ECONOMIC DEVELOPMENT COMMITTEE

DATE: Tuesday, September 3, 2019
TIME: 5:30 PM
LOCATION:Room 209

NOTE: No public comment will be taken on non-action items.

1. **Review and accept Minutes of previous meeting held on August 20, 2019.**

    a. See attached draft Minutes.

2. **Public Hearing and vote, in the form of a recommendation to the City Council, on proposed Purchase and Sale Agreement with Kennebec Krossing, LLC, to support the Somerset Street Extension Project, in Bayside, from Elm to Brattle Streets.**

    a. See attached memo from Chris Branch

    NOTE: Pursuant to 1 M.R.S.A. 405(6)(C), the Committee may go into executive session to provide City staff general policy guidance for this real estate matter.

3. **Public Hearing and vote, in the form of a recommendation to the City Council, on Amendment of Option Agreement for Purchase of Real Estate at Portland Technology Park by Capricorn Products, LLC.**

    a. See attached memo from Greg Mitchell

    NOTE: Pursuant to 1 M.R.S.A. 405(6)(C), the Committee may go into executive session to provide City staff general policy guidance for this real estate matter.

4. **Communication: Review of FYE2019 Annual Tax Increment Financing Report and vote to forward to the City Council as a communication.**

    a. See enclosed memo from Greg Mitchell with FYE2019 Annual TIF Report.

Next Meeting Date: September 17, 2019

Minutes
Economic Development Committee
August 20, 2019

NOTE: These meetings are now live-streamed, which can be viewed at this link: http://www.portlandmaine.gov/1695/Economic-Development-Committee These Minutes provide a record of those in attendance, general discussion taking place, and motions made.

A meeting of the Economic Development Committee (EDC) of the Portland City Council was held on Tuesday, August 20, 2019, at 5:30 p.m. in Room 209 on the second floor of Portland City Hall. Present from the Committee was its Chair Councilor Justin Costa and members Councilors Pious Ali (arriving during Item #2 on the Agenda), Nicholas Mavodones, and Councilor Spencer Thibodeau. Present from the City staff were Public Buildings Director Kathy Alves, Public Works Director Christopher Branch, Housing and Neighborhood Services Division Director Mary Davis, Associate Corporation Counsel Michael Goldman, City Manager Jon Jennings, Economic Development Director Greg Mitchell, and Office of Economic Opportunity Director Julia Trujillo.

Item #1: Review and accept Minutes of previous meeting held on June 18, 2019.

On motion made by Councilor Thibodeau, seconded by Councilor Mavodones, the Committee voted unanimously to accept the Minutes as presented.

Item #2: Overview and outcome of the City Request for Proposals (RFP) to invest City Pilot Workforce Training Program funds.

Mr. Mitchell provided an update on this Pilot program to invest Tax Increment Financing (TIF) funds for workforce training. One aspect is investing in Portland Adult Education with $100,000 in pilot TIF funds to enhance its workforce training, and the other is a

$150,000 City pilot program to invest in Portland employer workforce training needs. Mr. Mitchell said that this is an update only on the results from the RFP process and steps for staff implementation of the program.

Ms. Trujillo then spoke to marketing and outreach efforts to the business community for responses to the RFP. As of the deadline, the City received one response from Coastal Counties Workforce, Inc., and staff is recommending entering into a contract for its ***Proposed Frontline Health Care Careers for New Immigrants Program***. She then described the proposed program that has the goal of training 65 new immigrants for health care careers that do not require a Bachelor's degree.

The consensus of the Committee was for staff to move forward in that direction.

Item #3: Public hearing and vote, in the form of a recommendation to the City Council, on an Option and Lease Agreement of City owned property located at 83 Middle Street with Community Housing of Maine (CHOM) to support a 49-unit affordable housing rental project (for seniors aged 55 and older, with preference for 11 units for long-term stayers).

a) See enclosed memo from Mary Davis.

NOTE: Pursuant to 1 M.R.S.A. 405(6)(C), the Committee may go into executive session to provide City staff general policy guidance this real estate matter.

Ms. Davis provided the Committee with an overview of this item noting that 83 Middle Street is a vacant piece of land that has been utilized for parking by the Police Department for a number of years. A lease is being proposed with CHOM for 99 years at $1/year to develop 49 units of affordable rental housing for seniors aged 55 and older, with a preference for 11 units for long-term shelter stayers, parking, and ground level commercial space. Ms. Davis also noted that CHOM is applying for low-income tax credits next month, and that this would be a taxable project.

Chair Costa then opened the meeting for public comments.

A neighborhood resident had a question related to tenant leasing, and CHOM indicated that to be one year leases with renewal options.

A second neighborhood resident had a question related to project development and its relation to real estate values in the area, while also noting the neighborhood's growing issues with the homeless population.

Seeing no further public comment, Chair Costa closed the public comment session.

Chair Costa commented that there will be a separate process with the Planning Board as the project moves forward with regulatory approvals.

Mr. Jennings provided an overview of the recent shelter process in choosing the City's Riverside Street property as the site.

Ms. Davis noted models for affordable housing projects and connections to social service providers.

Councilor Mavodones asked about other project financing and explained that site plan review process is different from this level regarding project development.

Ms. Davis noted that Maine State Housing Association would also be providing some project financing.

Councilor Thibodeau said that he supports mixed use and 11 units for long-term shelter stayers, noting that it is not intended to be an emergency shelter.

Chair Costa noted that staff recommends an option period for this lease through June 30, 2021.

Councilor Mavodones indicated that the structure of the deal makes sense, and it was good for taxpayers and supports more housing.

Councilor Thibodeau made a motion to forward this item to the City Council with a recommendation for approval. Councilor Mavodones seconded that motion and it then passed unanimously.

Item #4: Overview and discussion of required property acquisitions to support the Somerset Street Extension Project, in Bayside, from Elm to Brattle Streets.

b) See enclosed memo from Chris Branch

NOTE: Pursuant to 1 M.R.S.A. 405(6)(C), the Committee will go into executive session to provide City staff general policy guidance this real estate matter.

Mr. Branch provided an overview of the proposed extension of Somerset Street, noting that Federal highway funds are being utilized for the project.

Mr. Mitchell added that there are two affected property owners, and the City has drafted agreements which the Committee can review in executive session if it so chooses.

After Committee discussion, consensus was to not go into executive session and to take this up at the next meeting for a public hearing and vote on a recommendation to the City Council.

Item #5: Executive session: Pursuant to 1 M.R.S.A. 405(6)(C), the Committee will go into executive session to provide City staff general policy guidance on the following real estate matters:

a) **Possible City interest to lease property;**
b) **Possible public-private partnership to attract post secondary education investment to Portland; and,**
c) **Possible extension of the Portland Technology Park Lot 1 Real Estate Option.**

On motion made by Councilor Mavodones, seconded by Councilor Thibodeau, the Committee voted unanimously at approximately 6:35 p.m. to go into executive session pursuant to 1 M.R.S.A. 405(6)(C) to provide City staff general policy guidance on the real estate matters listed directly above. At approximately 7:10 p.m., the Committee came out of executive session and the meeting then adjourned.

Respectfully, Greg Mitchell

CITY OF PORTLAND
Public Works
Christopher Branch, Director

MEMORANDUM

TO: **Economic Development Committee**

FROM: **Christopher Branch, Public Works Director**

DATE: **August 28, 2019**

SUBJECT: **City of Portland Somerset Street Restoration Project**

I. ONE SENTENCE SUMMARY

Somerset Street Restoration Project is a roadway connection project between Brattle Street and Elm Street and involves purchasing property from land owners abutting the project.

II. BACKGROUND

Somerset Street Restoration Project is a roadway connection project between Brattle Street and Elm Street. The project will include redesigning sections of both Somerset Street from Hanover Street to Elm Street and Kennebec Street from Brattle Street to Hanover Street.

The Portland City Council, Planning, Public Works Department staff, PACTS, and MaineDOT have all been working since at least 2004 on the realignment of Somerset Street to provide an additional direct connection from Franklin Street to Forest Avenue. This segment will almost complete the corridor. This project would be beneficial for both Vehicle Traffic by connecting Kennebec Street to Somerset Street and Bicycle/Pedestrian travelers by extending the Bayside Trail almost to Forest Avenue.

Goals include:

1. Somerset Street, which presently ends at Elm Street will be extended to meet Kennebec Street at the Kennebec and Hanover Street intersection.

2. Kennebec Street will be discontinued between Hanover Street and Preble Street.

3. Kennebec Street and Hanover Street intersection will be reconstructed to include the connection of Somerset Street (and discontinue the Kennebec Street section).

4. Kennebec Street and Parris Street intersection reconstruction.

5. Alder Street at Kennebec Street intersection reconstructed to connect directly to Preble Street (instead of connecting to Kennebec Street) and making Alder Street One Way from Preble to Oxford Street.

6. Somerset Street and Preble Street intersection reconstruction.

7. Somerset Street and Elm Street intersection reconstruction.

8. Sidewalk and Street Parking changes.

9. Extending the Bayside Trail from Elm Street to Brattle Street.

It is noted that the City had a Public Meeting September 21, 2017 will have an additional Public Meeting before this project goes out to bid.

In addition, there are two private property owners that are affected by this project. City staff have negotiated with one of these property owners for purchase of property; this proposed draft agreement is included in the backup.

III. INTENDED RESULT

The intended result is the realignment of Somerset Street to provide an additional direct connection from Franklin Street to Forest Avenue.

IV. FINANCIAL IMPACT

The proposed financial impact in purchasing property from Kennebec Krossing, LLC, is $112,375.

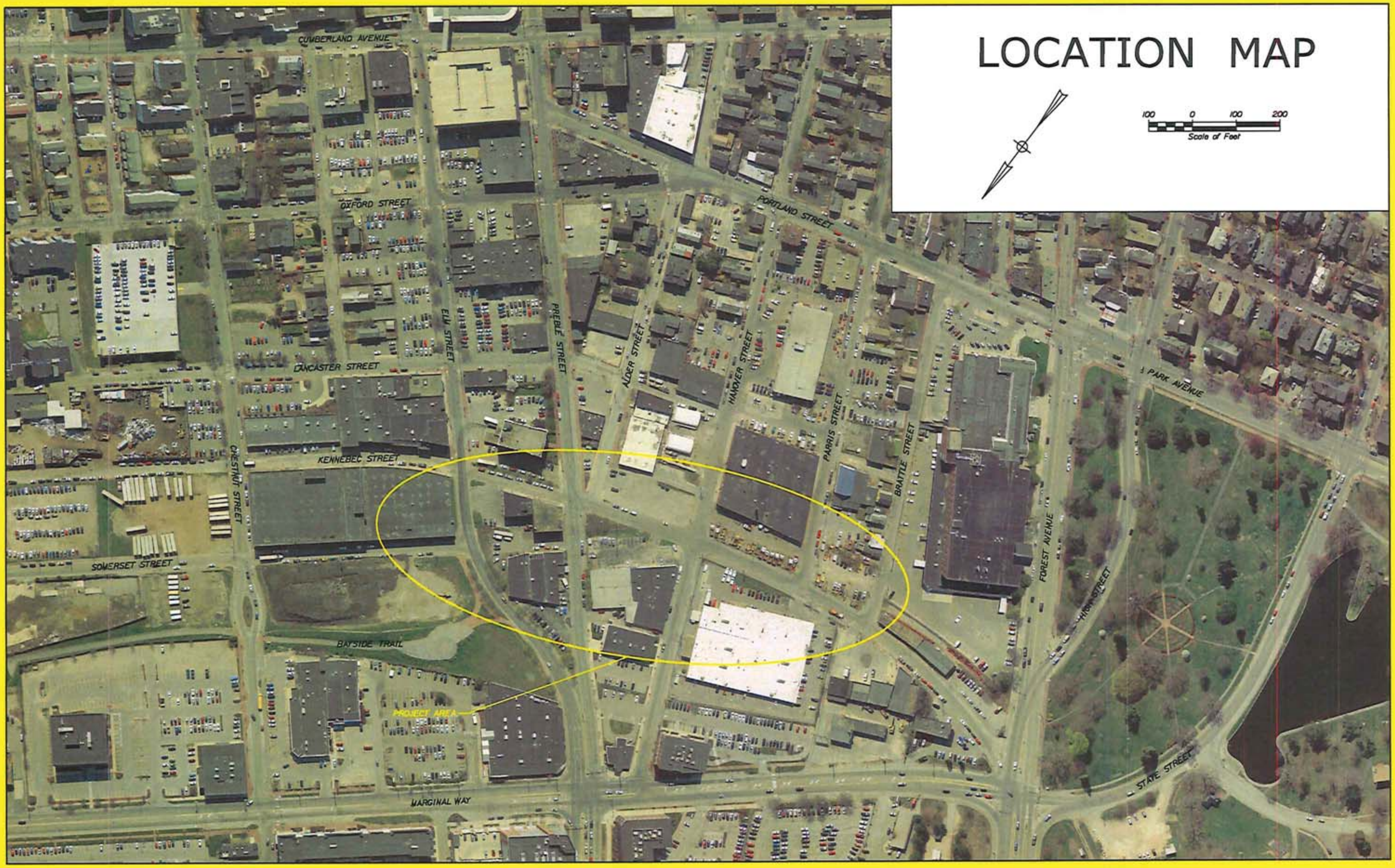
V. STAFF ANALYSIS AND RECOMMENDATION

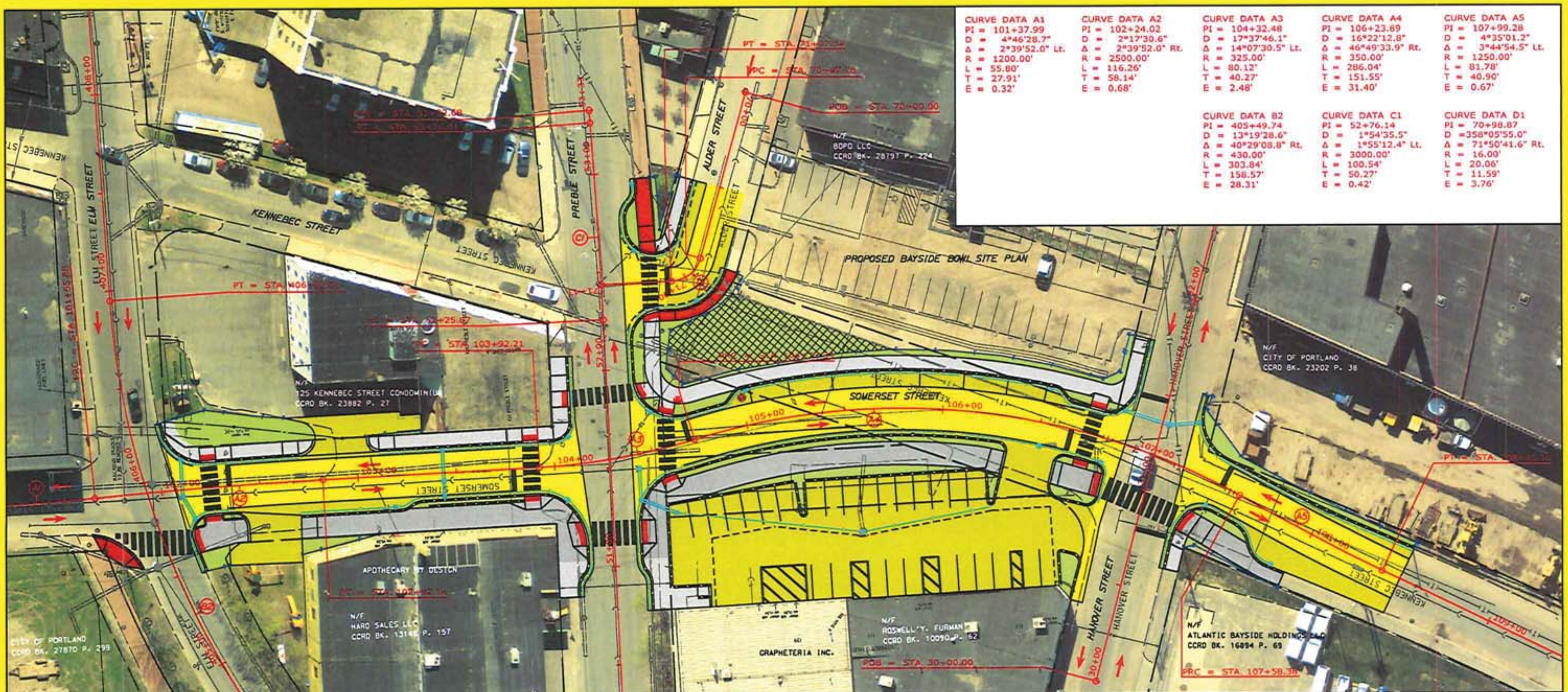
To provide additional direct connection from Franklin Street to Forest Avenue, staff recommends that the Committee vote to recommend to the City Council approval of the proposed Agreement.

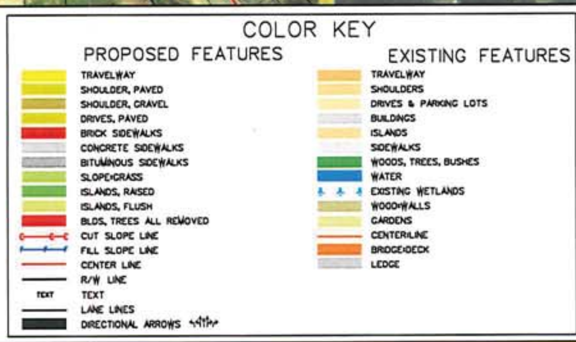
Attachments:

- Maps of Somerset Street Extension Project
- Proposed Agreement with Kennebec Krossing, LLC.

