No Parking Between Signs	\$40.00
G	No Parking Here To Corner	\$40.00
H	No Parking Taxi Stand	\$40.00
J	No Parking Intersection	\$40.00
K	No Parking Sidewalk	\$40.00
L	No Parking / Dual Rear Wheels/ Overtime Commercial Vehicle Zone	\$40.00
M	No Parking Against Traffic Flow	\$40.00
N	Posted Emergency No Parking Zone	\$40.00
P	No Parking More than 18" from Curb	\$40.00
Q	No Stopping or Standing	\$40.00
R	No Parking City Lot or Property (Permit Required)	\$40.00
S	No Parking on Esplanade	\$40.00
T	No Parking That Takes More Than One Parking Space	\$25.00
U	Interference with enforcement	\$500.00



City of Portland
Winter 2024 - 2025
Snow Ban Parking Locations



The City offers numerous free options for parking on the peninsula during a snow ban. These lots are available after 5:00 PM on weekdays on the day a ban is called unless otherwise posted.

School lots and Unrestricted Parking Areas can be accessed earlier on weekends/when school is not in session

All vehicle owners must REMOVE THEIR VEHICLES from these designated areas listed below by **7:00 AM (Except for school lots, which are 6:30 AM and by 8:00 AM for the Promenades, State St Ext., and Marginal Way) the morning the ban is removed. **

The City may tow, at the owner's expense, any vehicle which has not been removed by the deadline:

- Deering Oaks - Parking on the Tennis Court Road Only **Park only on the left side of the road**
No parking on the right side
- Fitzpatrick Stadium Parking Lot – **Please park behind the Ice Arena. Do not park adjacent to the Ice Arena**
- Hadlock Field Parking Lot Inactive (No Parking)
- All Portland Public School Parking lots **Except Reiche Community Center Lot (Clark St) which abuts the School and Playing field. This lot is reserved for Community Center use only at all times **Must be out of all school lots by 6:30 AM. **
- Longfellow School Lot
Is currently open for snow ban parking
- Presumpscot School Lot
Limited Parking
- Cutter St. Lots (off the Eastern Prom)
Eastern Prom Cutter St Middle Lot is closed **Do Not Park on the East End Boat Ramps**
- Beach St. lot - Accessible from Commercial St. after 8 PM.
- City lot at the corner of Park and Commercial Streets across the street from the IMT (International Marine Terminal) AKA Angelo's Acre, 441 Commercial St.
- On Peaks Island, snow ban parking is available at the Welch St. Parking Lot
- Western Prom - The entire waterside of the Western Prom
- Eastern Prom - Turner St. to the East End School Property light pole 33 (waterside)
- Marginal Way - Plowman to just before the entrance area to the East End Wastewater treatment Plant (Waterside Only) **Please do not park on Marginal Way if there is flooding or standing water** **Parking is not allowed in the Maine DOT Park and Ride Lot.**
- Preble Street Extension Parking Lot (Across from Hannaford) - Adhere to the spaces that are designated for snow ban parking. **Please be aware with ongoing construction in this area. **
- State Street Extension - Parking is available on State St Ext between Forest Ave & Park Ave across from the entrance to Deering Oaks Park. **Left side of the road only** where parking is typically available. **Adhere to any no parking signs closest to Forest Ave.**

Most parking garages will be available during snow bans at reduced rates. For a complete list of city-owned and privately operated parking garages, visit the city's website at <https://www.portlandmaine.gov/430/Garages-Lots>

Vehicles must be out of these alternate parking lots by 7:00 AM (unless otherwise noted) the morning the ban is lifted.