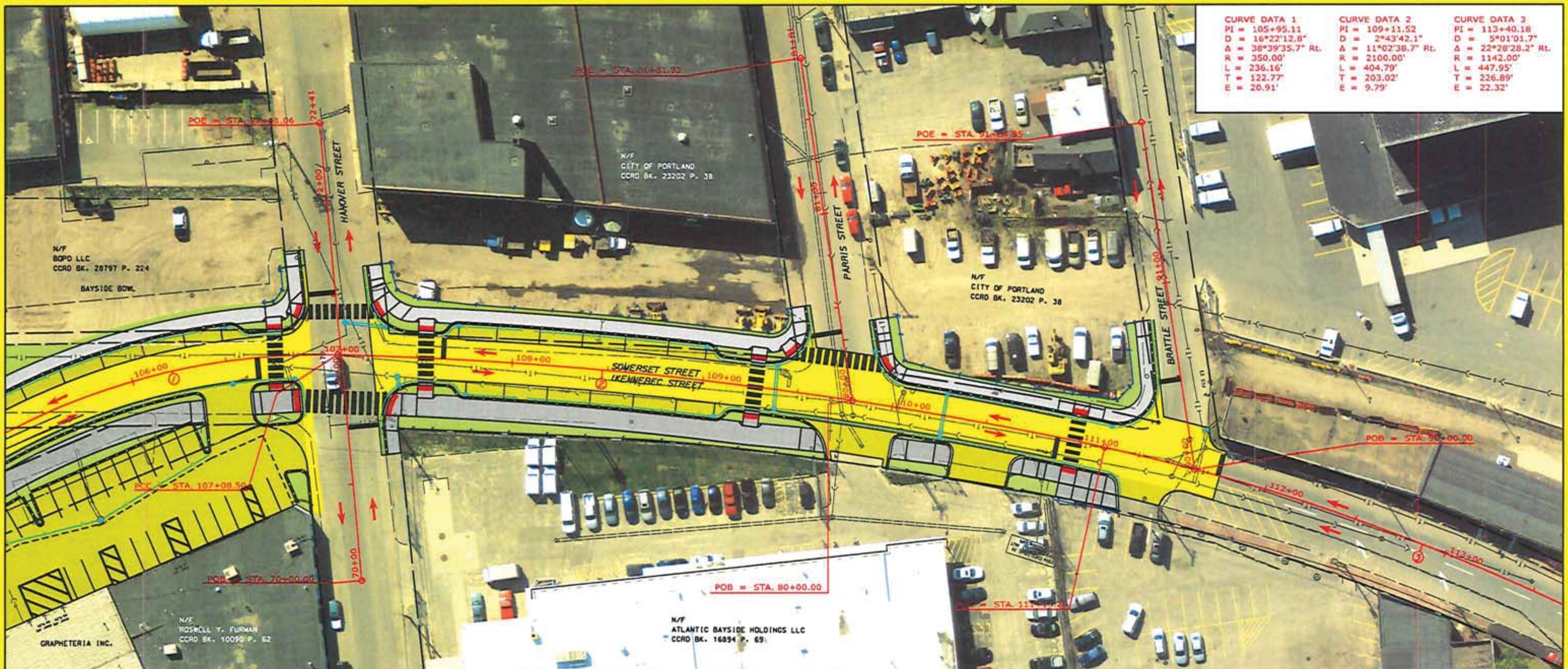
LOCATION MAP







SOMERSET STREET RESTORATION
PORTLAND, MAINE
WIN 17628.00



COLOR KEY

PROPOSED FEATURES

- TRAVELWAY
- SHOULDER, PAVED
- SHOULDER, GRAVEL
- DRIVES, PAVED
- BRICK SIDEWALKS
- CONCRETE SIDEWALKS
- BITUMINOUS SIDEWALKS
- SLOPE/GRASS
- ISLANDS, RAISED
- ISLANDS, FLUSH
- BLDS, TREES ALL REMOVED
- CUT SLOPE LINE
- FILL SLOPE LINE
- CENTER LINE
- R/W LINE
- TEXT TEXT
- LANE LINES
- DIRECTIONAL ARROWS

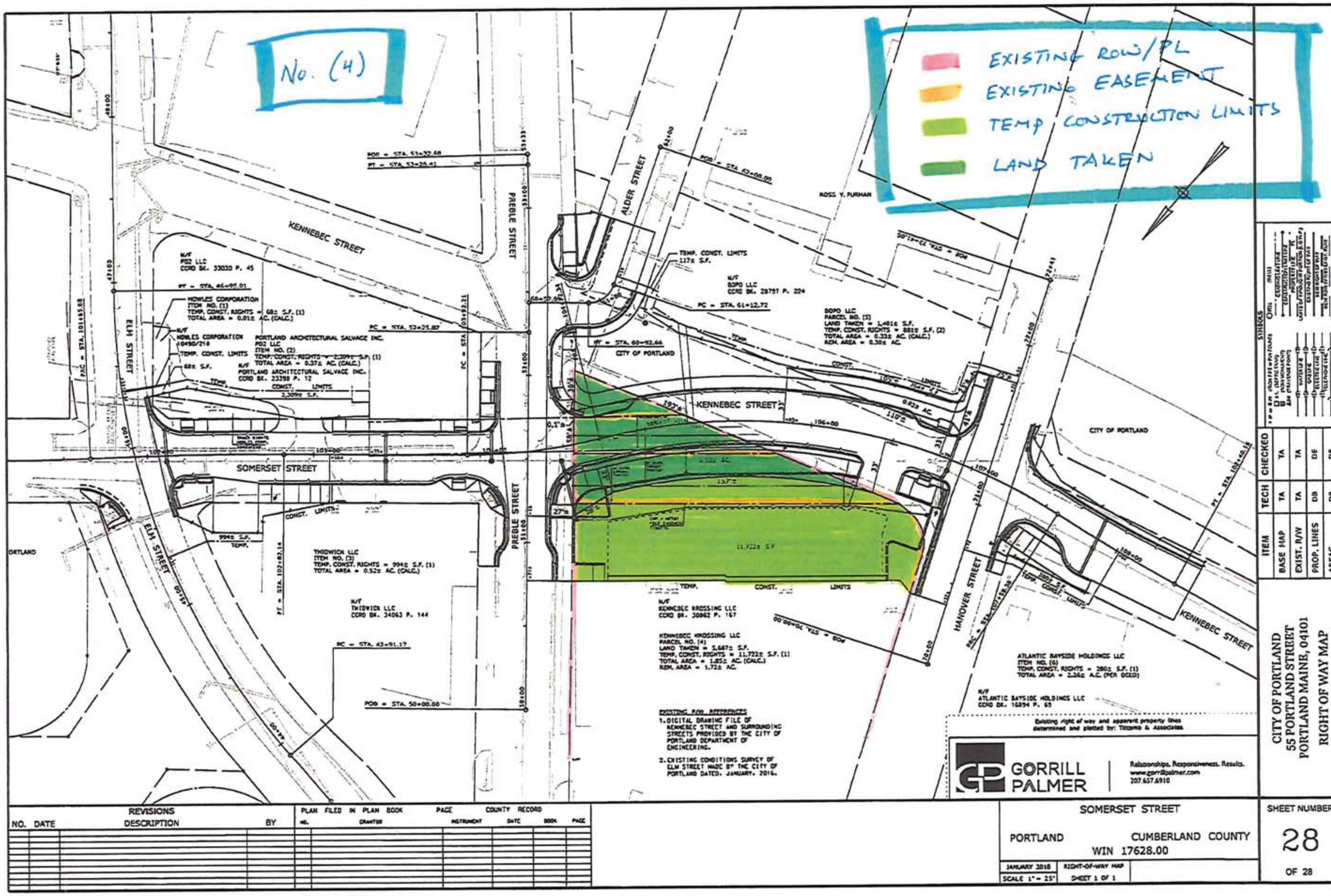
EXISTING FEATURES

- TRAVELWAY
- SHOULDERS
- DRIVES & PARKING LOTS
- BUILDINGS
- ISLANDS
- SIDEWALKS
- WOODS, TREES, BUSHES
- WATER
- EXISTING WETLANDS
- WOOD/WALLS
- GARDENS
- CENTERLINE
- BRIDGE/DECK
- LEDGE

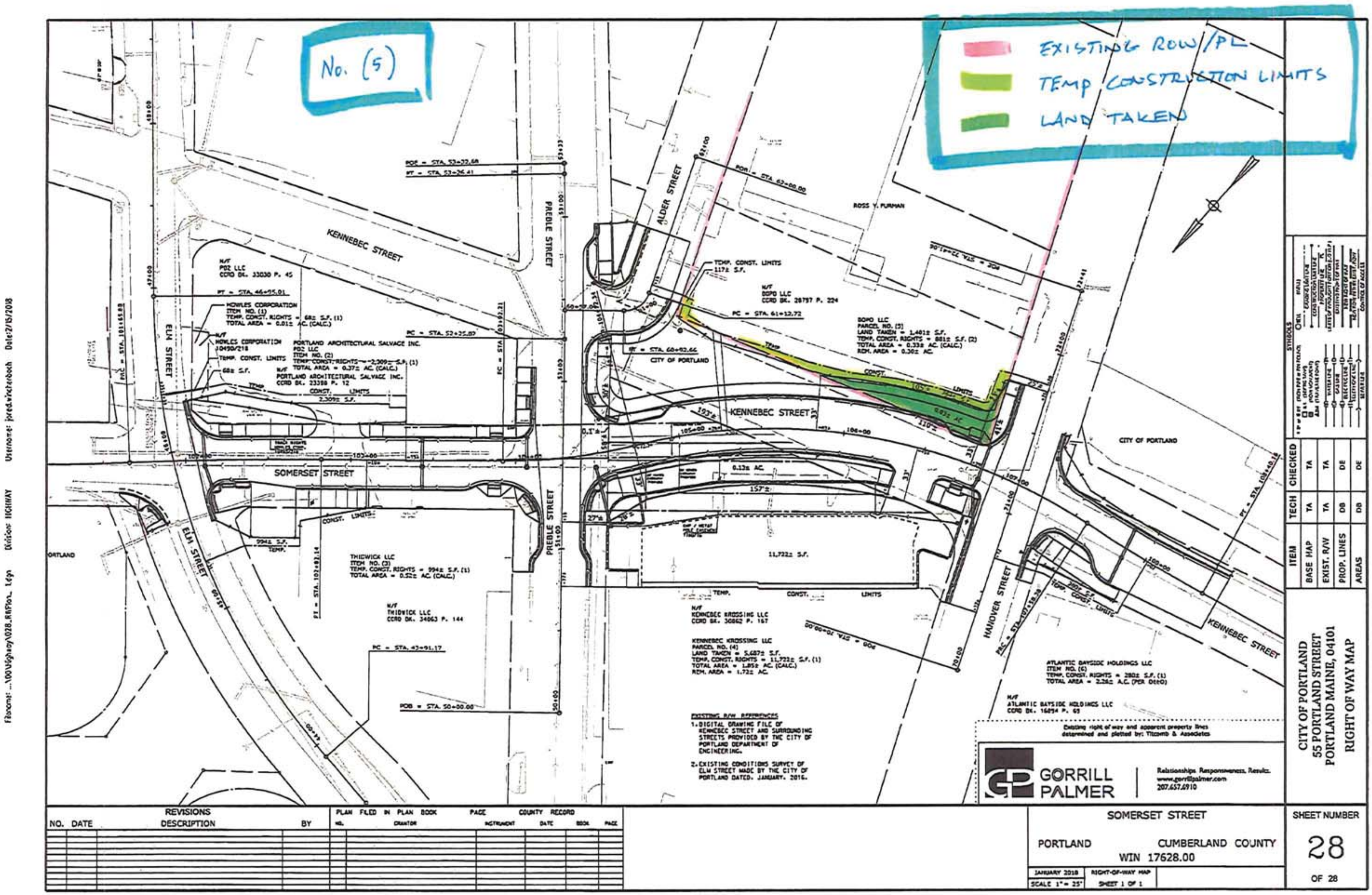
SOMERSET STREET CORRIDOR IMPROVEMENTS HANOVER STREET TO BRATTLE STREET

25 0 25 50
Scale of Feet

RESURGAM · SIGILLUM CIVITATIS PORTLANDIAE



No. (4)
EXISTING ROW/PL
EXISTING EASEMENT
TEMP CONSTRUCTION LIMITS
LAND TAKEN
KENNEBEC STREET
ELM STREET
PREBLE STREET
ALDER STREET
SOMERSET STREET
HANOVER STREET
CITY OF PORTLAND
KENNEBEC KROSSING LLC
PARCEL NO. (4)
LAND TAKEN = 5,687± S.F.
TEMP. CONST. RIGHTS = 11,722± S.F. (1)
TOTAL AREA = 1.85± AC. (CALC.)
REM. AREA = 1.72± AC.
BOPO LLC
PARCEL NO. (5)
LAND TAKEN = 1,401± S.F.
TEMP. CONST. RIGHTS = 881± S.F. (2)
TOTAL AREA = 0.33± AC. (CALC.)
REM. AREA = 0.30± AC.
ATLANTIC BAYSIDE HOLDINGS LLC
ITEM NO. (6)
TEMP. CONST. RIGHTS = 280± S.F. (1)
TOTAL AREA = 2.26± A.C. (PER DEED)
THIDWICK LLC
ITEM NO. (3)
TEMP. CONST. RIGHTS = 994± S.F. (1)
TOTAL AREA = 0.52± AC. (CALC.)
PORTLAND ARCHITECTURAL SALVAGE INC.
P02 LLC
ITEM NO. (2)
TEMP. CONST. RIGHTS = 2,309± S.F. (1)
TOTAL AREA = 0.37± AC. (CALC.)
HOWLES CORPORATION
ITEM NO. (1)
TEMP. CONST. RIGHTS = 68± S.F. (1)
TOTAL AREA = 0.01± AC. (CALC.)
EXISTING R/W REFERENCES
1. DIGITAL DRAWING FILE OF KENNEBEC STREET AND SURROUNDING STREETS PROVIDED BY THE CITY OF PORTLAND DEPARTMENT OF ENGINEERING.
2. EXISTING CONDITIONS SURVEY OF ELM STREET MADE BY THE CITY OF PORTLAND DATED: JANUARY, 2016.
Existing right of way and apparent property lines determined and plotted by: Titcomb & Associates
GORRILL PALMER
Relationships. Responsiveness. Results.
www.gorrillpalmer.com
207.657.6910
REVISIONS
NO. DATE DESCRIPTION BY
SOMERSET STREET
PORTLAND CUMBERLAND COUNTY
WIN 17628.00
JANUARY 2018 RIGHT-OF-WAY MAP
SCALE 1" = 25' SHEET 1 OF 1
SHEET NUMBER
28
OF 28
ITEM TECH CHECKED
BASE MAP TA TA
EXIST. R/W TA TA
PROP. LINES DB DE
AREAS DB DE
CITY OF PORTLAND
55 PORTLAND STREET
PORTLAND MAINE, 04101
RIGHT OF WAY MAP



No. (5)
EXISTING ROW/PL
TEMP CONSTRUCTION LIMITS
LAND TAKEN
KENNEBEC STREET
PREBLE STREET
ALDER STREET
ELM STREET
SOMERSET STREET
HANOVER STREET
ROSS Y. FURMAN
CITY OF PORTLAND
TEMP. CONST. LIMITS 117± S.F.
N/F BOPO LLC CCRD BK. 28757 P. 224
BOPO LLC PARCEL NO. (3) LAND TAKEN = 1,401± S.F. TEMP. CONST. RIGHTS = 881± S.F. (2) TOTAL AREA = 0.33± AC. (CALC.) REM. AREA = 0.30± AC.
N/F POZ LLC CCRD BK. 33030 P. 45
HOWLES CORPORATION ITEM NO. (1) TEMP. CONST. RIGHTS = 68± S.F. (1) TOTAL AREA = 0.01± AC. (CALC.)
PORTLAND ARCHITECTURAL SALVAGE INC. POZ LLC ITEM NO. (2) TEMP. CONST. RIGHTS = 2,309± S.F. (1) TOTAL AREA = 0.37± AC. (CALC.)
N/F PORTLAND ARCHITECTURAL SALVAGE INC. CCRD BK. 23398 P. 12
THIDWICK LLC ITEM NO. (3) TEMP. CONST. RIGHTS = 994± S.F. (1) TOTAL AREA = 0.52± AC. (CALC.)
N/F THIDWICK LLC CCRD BK. 34063 P. 144
N/F KENNEBEC KROSSING LLC CCRD BK. 30862 P. 167
KENNEBEC KROSSING LLC PARCEL NO. (4) LAND TAKEN = 5,687± S.F. TEMP. CONST. RIGHTS = 11,722± S.F. (1) TOTAL AREA = 1.85± AC. (CALC.) REM. AREA = 1.72± AC.
ATLANTIC BAYSIDE HOLDINGS LLC ITEM NO. (6) TEMP. CONST. RIGHTS = 280± S.F. (1) TOTAL AREA = 2.26± AC. (PER DEED)
N/F ATLANTIC BAYSIDE HOLDINGS LLC CCRD BK. 16094 P. 65
EXISTING R/W REFERENCES
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CITY OF PORTLAND
55 PORTLAND STREET
PORTLAND MAINE, 04101
RIGHT OF WAY MAP
ITEM | TECH | CHECKED
BASE MAP | TA | TA
EXIST. R/W | TA | TA
PROP. LINES | DB | DE
AREAS | DB | DE
REVISIONS
NO. DATE DESCRIPTION BY
SOMERSET STREET
PORTLAND CUMBERLAND COUNTY
WIN 17628.00
JANUARY 2018 RIGHT-OF-WAY MAP
SCALE 1"= 25' SHEET 1 OF 1
SHEET NUMBER
28
OF 28

PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT is made by and between the CITY OF PORTLAND, a body politic and corporate located in Cumberland County, Maine, (hereinafter referred to as "Buyer" or "City"), and KENNEBEC KROSSING, LLC, a Maine limited liability company with a mailing address of P.O. Box 779, Portland, Maine 04104-0779, its successors and assigns (hereinafter referred to as "Seller").

RECITALS

WHEREAS, Seller is the owner of certain land and buildings located at or near 101 Hanover Street, Portland, Maine ("Seller's Property"), which property is generally depicted on the diagram prepared by Gorrill Palmer and entitled Sheet 16, Portland Somerset Street Restoration Drainage Plans, a copy of which is attached hereto as Exhibit A and incorporated herein by reference; and

WHEREAS, the Seller's Property includes an area comprised of approximately 5,687 square feet (the "Fee Premises"), which Fee Premises is generally depicted on the diagram prepared by Titcomb Associates entitled Fee Premises, dated August 15, 2019, and attached hereto as Exhibit B, and more particularly described in Exhibit C, both of which are attached hereto and incorporated herein by reference; and

WHEREAS, Seller's Property also includes an area comprised of approximately 11,722 square feet (the "License Premises"), which License Premises is generally depicted on the diagram prepared by Titcomb Associates entitled License Premises, dated August 15, 2019, and attached hereto as Exhibit D, and more particularly described in Exhibit E, both of which are attached hereto and incorporated herein by reference; and

WHEREAS, the City desires to purchase the Fee Premises and obtain temporary construction rights to the License Premises for a locally administered Maine Department of Transportation right of way project involving the realignment of Kennebec and Somerset Streets (the "Project"), and the Seller desires to convey the Fee Premises to the City and grant the City a temporary construction license in the License Premises subject to the terms and conditions set forth herein (the Fee Premises and the License Premises are referred to herein collectively as the "Premises").

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 OF FEE PREMISES; EFFECTIVE DATE.** Seller agrees to sell the Fee Premises and license the License Premises to Buyer, and Buyer agrees to purchase the Fee Premises and license the License Premises in accordance with the terms and conditions set forth in this Agreement. This Agreement shall become effective after both Buyer and Seller have signed it. The date that the last of Buyer or Seller sign this Agreement shall be the effective date (the "Effective Date"). Unless otherwise

specified, all deadlines and time periods set forth in this Agreement, including shall be computed from the Effective Date.

2. CONSIDERATION.

a. The consideration for the Fee Premises shall be One Hundred Fourteen Thousand Six Hundred Twenty-Three Dollars ($114,623.00) (the “Fee Purchase Price”).

b. The consideration for the License Premises shall be Eight Thousand Three Hundred Four Dollars ($8,304.00) (the “License Purchase Price”).

c. A deposit of One Thousand Dollars ($1,000.00) shall be paid by Buyer within two (2) business days of the Effective Date and held in escrow by Drummond & Drummond until closing of the sale of the Fee Premises (“Closing”) and applied to the Fee Purchase Price (or, if applicable, until returned to Buyer pursuant to this Agreement) (the “Deposit”); and

d. The Fee Purchase Price, less the Deposit, shall be paid by Buyer to Seller at Closing by Buyer’s check or wire transfer, subject to any adjustments provided for in this Agreement.

e. The License Purchase Price shall be paid to Seller prior to Buyer’s commencement of the Project and occupancy of the License Premises.

3. DUE DILIGENCE; TITLE; INSPECTIONS.

a. Due Diligence Period. Subject to extension as set forth in Paragraph 3(b) and (d), Buyer will have until the day that is sixty (60) days after the Effective Date of this Agreement (the “Due Diligence Period”) to complete any survey, environmental review and title examinations, and to undertake such other investigations, testing or inspections as Buyer shall deem appropriate.

b. Title to the Fee Premises shall be conveyed by good, marketable and insurable title acceptable to the Buyer evidenced by quitclaim deed with covenant (the “Deed”), and shall be free of liens or other encumbrances and leases or other rights of occupancy, except for utility easements and other encumbrances of record that do not impair the value of the property.

c. Inspections. Buyer may enter into any part of the Fee Premises at all reasonable times prior to the closing in order to inspect the Fee Premises, conduct surveys, test borings, engineering and environmental studies, and to do such other things as are reasonably necessary with respect to the acquisition and development of the Fee Premises (collectively, the “Inspections”). In the event that any of the Inspections reveals defects or conditions that are unacceptable to Buyer, as determined by Buyer in its sole and absolute discretion, Buyer shall have the option of terminating this Agreement and receiving back the Deposit and shall restore the Fee Premises to the condition it found it in as of the date of this Agreement.

d. Objections. Buyer will have until the end of the Due Diligence Period to deliver to Seller any written objections to title, environmental, or survey matters that Buyer determines materially affect insurability of title at standard rates, or the use of the Fee Premises, the value of the Fee Premises, the cost of development of or the cost or feasibility of construction on the Fee Premises. 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. If the Survey and any environmental reports are not completed and distributed to the parties at least thirty (30) days prior to the expiration of the Due Diligence Period, the Due Diligence Period will be extended for one (1) thirty (30) day period provided Buyer provides written notice prior to the expiration of the Due Diligence Period.

e. Option to Cure.

(1) In the event of a title, Survey or environmental objection by Buyer, Seller 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 Seller elects to cure the objection, it will have thirty (30) 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 Seller does not elect to cure the objection, or, having elected to cure the objection fails to timely do so to Buyer's satisfaction, Buyer will have the option to:

(A) terminate this Agreement and obtain a refund of the Deposit (after which neither party will have any further obligation or liability to the other under this Agreement);

(B) waive the objection and close; or

(C) undertake the cure of such objection at its own expense (in which case it shall have 30 days to do so and the Closing Date shall be extended to a date ten (10) days after the expiration of such 30 day period); if Buyer determines it is not satisfied with the results of its own cure efforts, Buyer shall be entitled at any time prior to the expiration of the ten (10) day period following Buyer's thirty (30) day cure period set forth in this subsection (C) to terminate this Agreement as set forth in subsection (A) set forth above, or to waive its objection and close under this Agreement.

(2) Notwithstanding anything to the contrary contained in this section 3, Buyer shall at all times have the right to terminate this Agreement for

any reason prior to the expiration of the Due Diligence Period and obtain a refund of the Deposit.

4. **RISK OF LOSS.** Until transfer of title hereunder, the risk of loss or damage to the Fee Premises by fire or otherwise is assumed by the Seller. The Fee Premises is to be delivered in substantially the same condition as of the date of this Agreement unless otherwise stated. In the event Seller is not able to deliver the Fee Premises as stated, Buyer may terminate this Agreement and receive a refund of the Deposit.

5. **DEFAULT AND REMEDIES**.

    a. In the event Seller defaults under this Agreement, Buyer shall have available all remedies at law and in equity, including, without limitation, the remedy of specific performance.

    b. In the event Buyer defaults under this Agreement, for a reason other than the default of Seller, Seller shall have the right to retain the Deposit and any interest accrued thereon and shall have available all remedies at law and equity.

6. **REPRESENTATIONS AND WARRANTIES OF SELLER.** Seller represents and warrants to Buyer that the following are true as of the date of this Agreement and will be true as of the closing:

    a. There are no outstanding pending or threatened liens, claims, rights of first refusal, licenses or encumbrances against or affecting the Fee Premises.

    b. All outstanding bills and/or accounts payable concerning the Fee Premises are either paid or will be paid prior to or at the time of closing.

    c. There are no outstanding claims, losses or demands against Seller by any person respecting Seller's ownership, use or occupancy of the Fee Premises.

    d. To the best of Seller’s knowledge, the Fee Premises has not been used by Seller for any dumping of waste materials or landfilling and is free of special wastes, underground storage tanks, radon, asbestos, lead substances, and any hazardous, biomedical, radioactive or toxic, substances, materials or wastes (hereinafter “Environmental Hazards”) caused by Seller’s actions. The terms used in the foregoing sentence shall include, without limitation, all substances, materials, etc., designated by such terms under any laws, ordinances or regulations, whether federal, state or local.

    e. Seller has no knowledge of any boundary disputes or encroachments affecting the Fee Premises.

.

6.1 **Environmental Remediation**. In the event Environmental Hazards are found on the Fee Premises, the City will be responsible for all remediation costs required to complete the Project unless the Environmental Hazards were caused by the Seller. The City's obligations under this paragraph shall survive closing of the sale of the Fee Premises.

7. CITY'S AND SELLER'S RIGHT TO TERMINATE; CONDITIONS PRECEDENT TO CLOSING. Notwithstanding anything to the contrary herein:

a. The City shall have the right to terminate this Agreement at any time if the City decides not to move forward with construction of the Project or if the Premises are no longer needed for the Project.

b. It shall be a condition precedent to the City's obligation to close on the purchase of the Fee Premises that Seller grant to City a License Agreement for the License Premises for the duration of the Project in substantially the form attached hereto as Exhibit F. City shall use best efforts to complete the Project within 10 months after paying the License Purchase Price to Seller as described in section 9(a) below. The Seller shall have the right to terminate the License Agreement if the City decides not to move forward with the Project.

c. Because the Fee Premises includes a portion of the existing parking lot on Seller's Property (the "Existing Parking Lot"), and Seller will need to continue to use the Existing Parking Lot until commencement of the Project, it shall be a condition precedent to the Seller's obligation to close on the sale of the Fee Premises that the City grant to Seller a Revocable Encroachment License and Option to Purchase Agreement for that portion of the Fee Premises that the Existing Parking Lot encroaches upon (the "Encroachment License and Option Agreement") in substantially the form attached hereto as Exhibit G.

d. **Existing Easements.** The Fee Premises and License Premises are currently encumbered in part by existing sewer and water easements. To the extent that the City enters onto the Fee Premises and License Premises to conduct work associated with the current sewer and storm water separation project on and near Seller's Property (the "Work"), the City shall, once the Work is complete, restore any portions of Seller's Property disturbed by the Work to the condition it found the Seller's Property as of the signing of this Agreement; provided, however, that such restoration obligation shall not apply to the Fee Premises after the closing of the sale of the Fee Premises. The City expects such restoration work to be completed by October 4, 2019.

8. 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 three months after the Effective Date of this Agreement or thirty (30) days after the later of (i) the expiration of the Due Diligence Period; (ii) the deadline for the Seller to resolve any title, Survey or environmental objections; (iii) the date to which Buyer elects to extend the Closing Date under Paragraph 2 or 7 (the "Closing Date"). Notwithstanding the foregoing, Seller agrees to close on a date earlier than that specified above upon Buyer's request at least one week prior to Closing. At the Closing:

a. Seller shall execute, acknowledge and deliver to Buyer a quitclaim deed with covenant conveying to Buyer good, marketable and insurable title to the Fee Premises at standard rates, free and clear of all liens and encumbrances except as otherwise set forth herein.

b. Buyer shall deliver the balance of the Fee Purchase Price, subject to any adjustments set forth in this Agreement, to the Seller by check or wire transfer.

c. The parties shall execute a License Agreement for the License Premises in substantially the form attached hereto as Exhibit F.

d. The parties shall execute an Encroachment License and Option Agreement in substantially the form attached hereto as Exhibit G.

e. Each party shall deliver to the other such other documents, certificates and the like as may be required herein or as may be reasonably necessary to carry out the obligations under this Agreement, and for the Buyer to obtain owners title insurance at standard rates in form reasonably acceptable to Buyer.

f. Seller shall deliver evidence, reasonably satisfactory to Buyer, that Seller is in good standing under Maine law, and that the individuals acting with respect to the Closing and executing documents on behalf of Seller are authorized to do so.

g. City shall deliver to Seller a copy of all City Council Orders approving this Agreement and authorizing the City Manager or other City officials to execute any documents necessary to effectuate the intent and purpose of this Agreement.

h. Real estate taxes and any other assessments that may be due on the Premises shall be prorated as of the date of the closing.

i. The Maine real estate transfer tax shall be paid by Seller and Buyer in accordance with 36 M.R.S.A., §4641-A.

j. The recording fee for the deed of conveyance shall be paid for by Buyer.

k. A portion of the purchase price shall be withheld at the closing by Buyer if required by 36 M.R.S.A. § 5250-A.

l. Full possession of the Fee Premises will be delivered to Buyer at closing free and clear of all tenancies or occupancies by any person or entity.

9. POST CLOSING MATTERS.

a. The City anticipates occupying the License Premises on or after commencement of the Project, which is expected to commence in the Spring of 2020, but in no event sooner than January 1, 2020, except as described in section 7.1. After receiving all approvals for the Project, the City will provide Seller with no less than one week's prior written notice, and will pay to Seller the License Purchase Price, before occupying the License Premises.

b. In connection with the Project, the City anticipates having to alter the parking lot and certain landscaping located on Seller's retained Property. In connection with such alterations, the City shall make the improvements listed below to Seller's Property, which, among other improvements, including improvements to City property, are generally depicted on Sheets 11, 14, 15, 16, 17, 18, 20, 21, and A1 of the Portland Somerset Street Restoration Plans prepared by Gorrill Palmer for the City of Portland, #WIN17628.00, which are collectively attached hereto as Exhibit H:

i. Parking Lot:

1. Remove existing pavement from the Parking Lot (which lot is located between Seller's building and the Fee Premises);
2. Reshape the Parking Lot as generally depicted on the Plan;
3. Eliminate the Hanover Street Parking Lot entrance;
4. Install new granite curbing (approximately 356 linear feet) along the perimeter of the Parking Lot;
5. Install two catch basins for drainage;
6. Install 210 linear feet of 12" underdrain to drain the subbase of the Parking Lot;
7. Add new gravel in select areas;
8. Install 3" of new pavement (approximately 12,150 square feet) in the Parking Lot;
9. Install approximately 100 square foot concrete pad in Parking Lot to separate parking spaces from Parking Lot entrance;
10. Add new pavement markings for 31 parking spaces;
11. Remove the utility pole in the existing Parking Lot and relocate it outside of the to-be-improved Parking Lot, subject to the approval of Central Maine Power Company.

ii. Landscaping around the perimeter of the new Parking Lot, including sidewalk and esplanade areas owned by City:

1. 155 linear feet of landscaped planter along sidewalk.

2. Plant approximately the following numbers and types of plants:

Plant List		
Botanical name	**Common Name**	**Quantity**
Nepeta Faassenii ‘Junior Walker’	Junior Walker Catmint	25
Nepeta Faassenii ‘Walkers low’	Walker’s Low Catmint	13
Pennisetum Alopecuroides ‘Hamelin’	Hamelin Fountain Grass	8
Sporobolis Heterolepsis	Prairie Dropseed	98
Rudebeckia Sullivantii ‘Little Goldstar’	Little Goldstar Coneflower	19
Ulmus Americana ‘Princeton’	Princeton American Elm	2
Quercus Rubra	Red Oak	3

c. The terms and conditions of this section 9 shall survive closing of the Fee Premises and the License Agreement; provided, however that in the event that the City decides not to move forward with the Project, it shall have no obligation to make the above-referenced improvements.

10. **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 Premises hereunder. This Agreement cannot be amended except by written instrument executed by City and Buyer.

11. **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.

12. **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.

13. **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, provided, however that this Agreement shall not be assigned by the City.

14. **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.

15. **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.

16. **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 mailing if mailed to the party to whom notice is to be given by first class mail, postage prepaid, certified, return receipt requested, addressed to the recipient at the addresses set forth below. Hand delivery to the City Manager's office shall be effective as personal delivery to the City Manager on the date of delivery. 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 SELLER:	Kennebec Krossing, LLC P.O. Box 779 Portland, ME 04104-0779
With a copy to:	Paul E. Peck, Esq. Drummond & Drummond, LLP One Monument Way Portland, ME 04101

17. **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.

18. **BROKERS.** Seller and Buyer each represents and warrants that neither has dealt with a real estate broker in connection with this transaction. Seller agrees to indemnify and hold harmless Buyer from any claims made by any broker should Seller's representation in this paragraph be false. Subject to the limitations of liability set forth in the Maine Tort Claims Act, Buyer agrees to indemnify and hold harmless Seller from any claims made by any broker should Buyer'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.

19. **RECITALS INCORPORATED BY REFERENCE**. The recitals set forth above are incorporated herein by reference and made a part of this Agreement.

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IN WITNESS WHEREOF, the parties have hereunto have caused this instrument to be executed on their behalf by their duly authorized officers or representatives, as of the day and year first written above.

CITY OF PORTLAND

____
WITNESS

____
Jon P. Jennings
Its City Manager
Dated: ___________________

KENNEBEC KROSSING, LLC

____
WITNESS

____
Print Name:_______________________
Its:_______________________________
Dated:____________________________

Approved as to Form:

____
City Corporation Counsel's Office

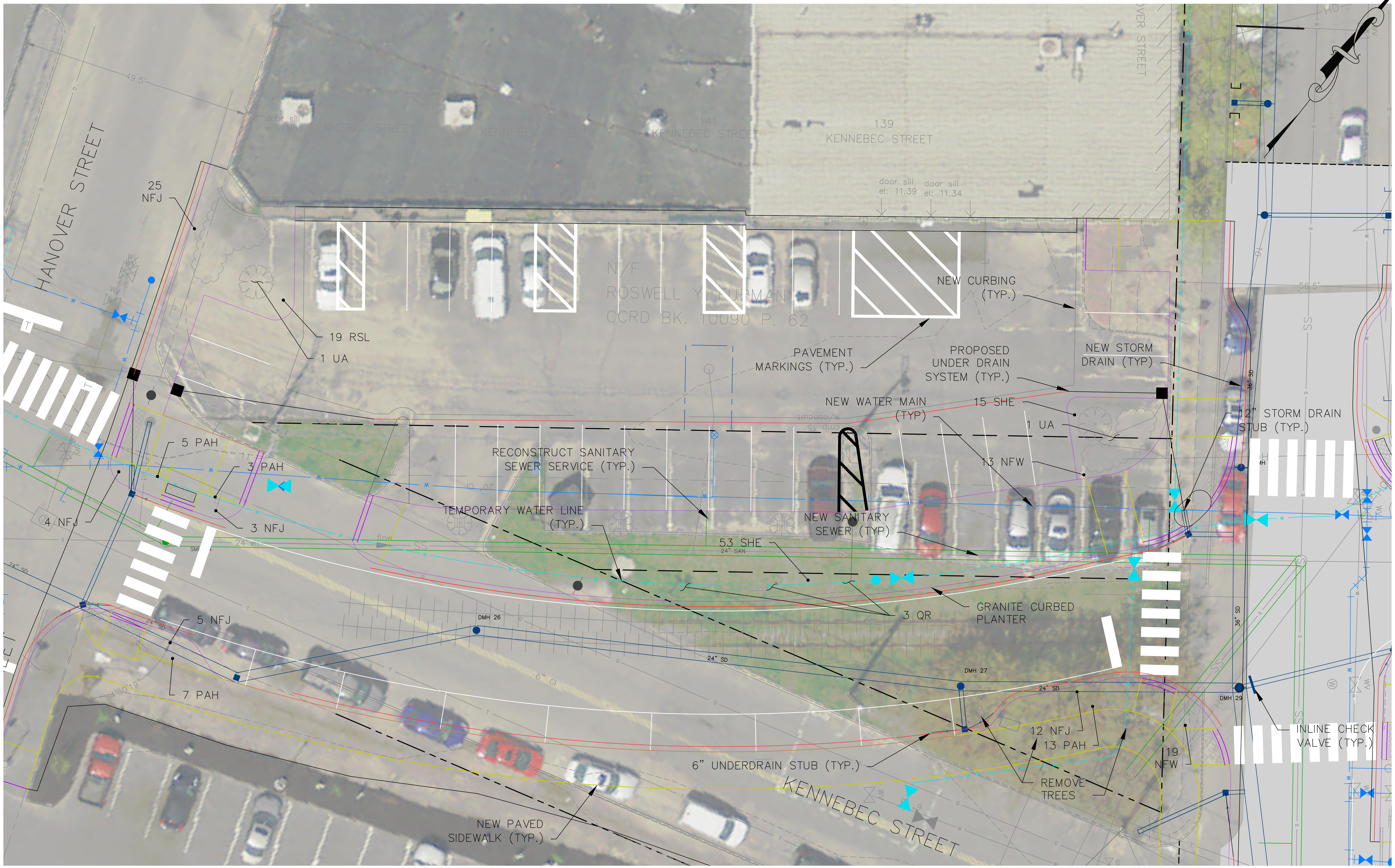
Approved as to Funds:

____
City Finance Department

.