Public Works Customer Service: 207-874-8493
Parking Ban Hotline: 207-879-0300

Legend

Open Space

Schools

Yellow Zone

Snow Ban Parking Locations

Inactive (No Parking)

Active (Parking)

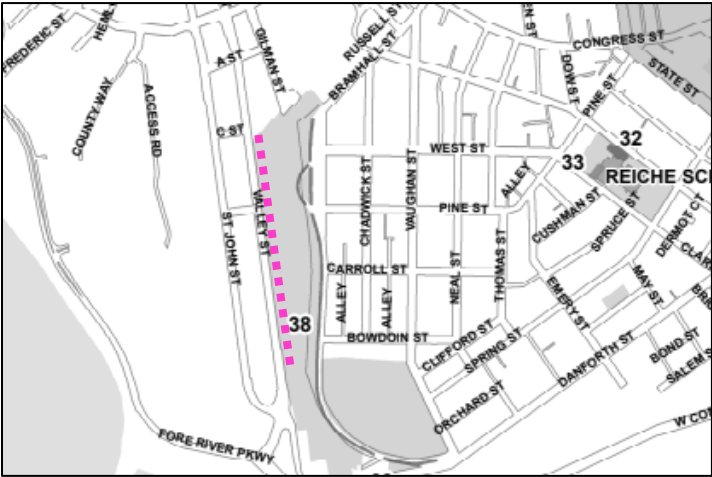