EXHIBIT A

(Diagram of Seller's Property Follows)



PLANT LIST

KEY	BOTANICAL NAME	COMMON NAME	SIZE	QTY
NFJ	NEPETA FAASSENII 'JUNIOR WALKER'	JUNIOR WALKER CATMINT	NO. I CONT.	94
NFW	NEPETA FAASSENII 'WALKER'S LOW'	WALKER'S LOW CATMINT	NO. I CONT.	22
PAH	PENNISETUM ALOPECUROIDES 'HAMELIN'	HAMELIN FOUNTAIN GRASS	NO. I CONT.	52
SHE	SPOROBOLIS HETEROLEPSIS	PRARIE DROPSEED	NO. I CONT.	98
RSL	RUDBECKIA SULLIVANTII 'LITTLE GOLDSTAR'	LITTLE GOLDSTAR CONEFLOWER	NO. I CONT.	19
UA	ULMUS AMERICANA 'PRINCETON'	PRINCETON AMERICAN ELM	2½" CAL	2
QR	QUERCUS RUBRA	RED OAK	2½" CAL	3

10 0 5 10 20
1 inch = 10 ft.

PROJECT NAME:
PREBLE, KENNEBEC, SOMERSET SEWER SEPERATION PHASE II

CITY OF PORTLAND, MAINE
DEPARTMENT OF PUBLIC WORKS
WATER RESOURCE DIVISION
212 CANCO ROAD, SUITE B, PORTLAND, MAINE 04103
PHONE (207) 874-8846 FAX (207) 874-8852

RESURGAM · CITY OF PORTLAND, MAINE

REV	SUBMISSION	DATE

DESIGN BY: XXX
DRAWN BY: XXX
CHECKED BY: XXX
SHEET NAME: 141-145 KENNEBEC STREET
DATE: 06-2019
PAGE 1 OF 1
SHEET NO.: FIG-1
REV.:
VAULT #:

.

EXHIBIT B

(Diagram of Fee Premises Follows)

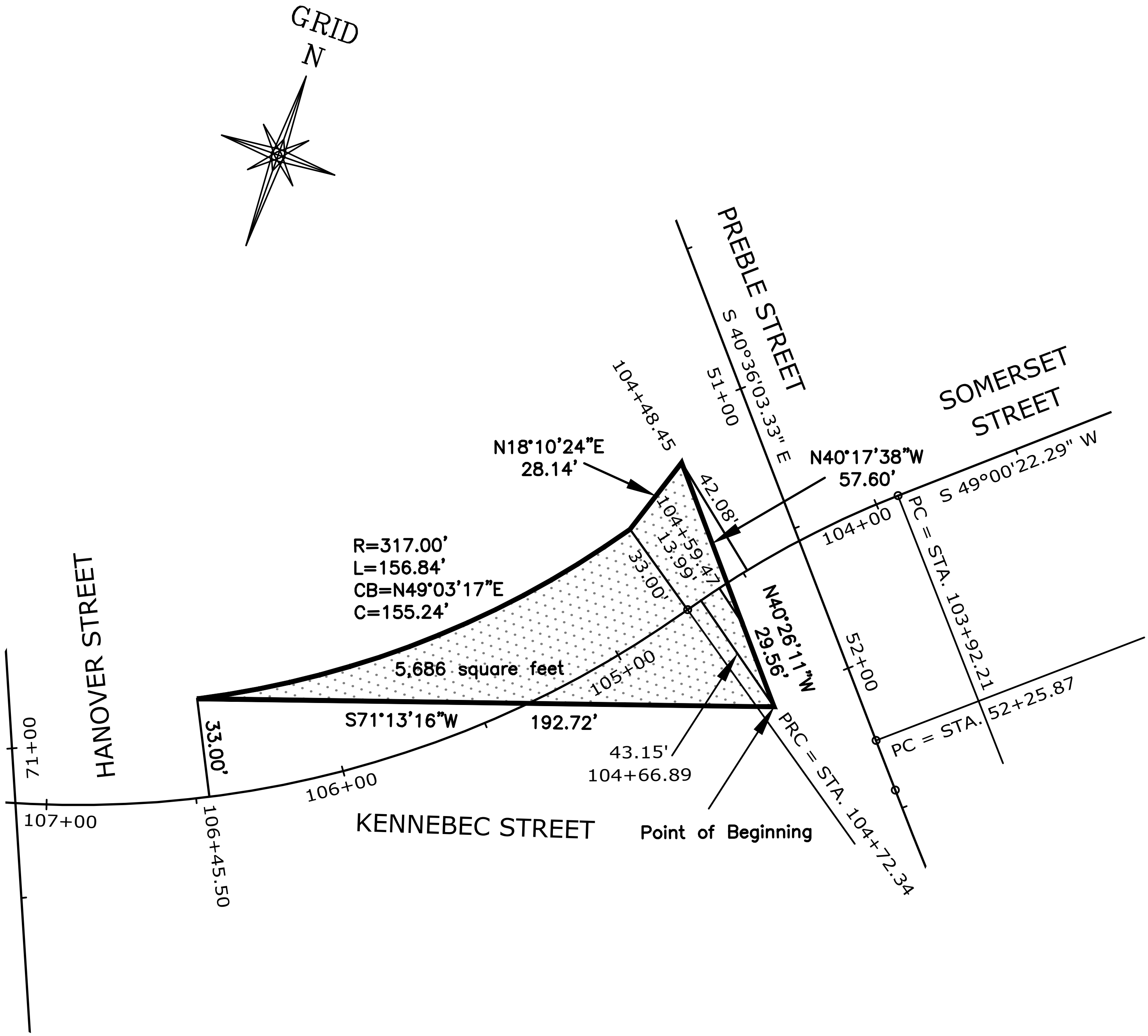


Exhibit B
Fee Premises

Hanover Street, Kennebec Street and Preble Street

Portland, Maine

JOB# 213108	DATE: August 15, 2019	Titcomb Associates 133 Gray Road, Falmouth, Maine 04105 (207)797-9199 www.titcombsurvey.com
	SCALE: 1"=50'	

EXHIBIT C

(Description of Fee Premises)

A certain lot or parcel of land located on the westerly side of Preble Street and the northerly side of Kennebec Street in the City of Portland, County of Cumberland, State of Maine, bounded and described as follows:

Beginning at a point at the intersection of the westerly side of Preble Street with the northerly side of Kennebec Street, said point of beginning being located Forty-Three and 15/100 (43.15) feet to the left of Station 104+66.89 of the Kennebec Street Baseline as depicted on a City of Portland Right of Way Map of Somerset Street made by Gorrill Palmer dated January, 2018, Sheet 31 of 31. Thence:

1) S 71º13’16” W by said Kennebec Street a distance of One Hundred Ninety-Two and 72/100 (192.72) feet to a point located Thirty-Three and 00/100 (33.00) feet to the right of Station 106+45.50 of said Kennebec Street Baseline;

2) Northeasterly through land of the Grantor following a non-tangent curve to the left, having a radius of Three Hundred Seventeen and 00/100 (317.00) feet, an arc distance of One Hundred Fifty-Six and 84/100 (156.84) feet to a point located Thirty-Three and 00/100 (33.00) feet to the right of Station 104+72.34 of said Kennebec Street Baseline, said point being located N 49º03’17” E a distance of One Hundred Fifty-Five and 24/100 (155.24) feet from the last described point;

3) N 18º10’24” E through said land of the Grantor a distance of Twenty-Eight and 14/100 (28.14) feet to a point on the westerly side of Preble Street located Forty-Two and 08/100 (42.08) feet to the right of Station 104+48.45 of said Kennebec Street Baseline;

4) S 40º17’38” E by said Preble Street a distance of Fifty-Seven and 60/100 (57.60) feet to a point located Thirteen and 99/100 (13.99) feet to the left of Station 104+59.47 of said Kennebec Street Baseline;

5) S 40º26’11” E by said Preble Street a distance of Twenty-Nine and 56/100 (29.56) feet to the point of beginning.

Bearings are referenced to grid north, Maine State Plane Coordinate System, West Zone, NAD83.

The above described parcel contains 5,686 square feet, more or less, being a portion of land now or formerly of Kennebec Krossing LLC as described in a deed recorded in the Cumberland County Registry of Deeds in Book 30862, Page 167.

EXHIBIT D

(Diagram of License Premises Follows)

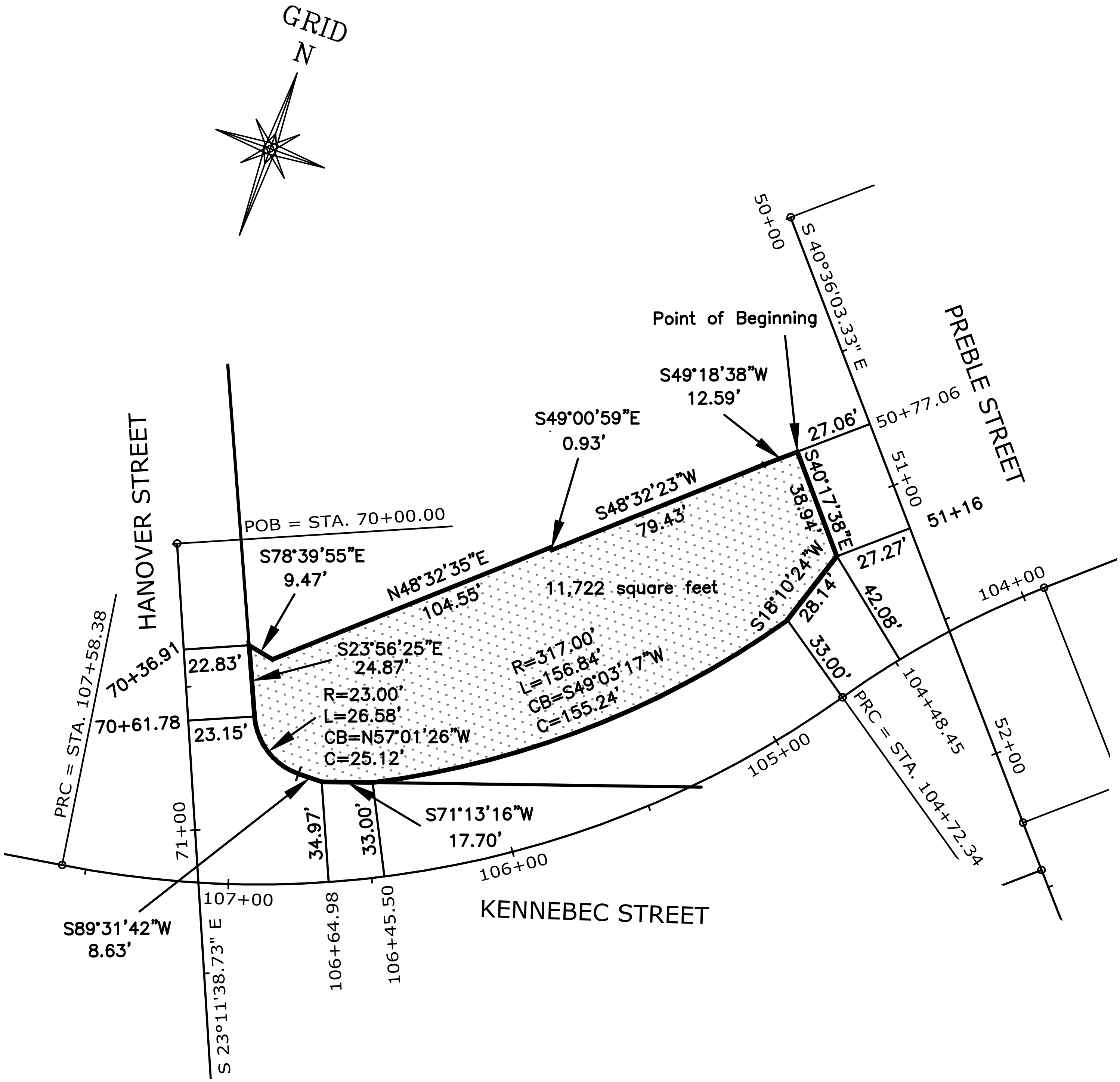


Exhibit D

Exhibit D License Premises

Hanover Street, Kennebec Street and Preble Street

Portland, Maine

JOB# 213108	DATE: August 15, 2019	**Titcomb Associates** 133 Gray Road, Falmouth, Maine 04105 (207)797-9199 www.titcombsurvey.com
	SCALE: 1"=50'	

EXHIBIT E

(Description of License Premises)

A certain license area located on the westerly side of Preble Street and the easterly side of Hanover Street in the City of Portland, County of Cumberland, State of Maine, bounded and described as follows:

Beginning at a point on the Westerly side of Preble Street, said point of beginning being located Twenty-Seven and 06/100 (27.06) feet to the right of Station 50+77.06 of the Preble Street Baseline depicted on a City of Portland Right of Way Map of Somerset Street made by Gorrill Palmer dated January, 2018, Sheet 31 of 31. Thence:

1) S 40º17’38” E by said Preble Street a distance of Thirty-Eight and 94/100 (38.94) feet to a point located Twenty-Seven and 27/100 (27.27) feet to the right of Station 51+16 of said Preble Street Baseline;

2) S 18º10’24” W through land of the Grantor a distance of Twenty-Eight and 14/100 (28.14) feet to a point located Thirty-Three and 00/100 (33.00) feet to the right of Station 104+72.34 of the Kennebec Street Baseline as depicted on said Plan;

3) Southwesterly through said land of the Grantor, following a curve to the right having a radius of Three Hundred Seventeen and 00/100 (317.00) feet, an arc distance of One Hundred Fifty-Six and 84/100 (156.84) feet to a point on the northerly side of Kennebec Street located Thirty-Three and 00/100 (33.00) feet to the right of Station 106+45.50 of said Kennebec Street Baseline, said point being located S 49º03’17” W a distance of One Hundred Fifty-Five and 24/100 (155.24) feet from the last described point;

4) S 71º13’16” W by said Kennebec Street a distance of Seventeen and 70/100 (17.70) feet to a point located Thirty-Four and 97/100 (34.97) feet to the right of Station 106+64.98 of said Kennebec Street Baseline;

5) S 89º31’42” W through said land of the Grantor a distance of Eight and 63/100 (8.63) feet to a point;

6) Northwesterly through said land of the Grantor, following a curve to the right having a radius of Twenty-Three and 00/100 (23.00) feet, an arc distance of Twenty-Six and 58/100 (26.58) feet to a point on the easterly side of Hanover Street located Twenty-Three and 15/100 (23.15) to the left of Station 70+61.78 of the Hanover Street Baseline as depicted on said Plan, said point being located N 57º01’26” W a distance of Twenty-Five and 12/100 (25.12) feet from the last described point;

7) N 23º56’25” W by said Hanover Street distance of Twenty-Four and 87/100 (24.87) feet to a point located Twenty-Two and 83/100 (22.83) feet to the left of Station 70+36.91 of said Hanover Street Baseline;

8) S 78º39’55” E through said land of the Grantor a distance of Nine and 47/100 (9.47) feet

to a point;

9) N 48º32’35” E through said land of the Grantor a distance of One Hundred Four and 55/100 (104.55) feet to a point;

10) S 49º00’59” E through said land of the Grantor a distance of Zero and 93/100 (0.93) feet to a point;

11) N 48º32’23” E through said land of the Grantor a distance of Seventy-Nine and 43/100 (79.43) feet to a point;

12) N 49º18’38” E through said land of the Grantor a distance of Twelve and 59/100 (12.59) feet to the point of beginning.

Bearings are referenced to grid north, Maine State Plane Coordinate System, West Zone, NAD83.

The above described license area contains 11,722 square feet, more or less, lying over a portion of land now or formerly of Kennebec Krossing LLC as described in a deed recorded in the Cumberland County Registry of Deeds in Book 30862, Page 167.

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EXHIBIT F

LICENSE AGREEMENT

This License Agreement made as of this ____ day of ___________ by and between the CITY OF PORTLAND, a body politic and corporate, located in Cumberland County, State of Maine ("CITY") and Kennebec Krossing, LLC a Maine limited liability company with a mailing address of P.O. Box 779, Portland, Maine, its successors and assigns ("LICENSOR") the owner of the property located on the westerly side of Preble Street and the easterly side of Hanover Street in the City of Portland, as more particularly described Exhibit A, attached hereto (hereinafter, the "License Area").

The purpose of this License Agreement is to allow CITY to construct a public sidewalk on public property adjacent to the License Area in the existing right-of-way on the westerly side of Preble Street and the easterly side of Hanover Street, and to make certain improvements to the Licensed Area as described in a certain Purchase and Sale Agreement (the "Purchase & Sale Agreement") between the parties dated September ___, 2019 (collectively, the "Work") in connection with a locally administered Maine Department of Transportation right of way project involving the realignment of Kennebec and Somerset Streets (the "Project"), and, in the course of conducting that Work, to cross over and upon the License Area with people, equipment, and machinery. CITY shall therefore have the right to enter in, over and under the License Area for the purposes of constructing a sidewalk along Preble and Kennebec Streets and performing any grading necessitated by that Work. The Work shall be accomplished by the CITY at its sole cost and expense in such manner as will not unreasonably interfere with LICENSOR'S use of the License Area, provided, however, that LICENSOR acknowledges and agrees that completion of the Work will require that the parking lot in the License Area may be unavailable at times for LICENSOR's use during the term of this Agreement. CITY anticipates commencing the Project in the Spring of 2020, and it anticipates completing the Project and the Work within 10 months and will undertake best efforts to do so, but cannot guarantee completion of the Project in that time. CITY agrees during the term of this Agreement, to diligently work to provide as much parking in the License Area as possible for LICENSOR's tenants and customers and to provide LICENSOR's tenants, to the extent possible, access to the License Area in order for said tenants to access their leased premises. CITY agrees its contractor shall, at City expense, improve the License Area and adjacent property owned by LICENSOR and the CITY in accordance with the terms and conditions of the Purchase and Sale Agreement. In the event that changes to the Project require changes to the improvements described in the Purchase and Sale Agreement, such changed improvements shall be of comparable substance and quality to those described in the Purchase and Sale Agreement. Such changes will not decrease the number of parking spaces on LICENSOR's remaining property or LICENSOR's access to the public way.

Prior to beginning any work in the License Area, the CITY will require its contractors working in the License Area to procure and maintain occurrence-based commercial general liability insurance coverage in amounts of not less than One Million Dollars ($1,000,000.00) per occurrence for bodily injury, death and property damage, naming the City and LICENSOR as an additional insured thereon, and also workers' compensation insurance coverage to the extent required by law.

Subject to, and limited by, the defenses, immunities and limitations of liability or damages available to the CITY under the Maine Tort Claims Act, other Maine statutory law, judicial precedent, common law, or any other defenses, immunities or limitations of liability available to the CITY, the CITY agrees to indemnify and hold LICENSOR harmless from and against all claims, damages, losses, and expenses arising out of or resulting from CITY's use of the License Area, provided, and to the extent, that any such claims, damage, loss or expense (1) is attributable to bodily injury, sickness, disease or death, or to injury to or destruction of tangible property, including the loss of use therefrom, and (2) is caused by the negligent act or omission of the CITY, its employees, or contractors. Nothing in this Agreement shall or is intended to waive any defense, immunity or limitation of liability available to the City, their officers, agents or employees under the Maine Tort Claims Act, 14 M.R.S.§8101, et seq., other Maine statutory law, judicial precedent, common law, or any other defenses, immunities or limitations of liability available to the CITY.

The City anticipates occupying the License Area on or after commencement of the Project, which is expected to commence in the Spring of 2020, but in no event sooner than January 1, 2020, except as described in section 7.1 of the Purchase and Sale Agreement. After receiving all approvals for the Project, the City will provide Seller with no less than one week's prior written notice before occupying the License Area. The term of this License Agreement shall commence when the City makes the Payment described below and shall terminate upon completion of the Project. In the event that the term of this Agreement exceeds ten months, the CITY shall pay LICENSOR a monthly prorated amount based on the Payment set forth below.

LICENSOR and CITY have determined just compensation for the rights conferred herein to be $8,304.00 (the "Payment"), which the CITY shall pay to LICENSOR upon CITY's occupation of the License Area and commencement of the Work. LICENSOR accepts the Payment as just compensation for all rights conferred herein and releases CITY from any further claims of just compensation for or arising from the rights conferred herein.

This instrument is a License and no provision hereof shall be construed as conveying an easement or other estate in land, and LICENSOR reserves all other rights not inconsistent or incompatible with the rights granted herein to CITY. This instrument shall be binding on LICENSOR'S successors and assigns.

IN WITNESS WHEREOF, Kennebec Krossing, LLC has caused this instrument to be executed by ____________________________, its ______________________ thereunto duly authorized, this ____ day of ___________________________, 201_.

KENNEBEC KROSSING, LLC

____
By:
Its _______________

STATE OF MAINE
CUMBERLAND, ss.

_______________, 201_

Personally appeared the above named ____________________, ____________ of __________________, as aforesaid and acknowledged the foregoing instrument to be his/her free act and deed in his/her said capacity and the free act and deed of said Kennebec Krossing, LLC.

Before me,

____
Attorney-at-Law/Notary Public
Printed Name:________________________
Commission expires:_

.

EXHIBIT G

REVOCABLE ENCROACHMENT LICENSE AND OPTION TO REPURCHASE AGREEMENT

This Revocable Encroachment License And Option To Repurchase Agreement (hereinafter "Agreement") is made and entered into by and between the City of Portland (hereinafter, "City"), a Maine body corporate and politic, with a mailing address of 389 Congress Street, Portland, Maine 04101 and Kennebec Krossing, LLC, a Maine limited liability company with a mailing address of P.O. Box 779, Portland, Maine 04104-0779, its successors and assigns (hereinafter, "Licensee"), owner of certain real property located at or near 101 Hanover Street, Portland, Maine (the "Licensee's Remaining Property").

RECITALS

WHEREAS, Licensee has this day conveyed certain property to the City, which abuts Licensee's Remaining Property, as described in a Purchase and Sale Agreement between the parties dated September ___, 2019 (the "Purchase and Sale Agreement") and as set forth in a quitclaim deed with covenant from Licensee to the City of near or even date herewith to be recorded in the Cumberland County Registry of Deeds (the property conveyed to the City is referred to herein as the "Fee Premises" and is a portion of the property conveyed to Licensee by quitclaim deed recorded in the Cumberland County Registry of Deeds, Book 30862, page 167); and

WHEREAS, the City requires the Fee Premises for a locally administered Maine Department of Transportation right of way project involving the realignment of Kennebec and Somerset Streets, which the City anticipates commencing in the spring of 2020 (the "Project"); and

WHEREAS, a portion of the parking lot adjacent to the building on Licensee's Remaining Property encroaches upon the Fee Premises, as generally depicted on the plan attached hereto as Exhibit 1 (which portion of the Fee Premises is referred to herein as the Parking Encroachment Area"); and

WHEREAS, Licensee desires to continue to use the Parking Encroachment Area for the purpose of parking of vehicles for itself, its tenants, and their guests (the "Encroachment") until such time as the Parking Encroachment Area is required for the Project; and

WHEREAS, the City will allow the Encroachment to encroach into the Parking Encroachment Area under the terms and conditions set forth in this Agreement; and

WHEREAS, in the event that the City does not move forward with the Project, Licensee desires the option to repurchase the Parking Encroachment Area subject to the terms and conditions set forth herein.

NOW, THEREFORE, for valuable consideration, the receipt and sufficiency of which are hereby acknowledged, City and Licensee agree as follows:

.

1. Licensee is hereby permitted to continue to use the Parking Encroachment Area only for the purpose of maintaining the area and for parking of vehicles for itself, its tenants, and their guests. Licensee agrees that its rights hereunder shall be subject and subordinate to all easements of record affecting the Parking Encroachment Area and the City's rights under a certain License Agreement between the parties of near or even date herewith (the "License Agreement"), which License Agreement is described in the Purchase and Sale Agreement. The City shall have no obligation to maintain the Parking Encroachment Area for the benefit of Licensee or any third party.

2. Licensee is hereby permitted to occupy the Parking Encroachment Area only for the purpose set forth herein and maintenance of the Parking Encroachment Area. Licensee shall make no improvements to the Parking Encroachment Area without the City's prior written consent. Except as set forth in the Purchase and Sale Agreement and as permitted by existing utility easements affecting the Parking Encroachment Area, the City will not interfere with Licensee's use of the Parking Encroachment Area until commencement of the Project.

3. Any work performed upon and use of the Parking Encroachment Area by Licensee for the purposes set forth herein shall be at Licensee's sole cost and expense (unless otherwise agreed in writing), the parties acknowledging that there may be temporary interruptions in enjoyment of the Parking Encroachment Area. Licensee, its successors and assigns, shall defend, indemnify and hold the City, its officers, agents, and employees harmless from any and all claims, including but not limited to claims for damage to City property and reasonable attorney's fees, which arise out of Licensee's use, or the use of the area by Licensee's contractors, tenants, or their guests, of the City's property as described above during the term of this Agreement. The Licensee's obligation to defend, indemnify and hold the City harmless shall survive termination or revocation of this Agreement.

4. Licensee shall be responsible for the proper maintenance of the Encroachment. In the event of damage to the Parking Encroachment Area caused by Licensee, Licensee shall promptly repair/restore the same.

5. Licensee agrees that City may enter and utilize the Parking Encroachment Area at any time for the purpose of installing, repairing, replacing, or maintaining improvements to its public facilities or utilities necessary for the health, safety and welfare of the public or for any other public purpose. City shall bear no responsibility or liability for any damage or disruption or other adverse consequences resulting from the Encroachment, but City will make reasonable efforts to minimize such damage.

6. Licensee agrees, binds and obligates itself, its successors and assigns to procure and maintain throughout the term of this Agreement comprehensive general liability insurance in the minimum amount of Four Hundred Thousand Dollars ($400,000) (or the amount stated in the Maine Tort Claims Act, as may be amended from time to time) per occurrence for bodily injury, death, or property damage covering its activities hereunder and naming the City as an additional insured thereon. Certificates evidencing such coverage shall be delivered to the City and shall provide the City with no less than thirty (30) days prior notice of cancellation or non-renewal. All insurance coverage required

herein shall include coverage of all Licensees' contractors and subcontractors. Nothing in this paragraph or this Agreement shall be deemed a waiver of any defenses, immunities or limitations of liability or damages available to the City under the Maine Tort Claims Act, other Maine statutory law, judicial precedent, common law, or any other defenses, immunities or limitations of liability available to the City.

7. Licensee, by execution of this License, hereby agrees to assume and hereby does assume responsibility for any and all claims and/or damage to persons or property arising out of or in any way related to Licensee's exercise of the rights granted by this Agreement, and does hereby forever waive, release, relinquish, remise, indemnify and discharge the City, its agents, employees, successors and assigns from and against any and all losses, costs or expenses (including reasonable attorneys' fees), damages, demands, liabilities, claims, actions, causes of action, suits, or judgments (collectively, "Claims") whatsoever of every name and nature, in law and in equity, including without limitation those related in any manner to any accident or injury to, or death of, any person, or any damage to property occurring on, in or in the vicinity of the area covered by this License, arising out of the presence in and use by the Licensee of the area covered by this License. Licensee's indemnity obligations hereunder shall not apply to claims or damages caused by the act or omission of the City, its employees or contractors.

8. This Agreement is assignable to any subsequent owners of the Licensee's Remaining Property, and in the event of such assignment, Licensee shall notify the City of such assignment no fewer than 10 days prior to the effective date of such assignment.

9. This Agreement, and all of the rights and obligations herein, shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, successors and assigns.

10. <u>Term and Termination</u>.

    a. This Agreement shall automatically terminate upon the earlier of (1) five years after the date of this Agreement or (2) upon commencement of the improvements to Licensee's parking lot as described in the Purchase and Sale Agreement and the License Agreement.

    b. The City may terminate this Agreement six months after receipt by the Licensee of written notice of Licensee's non-compliance with any of the terms of this Agreement, which notice shall identify such non-compliance, provided that such non-compliance is not cured within six (6) months after Licensee's receipt of such notice; provided, however, that the notice period shall be 30 days for Licensee's failure to maintain insurance required by this Agreement.

    c. Licensee may terminate this Agreement at any time upon 10 days' prior written notice to the City.

    d. In the event that the City has not commenced construction of the Project within four (4) years from the date of this Agreement, (1) the City shall pay to Licensee the sum of $9,521.10, which represents the value of certain improvements to the

Fee Premises for which Licensee was not compensated in the Purchase and Sale Agreement, which improvements are described in a certain February 28, 2018 appraisal report entitled "Parcel No.(4) Owner: Kennebec Krossing, LLC Somerset Street Project Portland, Maine W.I.N. 17628.00," prepared for the City by Dwyer Associates, and the value of which value has been increased by an escalator of 4% per year from the time of said appraisal to the end of said four year period, and (2) Licensor shall have the option to terminate this Agreement and repurchase the Parking Encroachment Area as set forth in the "Option to Purchase" set forth in Exhibit 2 attached hereto.

11. Any notice provided under this Agreement must be sent by certified mail, return receipt requested to the other party at the address first set forth above, or at such other address as a party may provide to the other in writing from time to time.

IN WITNESS WHEREOF, the City of Portland has caused this Agreement to be executed by Jon P. Jennings, its City Manager thereunto duly authorized, and ________________________________ has caused this License to be executed by _______________________________, its ________ thereunto duly authorized, as of the day and year first written above.

CITY OF PORTLAND

____

WITNESS

____

Jon P. Jennings
Its City Manager
Dated: _________________

KENNEBEC KROSSING, LLC

____

WITNESS

____

Print Name:_____________________
Its:____________________________
Dated:_________________________

STATE OF MAINE
CUMBERLAND, ss.

_____________________, 2019

Then personally appeared the above-named Jon P. Jennings, City Manager of the City of Portland, as aforesaid, and acknowledged the foregoing instrument to be his free act and deed in his said capacity and the free act and deed of said City of Portland.

Before me,

____
Notary Public/Attorney at Law

STATE OF MAINE
CUMBERLAND, ss.

_____________________, 2019

Then personally appeared the above-named ___________________________, _________________ of Kennebec Krossing, LLC, as aforesaid, and acknowledged the foregoing to be her free act and deed in her said capacity, and the free act and deed of said limited liability company.

Before me,

____
Attorney-at-Law/Notary Public

EXHIBIT 1
(TO REVOCABLE ENCROACHMENT LICENSE AND OPTION TO REPURCHASE AGREEMENT)

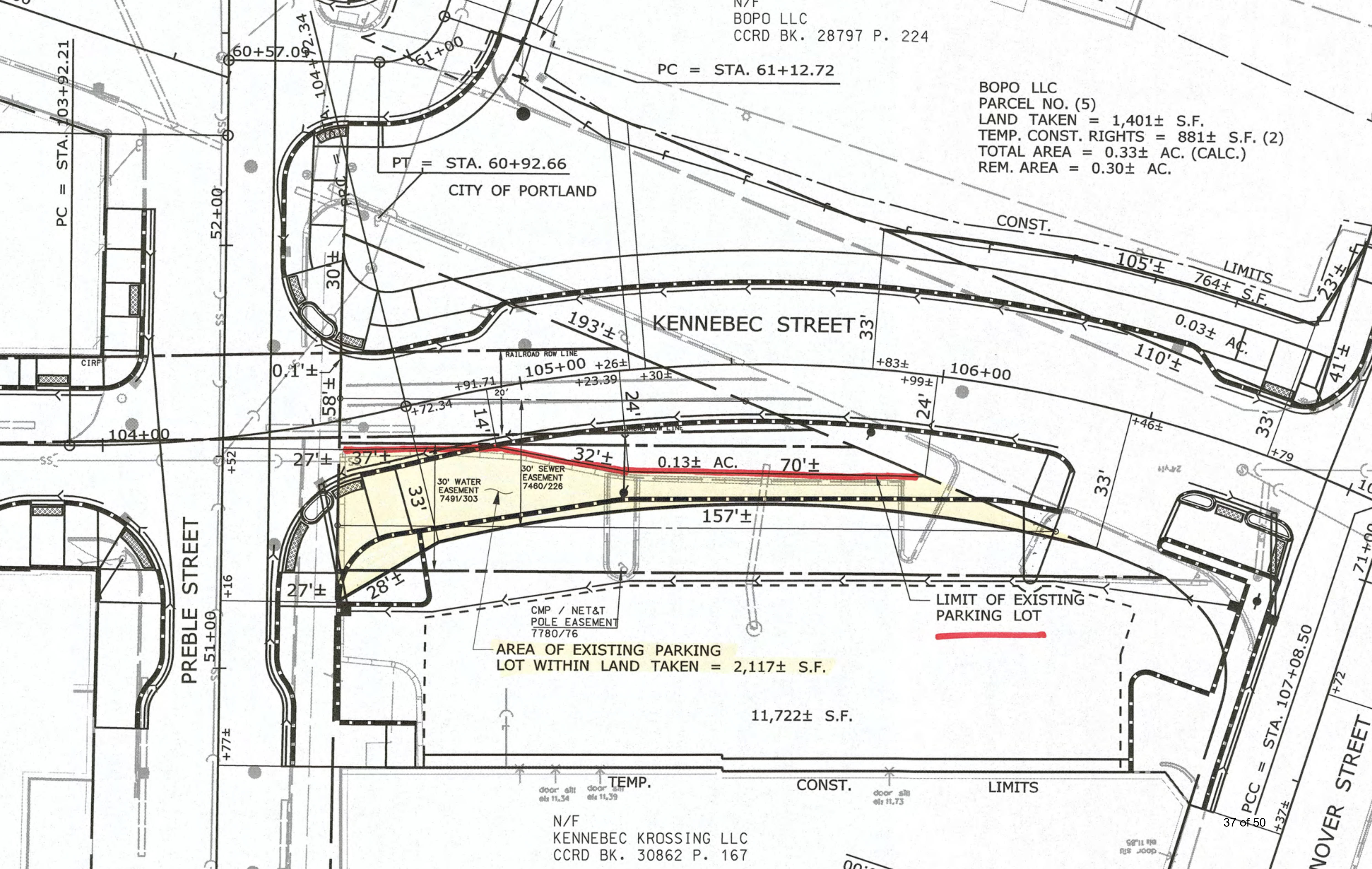

N/F
BOPO LLC
CCRD BK. 28797 P. 224
PC = STA. 61+12.72
BOPO LLC
PARCEL NO. (5)
LAND TAKEN = 1,401± S.F.
TEMP. CONST. RIGHTS = 881± S.F. (2)
TOTAL AREA = 0.33± AC. (CALC.)
REM. AREA = 0.30± AC.
PT = STA. 60+92.66
CITY OF PORTLAND
KENNEBEC STREET
PREBLE STREET
RAILROAD ROW LINE
0.13± AC.
30' WATER EASEMENT 7491/303
30' SEWER EASEMENT 7460/226
CMP / NET&T POLE EASEMENT 7780/76
AREA OF EXISTING PARKING LOT WITHIN LAND TAKEN = 2,117± S.F.
LIMIT OF EXISTING PARKING LOT
11,722± S.F.
TEMP. CONST. LIMITS
N/F
KENNEBEC KROSSING LLC
CCRD BK. 30862 P. 167
PCC = STA. 107+08.50
CONST. LIMITS
764± S.F.
0.03± AC.