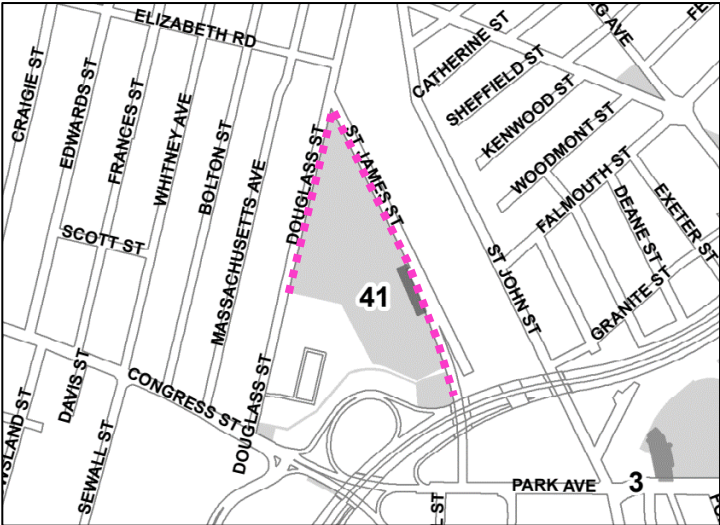
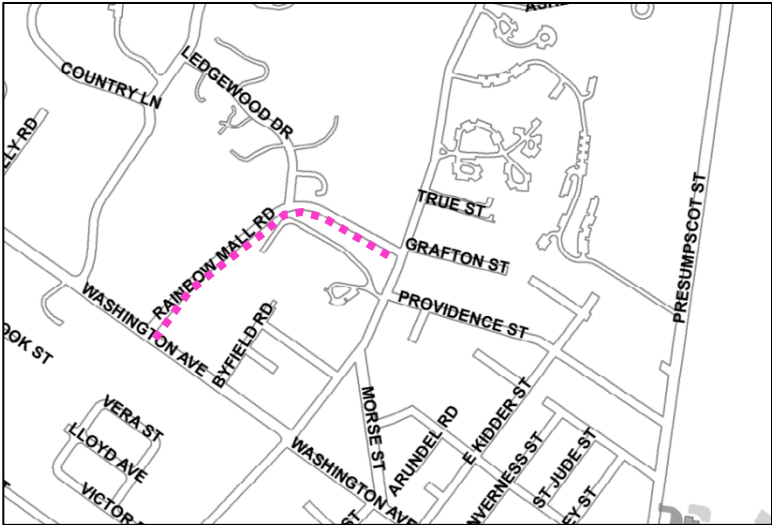
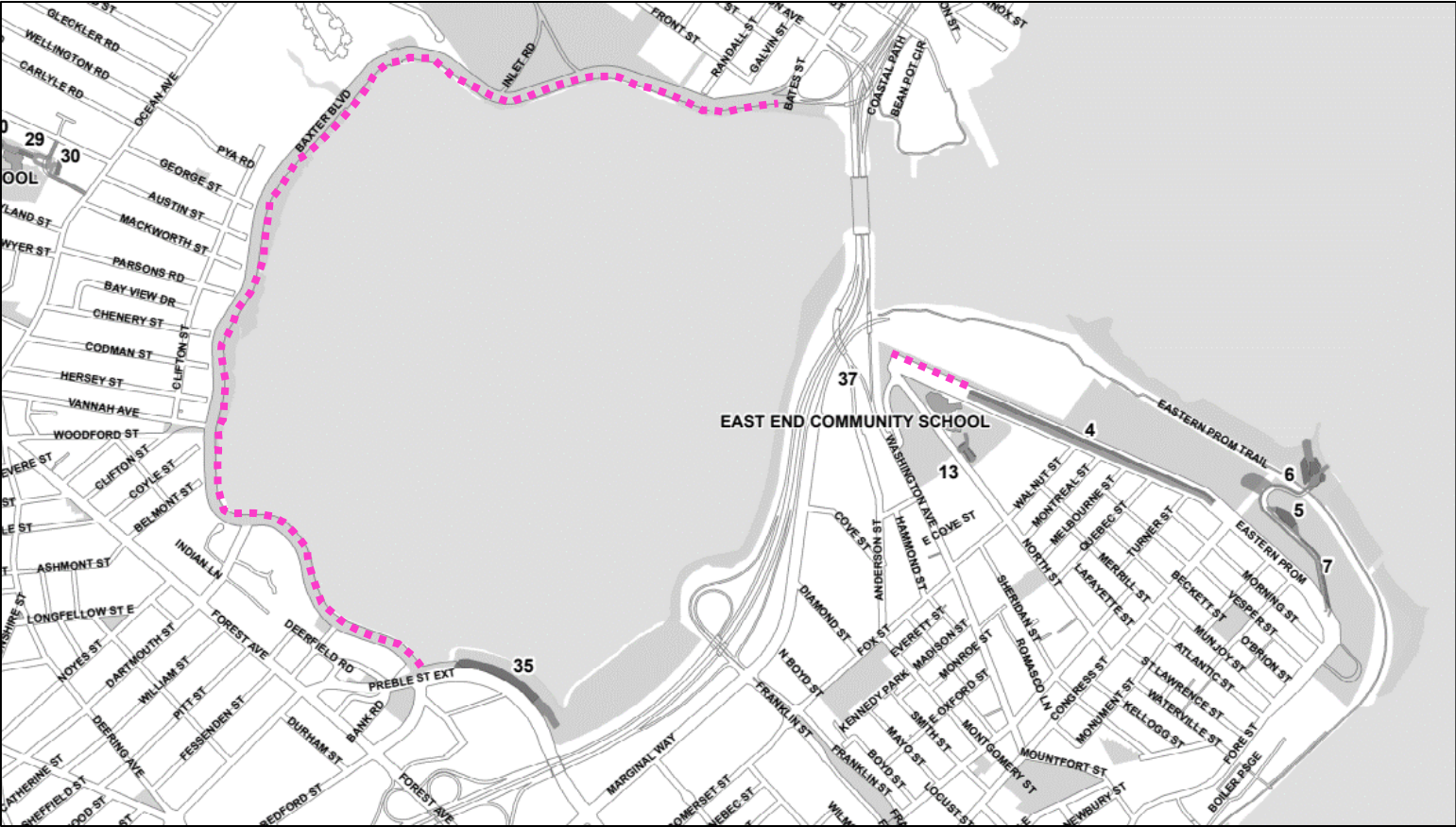
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Map created by the City of Portland's Department of Public Works 2/12/2025