EXHIBIT 2
(TO REVOCABLE ENCROACHMENT LICENSE AND OPTION TO REPURCHASE AGREEMENT)

Option to Repurchase

1. In the event that the City fails to commence construction of the Project described in the Revocable Encroachment License And Option To Repurchase Agreement (the "Agreement") to which this Exhibit is attached within four years after the date of the Agreement, Licensee shall have the right, but not the obligation, to repurchase the Parking Encroachment Area for $20.16 per square foot increased by an escalator of 4% per year for each year after the date of the Agreement that this Option is exercised (the "Option Price"). The date of this Agreement is referred to herein as the Closing Date. This Option shall automatically terminate upon the City's commencement of the Project.

   a. In order to exercise the Option, Licensee must notify the City in writing of its intent to do so on or before the date that is 50 months after the Closing Date. The City agrees that if it receives such Notice, it will reconvey to Licensee the Parking Encroachment Area within 60 days of the date of the Notice for the Option Price.

   b. In the event Licensee provides the Notice of its intent to exercise the Option, the Notice is to be accompanied by a payment to the City or its successors or assigns of earnest money in the amount of One Thousand Dollars ($1,000.00) (the "Earnest Money"). Licensee shall indicate in said Notice the date, time and place for closing, which shall be held not less than thirty (30) nor more than sixty (60) days after the giving of such Notice.

   c. If Licensee, its successors or assigns, exercises this Option to purchase the Parking Encroachment Area, then in consideration of the terms, covenants and conditions contained herein, the parties mutually agree as follows:

      i. Upon the giving of the Notice together with the Earnest Money, City shall thereby be bound to sell and Licensee shall thereby be bound to purchase the Parking Encroachment Area upon the terms and conditions set forth herein. City or its successors, transferees or assigns shall convey the Parking Encroachment Area by a good and sufficient quitclaim deed with covenant granting marketable title thereto, free and clear of all encumbrances and defects in title except for utility and public easements servicing the Parking Encroachment Area. The closing shall be held at the date, time and place set forth in said Notice, or at such reasonable date thereafter as may be required to clear any encumbrance and defects in title, and the City or its successors, transferees or assigns shall then and there deliver the deed to Licensee, its successors or assigns, upon tender of the balance of the Option Price by certified check, cashier's check, or cash. The balance to be tendered to the City or its successors or assigns shall be the Option Price, less the Earnest Money and any other option consideration actually received by the City.

ii. If counsel of the Licensee, or its successors or assigns, shall be of the opinion, given in good faith, that the title to said premises is defective or is otherwise not free and clear of all material encumbrances or that the title is not marketable, then the Licensee, its successors or assigns, shall have the right, provided it or they shall have exercised this Option, to extend the time for conveyance of the Parking Encroachment Area, during which time the City or its successors, transferees or assigns shall make a reasonable effort to remove such defects at its own expense, to the satisfaction of counsel of the Licensee, its successors or assigns. If record title proves defective and City or its successors or assigns shall fail to remove such defect within a reasonable time after notice from Licensee of the nature of the defect, Licensee may, at its election, (a) cure any such defect and deduct the cost thereof from the Option Price at closing, or (b) elect to close notwithstanding any such defect, or (c) terminate this Option by written notice to the City or its successors or assigns, whereupon all Earnest Money paid by Licensee to the City or its successors or assigns shall immediately be returned to Licensee and thereafter the parties shall be relieved of all obligations and this Option shall terminate.

iii. If all obligations of this agreement have been performed, excepting that Licensee does not complete the purchase, the City or its successors or assigns shall retain the Earnest Money as full liquidated damages, and without recourse to any other remedies, and whereupon this Option shall terminate.

iv. Full possession of the Parking Encroachment Area, free of all encumbrances except as aforesaid, is to be delivered to Licensee at closing, with the Parking Encroachment Area to be in the reasonably functional condition, reasonable wear and tear excepted.

v. Real estate taxes and utilities shall be prorated as of the time of the passing of title. Real estate transfer taxes, if any, arising in connection with the conveyance of the Parking Encroachment Area shall be paid by the parties or their successors or assigns in accordance with the custom of the locality where the premises are situated.

d. Notwithstanding anything else to the contrary herein, in the event that Licensee fails to give the Notice on or before the date that is 50 months after the Closing Date, then the Option shall automatically terminate, provided, however, that upon such termination, Licensee shall, at City's request and expense, execute and record an affidavit indicating that the Option has terminated.

2. This option to repurchase herein may be amended or modified in whole or in part only by written agreement of Licensee and City.

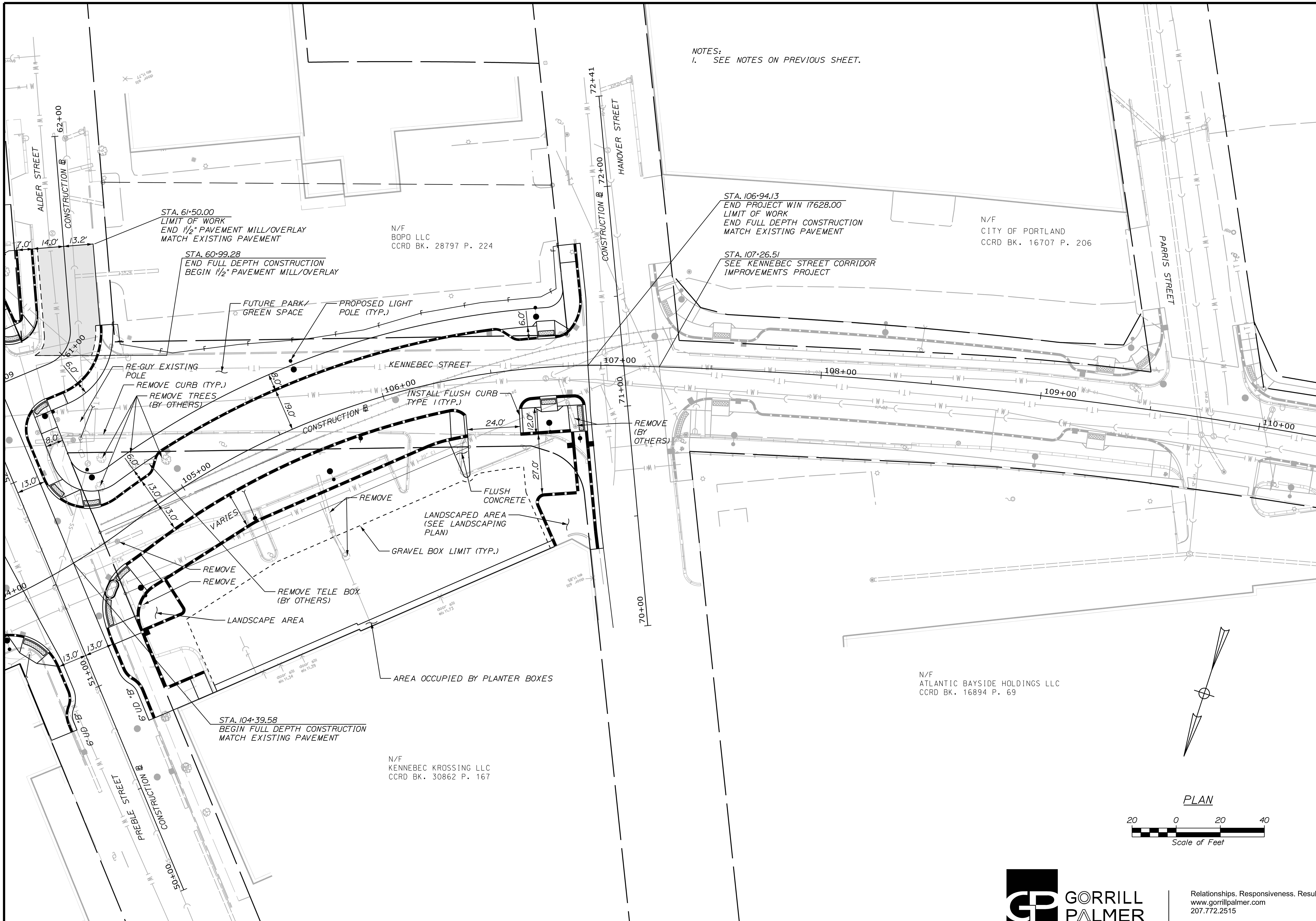
3. This Option is enforceable by Licensee as a contract and shall inure to the benefit of and be enforceable by Licensee, its successors, and assigns.

4. The validity of any clause, part or provision of this option to repurchase herein shall not affect the validity of the remaining portions of thereof.

.

EXHIBIT H

(Portland Somerset Street Restoration Plans)



Date:11/2/2018 Username: Mike.Cundiff Division: HIGHWAY Filename: ...\00\Highway\011_Plan02.dgn

CITY OF PORTLAND
55 PORTLAND STREET
PORTLAND, MAINE 04101

WIN
17628.00

PROJ. MANAGER	C. WELZEL		
DESIGN-DETAILED	J. WINCHENBACH	T. LANDRY	11/1/18
CHECKED-REVIEWED	D.ETTINGER		11/1/18
DESIGN2-DETAILED2	-	-	-
DESIGN3-DETAILED3	-	-	-
REVISIONS 1			
REVISIONS 2			
REVISIONS 3			
REVISIONS 4			
FIELD CHANGES			

SIGNATURE
P.E. NUMBER
DATE

PORTLAND
SOMERSET STREET
RESTORATION

GENERAL PLANS

SHEET NUMBER
11
OF 31

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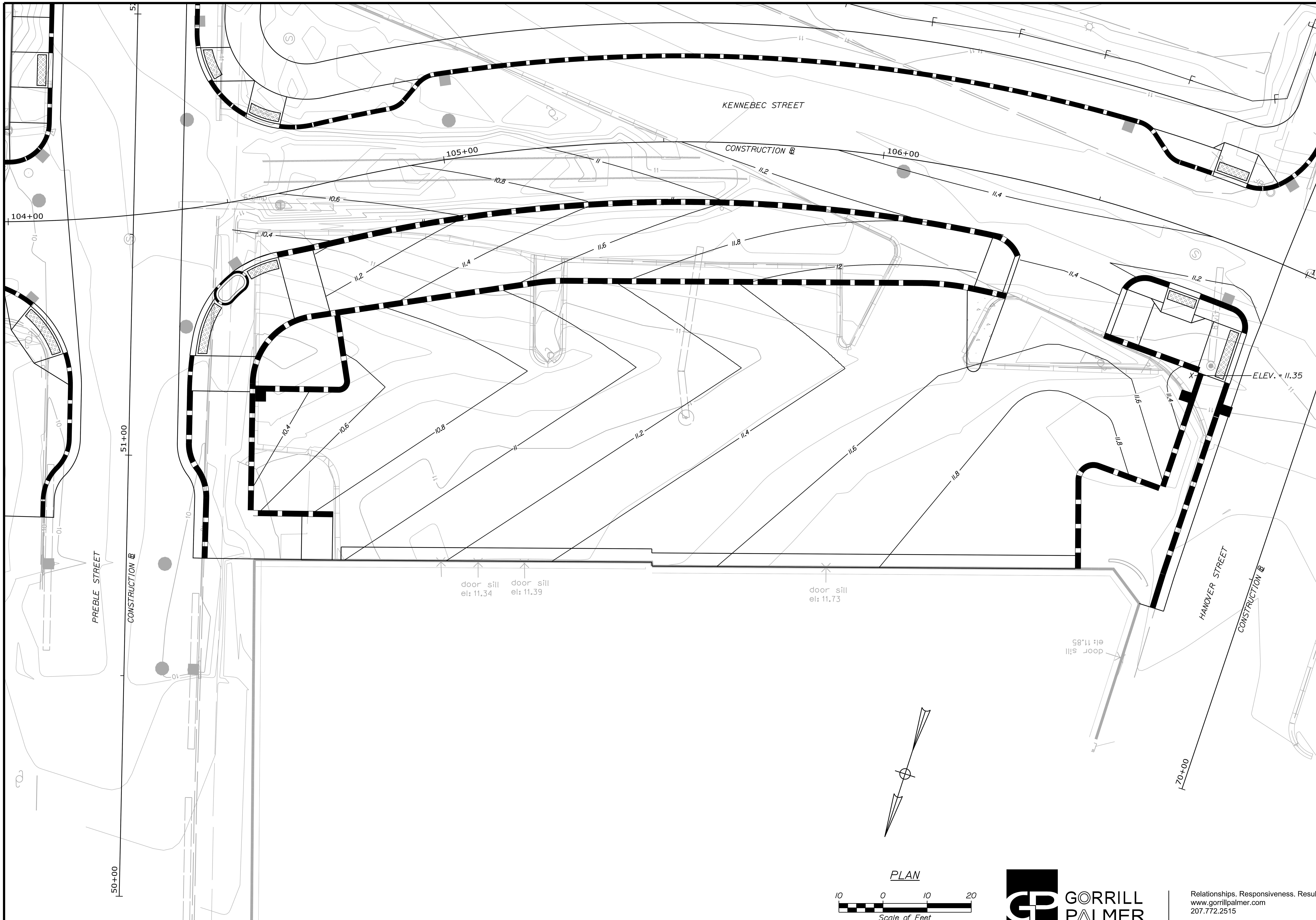
Filename: ...\Highway\014_GradingPlan01.dgn   Division: HIGHWAY   Username: Mike.Cundiff   Date:11/2/2018



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207.772.2515

CITY OF PORTLAND
55 PORTLAND STREET
PORTLAND, MAINE 04101

WIN
17628.00

SIGNATURE

P.E. NUMBER

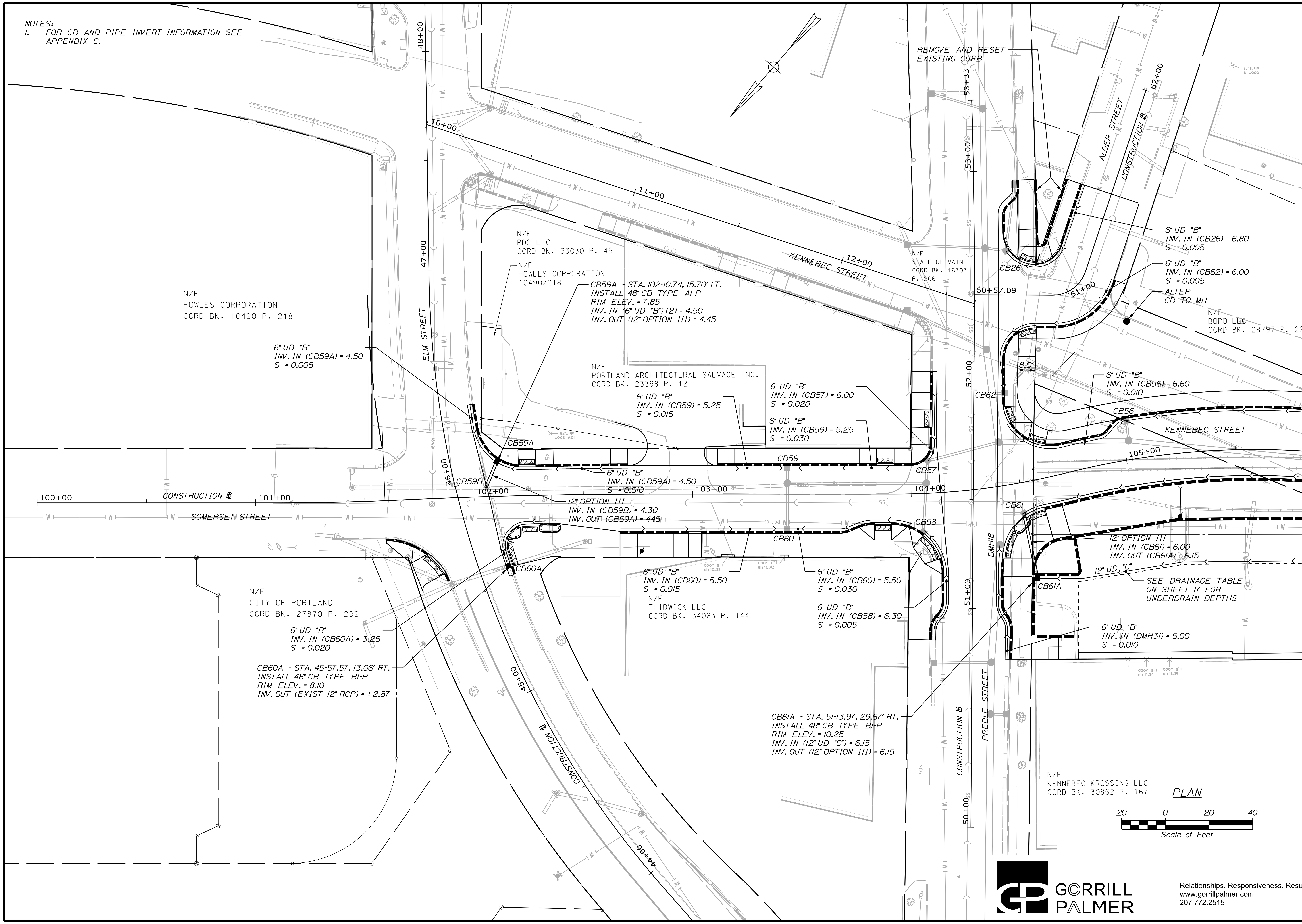
DATE

		BY	DATE
PROJ. MANAGER	C. WELZEL		
DESIGN-DETAILED	J. WINCHENBACH	T. LANDRY	11\18
CHECKED-REVIEWED	D.ETTINGER	-	11\18
DESIGN2-DETAILED2	-	-	-
DESIGN3-DETAILED3	-	-	-
REVISIONS 1	-		-
REVISIONS 2	-		-
REVISIONS 3	-		-
REVISIONS 4	-		-
FIELD CHANGES	-		-

PORTLAND
SOMERSET STREET
RESTORATION

PARKING LOT GRADING PLAN

SHEET NUMBER
14
OF 31



CITY OF PORTLAND
55 PORTLAND STREET
PORTLAND, MAINE 04101

WIN 17628.00

	BY	DATE
PROJ. MANAGER	C. WELZEL	
DESIGN-DETAILED	J. WINCHENBACH	T. LANDRY	11/1/18
CHECKED-REVIEWED	D. ETTINGER	11/1/18
DESIGN2-DETAILED2		
DESIGN3-DETAILED3		
REVISIONS 1		
REVISIONS 2		
REVISIONS 3		
REVISIONS 4		
FIELD CHANGES		

SIGNATURE

P.E. NUMBER

DATE

PORTLAND
SOMERSET STREET
RESTORATION

DRAINAGE PLANS

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207.772.2515

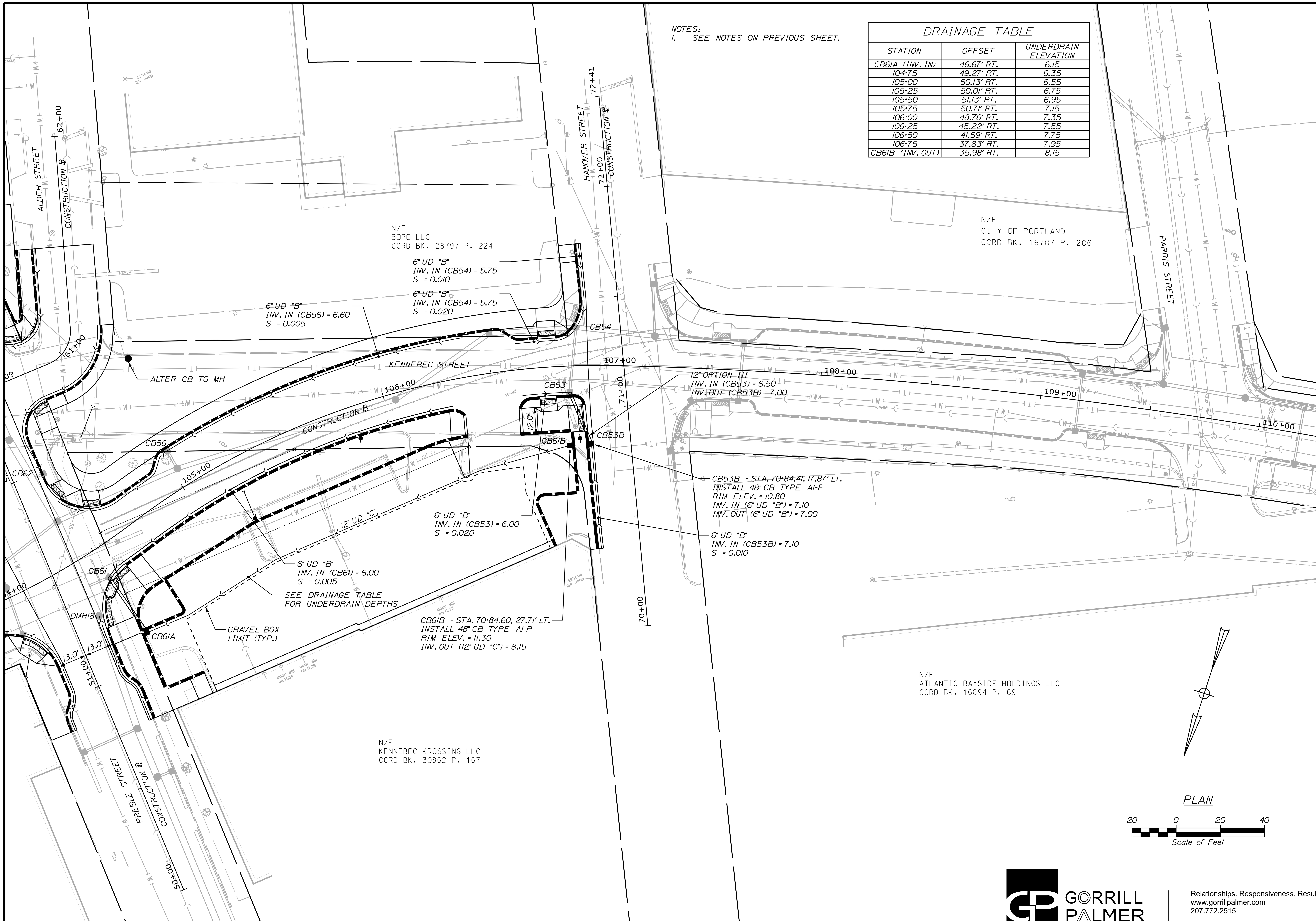
SHEET NUMBER
15
OF 31

Filename: ...\Highway\015_DrainagePlan01.dgn Division: HIGHWAY Username: Mike.Cundiff Date:11/2/2018

Filename: ...\Highway\016_DrainagePlan02.dgn Division: HIGHWAY Username: Mike.Cundiff Date:11/2/2018

NOTES:
1. SEE NOTES ON PREVIOUS SHEET.

DRAINAGE TABLE		
STATION	OFFSET	UNDERDRAIN ELEVATION
CB61A (INV. IN)	46.67' RT.	6.15
104+75	49.27' RT.	6.35
105+00	50.13' RT.	6.55
105+25	50.01' RT.	6.75
105+50	51.13' RT.	6.95
105+75	50.71' RT.	7.15
106+00	48.76' RT.	7.35
106+25	45.22' RT.	7.55
106+50	41.59' RT.	7.75
106+75	37.83' RT.	7.95
CB61B (INV. OUT)	35.98' RT.	8.15



PLAN

20 0 20 40
Scale of Feet

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CITY OF PORTLAND
55 PORTLAND STREET
PORTLAND, MAINE 04101

WIN
17628.00

	BY	DATE
PROJ. MANAGER	C. WELZEL	11/1/18
DESIGN-DETAILED	J. WINCHENBACH	11/1/18
CHECKED-REVIEWED	D. ETTINGER	-
DESIGN2-DETAILED2	-	-
DESIGN3-DETAILED3	-	-
REVISIONS 1		
REVISIONS 2		
REVISIONS 3		
REVISIONS 4		
FIELD CHANGES		

SIGNATURE
P.E. NUMBER
DATE

PORTLAND
SOMERSET STREET
RESTORATION

DRAINAGE PLANS

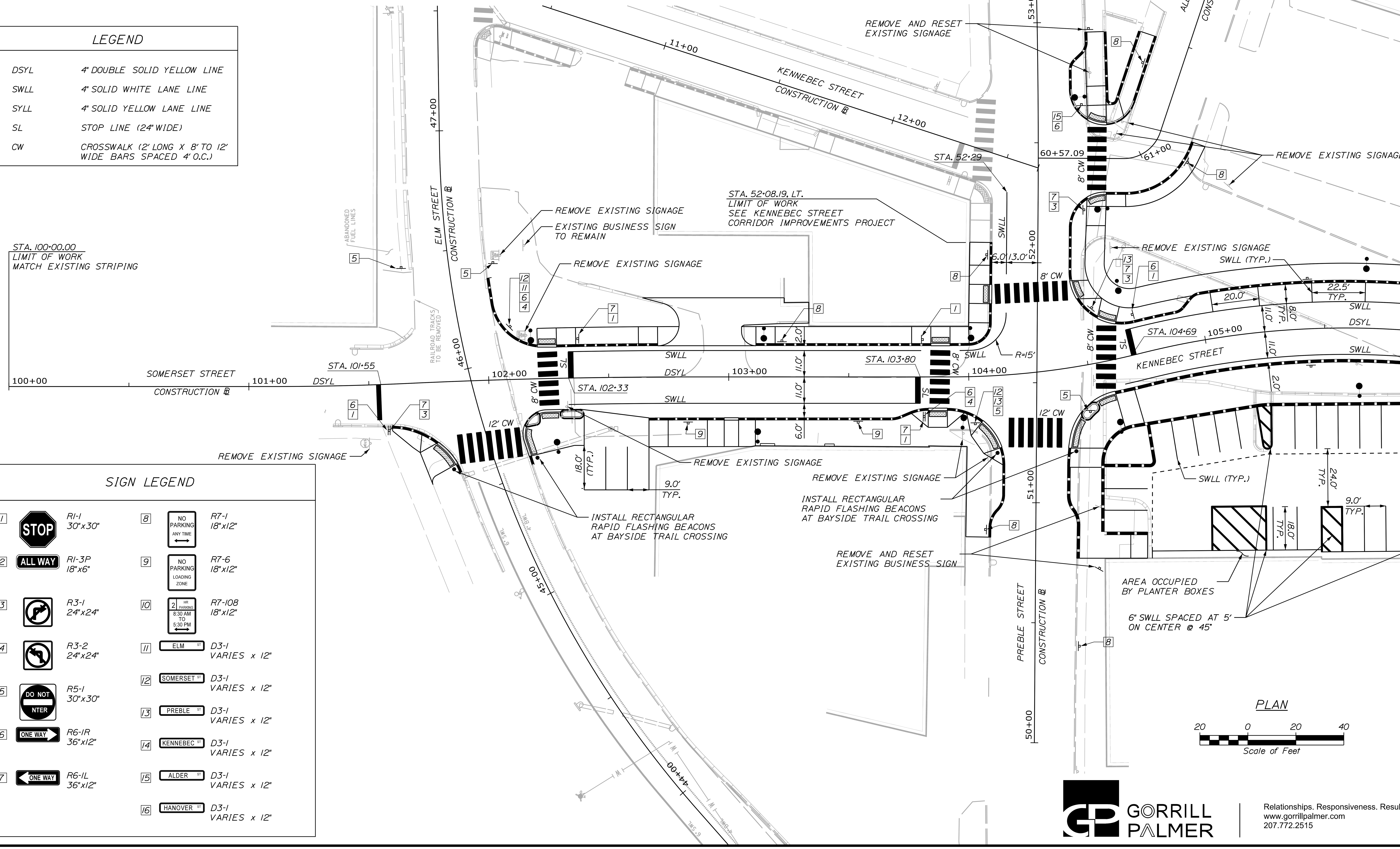
SHEET NUMBER
16
OF 31

NOTES:

1. ALL PAVEMENT MARKINGS THAT CONFLICT WITH THE PROPOSED SHALL BE REMOVED IN ACCORDANCE WITH MAINE DOT SPECIFICATIONS.
2. ALL PROPOSED WORK SHALL BE IN CONFORMANCE WITH THE "MANUAL ON UNIFORM TRAFFIC CONTROL DEVICES FOR STREETS AND HIGHWAYS", "STANDARD HIGHWAY SIGNS", U.S.D.O.T., F.H.W.A., LATEST EDITION.
3. REMOVAL OF EXISTING ROADSIDE SIGNS AND RELOCATION OF ROADSIDE SIGNS/POSTS, SHALL BE CONSIDERED INCIDENTAL TO THE 645 PAY ITEMS.
4. PROPOSED SIGN LOCATIONS, OFFSET AND HEIGHT SHALL BE IN ACCORDANCE WITH THE MANUAL FOR UNIFORM TRAFFIC CONTROL DEVICES FOR STREETS AND HIGHWAYS (MUTCD), LATEST EDITION, AS APPROVED BY THE RESIDENT.
5. THE PROPOSED DESIGN SHOWN AS GRAY ON THESE PLANS IS BASED ON THE KENNEBEC STREET CORRIDOR IMPROVEMENTS PROJECT, SHOWN FOR INFORMATIONAL PURPOSES ONLY.
6. RESTRIPE PREBLE STREET CENTERLINE WITH A 4" BROKEN WHITE LANE LINE (10' STRIPE WITH 30' GAP) FROM STA. 50+00 TO STA. 53+00.

LEGEND

DSYL	4" DOUBLE SOLID YELLOW LINE
SWLL	4" SOLID WHITE LANE LINE
SYLL	4" SOLID YELLOW LANE LINE
SL	STOP LINE (24" WIDE)
CW	CROSSWALK (2' LONG X 8' TO 12' WIDE BARS SPACED 4' O.C.)



SIGN LEGEND

1	STOP	R1-1	30"x30"
2	ALL WAY	R1-3P	18"x6"
3		R3-1	24"x24"
4		R3-2	24"x24"
5	DO NOT ENTER	R5-1	30"x30"
6	ONE WAY	R6-1R	36"x12"
7	ONE WAY	R6-1L	36"x12"
8	NO PARKING ANY TIME	R7-1	18"x12"
9	NO PARKING LOADING ZONE	R7-6	18"x12"
10	2 HR PARKING 8:30 AM TO 5:30 PM	R7-108	18"x12"
11	ELM ST	D3-1	VARIES x 12"
12	SOMERSET ST	D3-1	VARIES x 12"
13	PREBLE ST	D3-1	VARIES x 12"
14	KENNEBEC ST	D3-1	VARIES x 12"
15	ALDER ST	D3-1	VARIES x 12"
16	HANOVER ST	D3-1	VARIES x 12"

CITY OF PORTLAND
55 PORTLAND STREET
PORTLAND, MAINE 04101

WIN 17628.00

	BY	DATE
PROJ. MANAGER	C. WELZEL	
DESIGN-DETAILED	J. WINCHENBACH	11/1/18
CHECKED-REVIEWED	T. LANDRY	11/1/18
DESIGN2-DETAILED2	D. ETTINGER	
DESIGN3-DETAILED3		
REVISIONS 1		
REVISIONS 2		
REVISIONS 3		
REVISIONS 4		
FIELD CHANGES		

SIGNATURE
P.E. NUMBER
DATE

PORTLAND
SOMERSET STREET RESTORATION

SIGNING & STRIPING PLANS

SHEET NUMBER
17
OF 31

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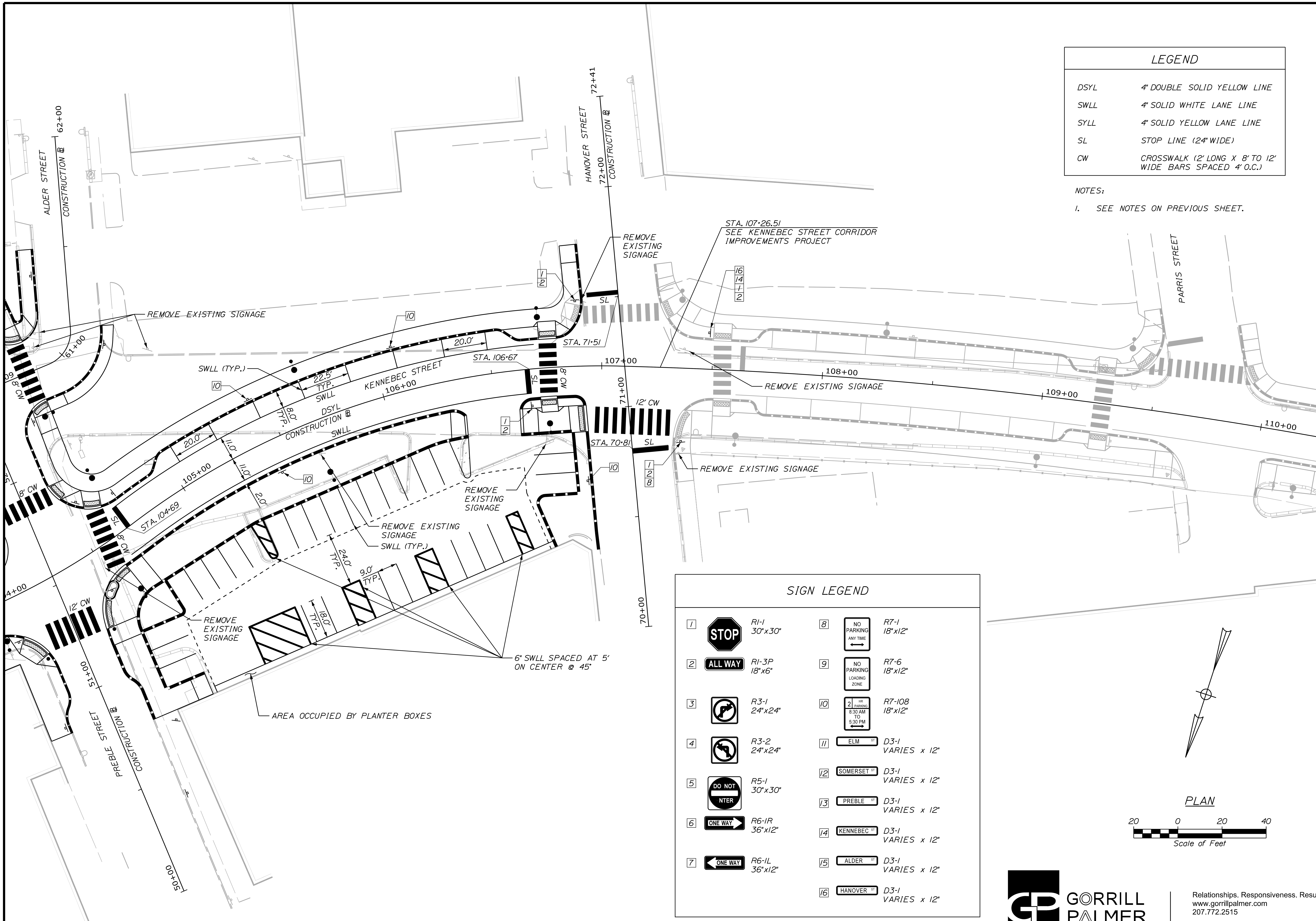
Filename: ...\018_Striping Plan02.dgn   Division: HIGHWAY   Username: Mike.Cundiff   Date:11/2/2018



LEGEND

DSYL	4" DOUBLE SOLID YELLOW LINE
SWLL	4" SOLID WHITE LANE LINE
SYLL	4" SOLID YELLOW LANE LINE
SL	STOP LINE (24" WIDE)
CW	CROSSWALK (2' LONG X 8' TO 12' WIDE BARS SPACED 4' O.C.)