Snow Ban Parking Locations

- | | | | | | |
|----|--------------------------------------|----|-----------------------------------|----|---|
| 1 | Deering Oaks Park | 15 | Deering High School | 29 | Ocean Ave School |
| 2 | State Street Lot | 16 | Longfellow School | 30 | Ocean Ave School |
| 3 | Hadlock Field Parking Lot - Inactive | 17 | Lincoln Middle School | 31 | Presumpscot School |
| 4 | Eastern Prom - On Street Parking | 18 | Lincoln Middle School | 32 | Reiche School |
| 5 | Cutter St Upper Lot - Eastern Prom | 19 | Amanda C. Rowe Elementary School | 33 | Reiche School - Inactive |
| 6 | Cutter St Lower Lot - Eastern Prom | 20 | Ocean Ave School | 34 | State Street - On Street Parking |
| 7 | Cutter St Parking - Eastern Prom | 21 | Presumpscot School | 35 | Preble St Ext Parking Lot (Back Cove) |
| 8 | Angelo's Acre Lot - Commercial St | 22 | Gerald E. Talbot Community School | 36 | State Street Extension |
| 9 | Beach St | 23 | PATHS | 37 | Marginal Way (Nearest to U-Haul Facility) |
| 10 | Welch St (Peaks Island) | 24 | PATHS | 38 | Western Promenade |
| 11 | King Middle School | 25 | PATHS | 39 | Western Promenade |
| 12 | Fitzpatrick Stadium | 26 | PATHS | 40 | Western Promenade |
| 13 | East End School | 27 | Lyman Moore Middle School | 41 | Skate Park Lot - St James St |
| 14 | Deering High School | 28 | Harrison Lyseth Elementary School | | |

Additional Approved Snow Ban Parking Locations 2025-26



MEMORANDUM
City Council Agenda Item

FROM:

DATE: October 29, 2025

SUBJECT: Order 84-25/26 Waiving the Beano/Bingo License Fee for the Veterans of Foreign Wars Post 6859 for the 2025 Calendar Year - Sponsored by Housing & Economic Development Committee, Councilor Pious Ali, Chair

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

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

COUNCIL MEETING DATE ACTION IS REQUESTED:

1st Reading

**Final
Action**

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

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

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

I. SUMMARY

II. AGENDA DESCRIPTION

If passed, this order would waive the fee associated with this annual Beano/Bingo license renewal (currently totaling \$104.00, collected annually) for the Veterans of Foreign Wars (VFW) Post 6859, a nonprofit corporation, at 687 Forest Avenue for calendar year 2025. According to Sec. 15-12.1 of City Code, "The city council may, in its discretion, waive or reduce any fee required of any nonprofit organization where the council determines the purpose of the licensed activity or the funds to be raised by the activity are of direct benefit to the citizens of the city." At the request of the applicant, staff have included a fee waiver for the Council's consideration.

Upon reviewing this item at their meeting on September 23, 2025, the Housing & Economic Development Committee recommended the Council grant a 50% fee waiver.

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 - Waiving the BeanoBingo License Fee for the Veterans of Foreign Wars
2. Ali Amendment 1 re License Fee VFW 2025

Prepared by:

Date: 10/29/2025

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 WAIVING THE BEANO/BINGO LINCENSE FEE FOR THE
VETERANS OF FOREIGN WARS POST 6859 FOR THE 2025 CALENDAR YEAR**

WHEREAS, the Veterans of Foreign Wars Post 6859 (“VFW”), a nonprofit corporation located at 687 Forest Avenue, supports veterans who have served in the Armed Services of the United States with advocacy and assistance with benefits claims, community outreach programs, and social events, as well as flag retirement and disposal, honor guard, and veteran's ceremony participation; and

WHEREAS, the VFW supports students with scholarships awarded every year at many public high schools; and

WHEREAS, the VFW holds weekly Bingo games beloved by many Maine residents, raising money to support its mission; and

WHEREAS, the City Council finds that the purpose of the VFW’s Bingo games and the funds to be raised by that licensed activity are of direct benefit to the citizens of the city.

NOW, THEREFORE, BE IT ORDERED, that the VFW’s Beano/Bingo license fee totaling \$104 is hereby waived for the 2025 calendar year.

**AMENDMENT TO ORDER 85-25/26
PREPARED BY CORPORATION COUNSEL
FOR COUNCILOR PIOUS ALI
RE: FEE WAIVER**

NOW, THEREFORE, BE IT ORDERED, that 50% of the VFW's Beano/Bingo
license fee totaling \$~~52~~104 is hereby waived for the 2025 calendar year.