NOTES:

1. SEE NOTES ON PREVIOUS SHEET.

SIGN LEGEND

1	STOP	R1-1 30"x30"
2	ALL WAY	R1-3P 18"x6"
3		R3-1 24"x24"
4		R3-2 24"x24"
5	DO NOT ENTER	R5-1 30"x30"
6	ONE WAY	R6-1R 36"x12"
7	ONE WAY	R6-1L 36"x12"
8	NO PARKING ANY TIME	R7-1 18"x12"
9	NO PARKING LOADING ZONE	R7-6 18"x12"
10	2 HR PARKING 8:30 AM TO 5:30 PM	R7-108 18"x12"
11	ELM ST	D3-1 VARIES x 12"
12	SOMERSET ST	D3-1 VARIES x 12"
13	PREBLE ST	D3-1 VARIES x 12"
14	KENNEBEC ST	D3-1 VARIES x 12"
15	ALDER ST	D3-1 VARIES x 12"
16	HANOVER ST	D3-1 VARIES x 12"

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207.772.2515

CITY OF PORTLAND
55 PORTLAND STREET
PORTLAND, MAINE 04101

WIN
17628.00

		BY	DATE
PROJ. MANAGER		C. WELZEL	
DESIGN-DETAILED		J. WINCHENBACH	11\18
CHECKED-REVIEWED		T. LANDRY	11\18
DESIGN2-DETAILED2		D. ETTINGER	-
DESIGN3-DETAILED3		-	-
REVISIONS 1			
REVISIONS 2			
REVISIONS 3			
REVISIONS 4			
FIELD CHANGES			

SIGNATURE

P.E. NUMBER

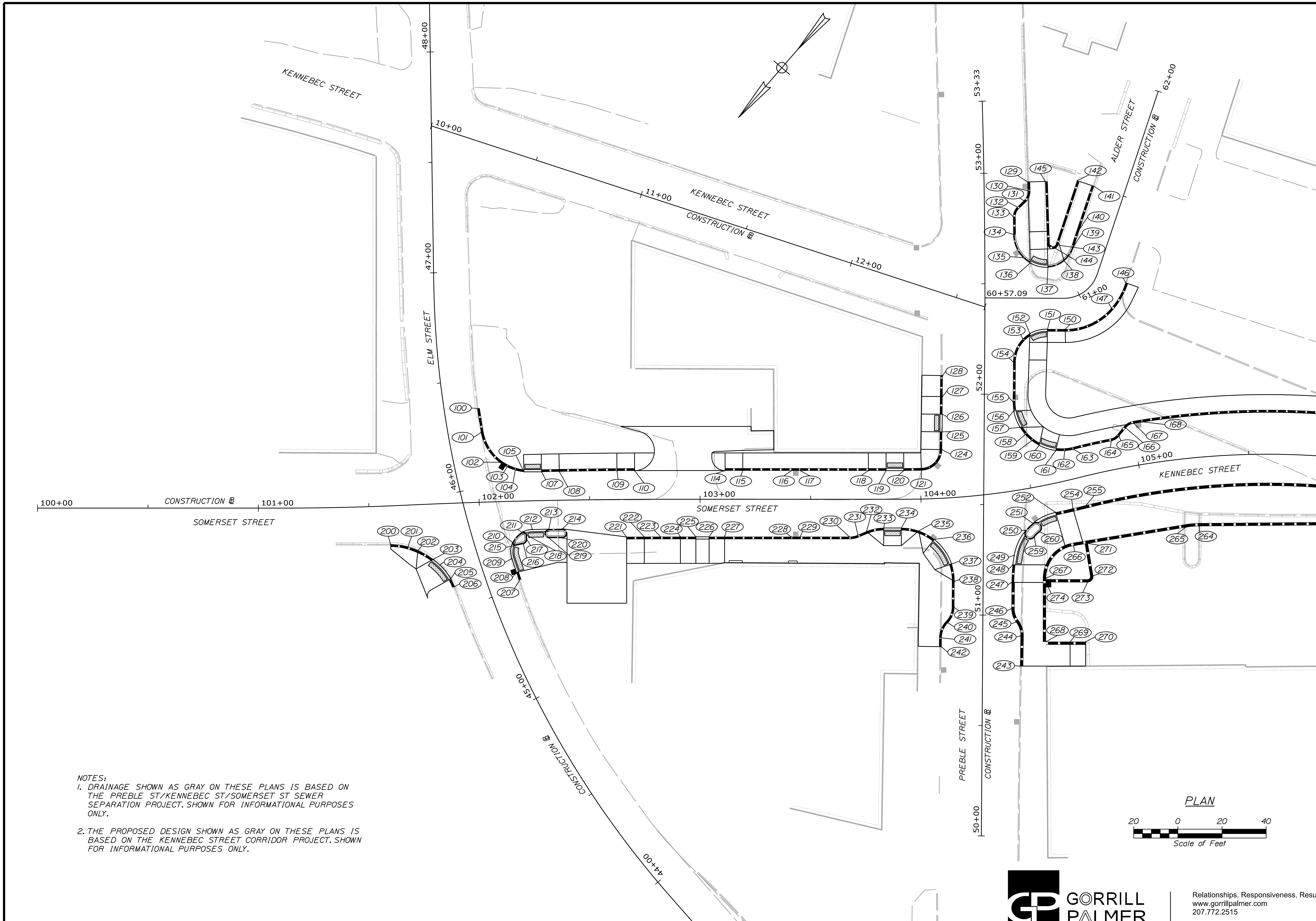
DATE

PORTLAND
SOMERSET STREET
RESTORATION

SIGNING & STRIPING PLANS

SHEET NUMBER
18
OF 31

Filename: ...\00\Highway\020_CurbPlan_01.dgn   Division: HIGHWAY   Username: Mike.Cundiff   Date:11/2/2018



NOTES:

1. DRAINAGE SHOWN AS GRAY ON THESE PLANS IS BASED ON THE PREBLE ST/KENNEBEC ST/SOMERSET ST SEWER SEPARATION PROJECT. SHOWN FOR INFORMATIONAL PURPOSES ONLY.

2. THE PROPOSED DESIGN SHOWN AS GRAY ON THESE PLANS IS BASED ON THE KENNEBEC STREET CORRIDOR PROJECT. SHOWN FOR INFORMATIONAL PURPOSES ONLY.

GORRILL PALMER

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207.772.2515

CITY OF PORTLAND
55 PORTLAND STREET
PORTLAND, MAINE 04101

WIN
17628.00

	BY	DATE
PROJ. MANAGER	C. WELZEL	
DESIGN-DETAILED	J. WINCHENBACH	T. LANDRY	11\\18
CHECKED-REVIEWED	D. ETTINGER	11\\18
DESIGN2-DETAILED2	-	-
DESIGN3-DETAILED3	-	-
REVISIONS 1	-	-
REVISIONS 2	-	-
REVISIONS 3	-	-
REVISIONS 4	-	-
FIELD CHANGES	-	-

SIGNATURE

P.E. NUMBER

DATE

PORTLAND
SOMERSET STREET
RESTORATION

CURBING PLANS

SHEET NUMBER
20
OF 31

Filename: ...\00\Highway\021_CurbPlan_02.dgn Division: HIGHWAY Username: Mike.Cundiff Date:11/2/2018

NOTES:
1. SEE NOTES ON PREVIOUS SHEET.

GORRILL PALMER

Relationships. Responsiveness. Results.
www.gorrillpalmer.com
207.772.2515

CITY OF PORTLAND
55 PORTLAND STREET
PORTLAND, MAINE 04101

WIN
17628.00

		BY	DATE
PROJ. MANAGER	C. WELZEL		
DESIGN-DETAILED	J. WINCHENBACH	T. LANDRY	11/18
CHECKED-REVIEWED	D. ETTINGER	-	11/18
DESIGN2-DETAILED2	-	-	-
DESIGN3-DETAILED3	-	-	-
REVISIONS 1	-	-	-
REVISIONS 2	-	-	-
REVISIONS 3	-	-	-
REVISIONS 4	-	-	-
FIELD CHANGES	-	-	-

SIGNATURE

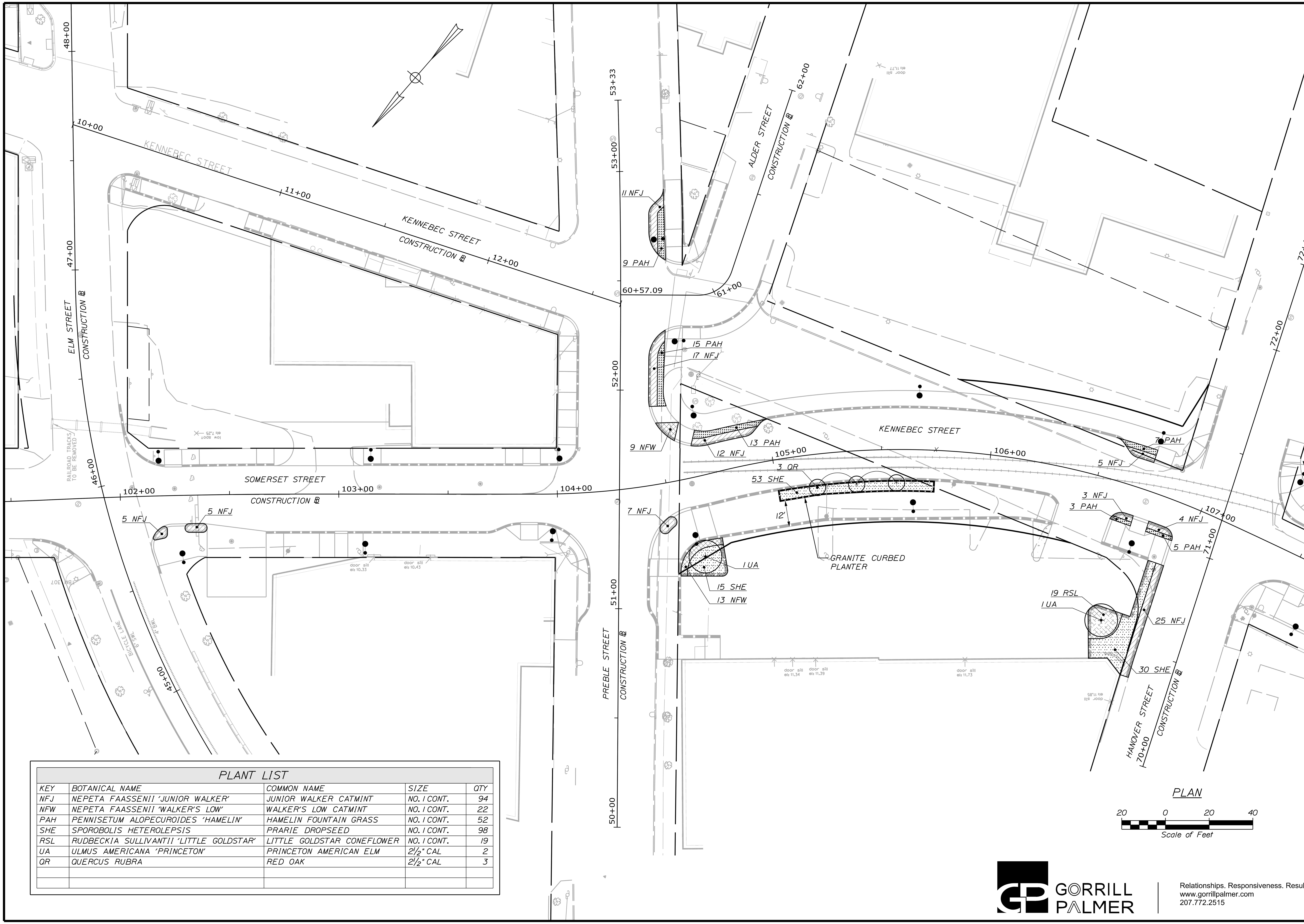
P.E. NUMBER

DATE

PORTLAND
SOMERSET STREET
RESTORATION

CURBING PLANS

SHEET NUMBER
21
OF 31



PLANT LIST				
KEY	BOTANICAL NAME	COMMON NAME	SIZE	QTY
NFJ	NEPETA FAASSENII 'JUNIOR WALKER'	JUNIOR WALKER CATMINT	NO. 1 CONT.	94
NFW	NEPETA FAASSENII 'WALKER'S LOW'	WALKER'S LOW CATMINT	NO. 1 CONT.	22
PAH	PENNISETUM ALOPECUROIDES 'HAMELIN'	HAMELIN FOUNTAIN GRASS	NO. 1 CONT.	52
SHE	SPOROBOLIS HETEROLEPSIS	PRARIE DROPSEED	NO. 1 CONT.	98
RSL	RUDBECKIA SULLIVANTII 'LITTLE GOLDSTAR'	LITTLE GOLDSTAR CONEFLOWER	NO. 1 CONT.	19
UA	ULMUS AMERICANA 'PRINCETON'	PRINCETON AMERICAN ELM	2 1/2" CAL	2
QR	QUERCUS RUBRA	RED OAK	2 1/2" CAL	3

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DESIGN-DETAILED	C.DIMATTEO M.CUNDIFF	11/1/18
CHECKED-REVIEWED	D.ETTINGER	11/1/18
DESIGN2-DETAILED2	-	-
DESIGN3-DETAILED3	-	-
REVISIONS 1		
REVISIONS 2		
REVISIONS 3		
REVISIONS 4		
FIELD CHANGES		

SIGNATURE

P.E. NUMBER

DATE

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SOMERSET STREET
RESTORATION

LANDSCAPING PLAN

SHEET NUMBER
A1

CITY OF PORTLAND
Economic Development
Gregory A. Mitchell, Director

MEMORANDUM

TO: Chair and Members of the Economic Development Committee

FROM: Gregory A. Mitchell, Economic Development Director

DATE: August 16, 2019

SUBJECT: FYE2019 Tax Increment Financing Annual Report

I. ONE SENTENCE SUMMARY

As part of the Council's Tax Increment Financing (TIF) Policy, an Annual TIF District Activity Report is to be provided to the City Council.

II. BACKGROUND

City Tax Increment Financing (TIF) Policy requires the preparation and presentation of an annual TIF district activity report. The FYE2019 TIF Annual Report represents the seventh year of reporting.

Highlights of this year's Report notes City Council TIF actions during FY2019. This includes:

A. ***Approved an Affordable Housing TIF District for 977 Brighton Avenue*** for a term of 30 years (FY2020 through FY2049), with 75% capture to the Developer and 25% into the City's General Fund. This District supports the development of a 40 units of senior rental housing, of which 34 units will be occupied by households with income not exceeding 60% of area median income. TIF revenues will be used by Developer to pay for operating costs for the project.

B. ***Approved amending the Bayside TIF to support establishment of an Affordable Housing TIF District for the 178 Kennebec Street senior housing project*** (detailed below). The City sale of its property at 178 Kennebec Street will result in taxable property with ground level

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commercial space and a senior housing project on the upper floors. The project is a two-unit condominium, including ground level commercial space (Unit 1) and upper floor affordable senior housing units (Unit 2). Unit 1 remains in the Bayside TIF District, while Unit 2 will be its own Affordable Housing TIF District.

C. ***Approved an Affordable Housing TIF District for 178 Kennebec Street*** for a term of 30 years (FY2020 through FY2049), with 75% capture to the Developer and 25% into the City's General Fund. This District supports the development of a 51-unit senior residential project, 40 units of which will be occupied by households with income not exceeding 60% of Area Median Income; 15 units of which will be occupied by households with income not exceed 50% of Area Median Income; and 10 units at market rate.

D. ***Amendments to the three area-wide TIF Districts – Bayside, Downtown TOD TIF, and Waterfront.*** These Districts were amended to include funding for workforce training, with a pilot program to begin during FY2020.

E. The Downtown TOD TIF District also was amended to increase the capture rate from up to 22% to up to 100%.

F. ***The Waterfront TIF District was amended twice during FY2019.*** The first was to include workforce training as an allowable use, together with adding additional properties. The TIF district was amended a second time to include other additional properties. This will allow for increased TIF Revenue for the projects listed in the TIF development program.

It is noted that three (3) TIF District Credit Enhancement Agreements (CEAs) expired at FYE2019, which included Holt Hall, Riveralk/Ocean Gateway, and Baxter Library.

Beginning with FY2020, there are:

A. Five (5) active Commercial TIF District CEAs;

B. One (1) active commercial TIF CEA for an affordable housing development, known as the McAuley TIF District; and

C. Eight (8) active affordable housing TIF District CEAs.

The Report also has a table showing the past five-year trend, as well as an Appendix which lists all the current TIFs and the activity numbers associated with them.

III. INTENDED RESULT AND/OR COUNCIL GOAL ADDRESSED

The FYE2019 TIF Annual Report is being submitted to the City Council as a communication item.

IV. FINANCIAL IMPACT

There is no financial impact with this communication item.

V. STAFF ANALYSIS AND RECOMMENDATION

Staff recommends the EDC vote to forward this Report to the City Council as a communication.

Attachment:

- FYE2019 TIF Annual Report

Portland, Maine Yes. Life's good here.

Tax Increment Financing

Fiscal Year End (FYE) 2019 Annual Report
(July 1, 2018 through June 30, 2019)

Prepared by the Economic Development Department

(Report prepared 7/2019)

Table of Contents

1. Introduction

City TIF Policy requires an annual report, to the City Council Committee and full City Council, regarding TIF District activity. This Report provides an overview of the TIF District Program, Portland's utilization of TIF Districts to date, and TIF District financial value impacts.

2. Definitions

Commonly used terms, included in this Report, include:

"***Captured Assessed Value***" means increased assessed value retained in a TIF District each year during its term.

"***Credit Enhancement Agreement (CEA)***" means the agreement between the City and the site specific TIF District Developer whereby it includes the terms under which the City will provide a portion of the Retained Tax Increment Revenue back to the Developer.

"***Current Assessed Value***" means the then current assessed value of the property located in the TIF District to be determined by the City Assessor as of April 1 of each year during the term of the District.

"***District***" means that portion of property depicted on a map to apply to the TIF.

"***Increased Assessed Value (IAV)***" means the valuation amount by which the Current Assessed Value exceeds the Original Assessed Value (OAV). If the Current Assessed Value is less than or equal to the OAV, there is no Increased Assessed Value in that year.

"***Infrastructure***" is defined, but not limited to: traffic upgrades, public parking facilities, roadway improvements, lighting, sidewalks, water and sewer utilities, storm water management improvements, and placing above ground overhead electric and telecommunications lines underground.

"Non-Captured Value (NCV)" means the value over and above the OAV (defined below) that is not captured by TIF percentage capture rates, with associated taxes from NCV returned to the General Fund.

"***Original Assessed Value (OAV)***" means the assessed value of the property in the TIF District as of March 31 of the year that it was created. For instance, if a TIF District was approved as of the date of this report, or July 2019, the OAV would be the assessed value of the property on March 31, 2019. All taxes from the OAV go into the City's General Fund for any City use.

"***Property Taxes***" means any and all ad valorem property taxes levied, charged or assessed against the property by the City or on its behalf and actually paid to the City, but excluding any county, state, or special District taxes that are separately levied, charged, or assessed against the property.

"***Retained Tax Increment Revenues***" means that portion of the Property Taxes paid with respect to the Captured Assessed Value.

"***Tax Year***" means April 1 to March 31.

3. **Revised TIF Policy Adopted by City Council on November 20, 2017**

Pursuant to City Council Order 61 passed September 19, 2016, the City Council referred to the Economic Development Committee (EDC) consideration of amendments to the current TIF policy, including, but not limited to provisions for:

A. Local Hire;
B. Ethnic and Gender Diversity;
C. Economically Disadvantaged Participation;
D. Veteran Preference;
E. Adherence to State or Federal Prevailing Wages; and,
F. Participation in a Job Training or Apprenticeship Program.

The Order further requested the EDC report their findings and recommendation on amending the current TIF Policy to the City Council.

The EDC began its review for possible amendments to the TIF policy in April 2017. On November 20, 2017, the City Council reviewed the EDC's recommendation and adopted revised City Tax Increment Financing (TIF) Policy (Item A in Appendix) in support of both private development projects and public investment in municipal economic development programs and infrastructure investment. Revised City Policy includes:

A. Addition of State prevailing wage requirements in the construction phase of a TIF CEA;

B. Equal employment opportunities and nondiscrimination;

C. Increasing the capture rate and the term for affordable housing projects; and,

D. Housekeeping amendments.

The EDC also recommended that the City look into establishing and sponsoring a Workforce Job Training program to be funded by area-wide TIF Districts, as well as having the City Manager and/or his/her designee undertake an analysis of the costs associated with the City undertaking an Employment Disparity Study.

Workforce Training Funding: On October 15, 2018, the City Council approved amendments to the three area-wide TIF Districts – Bayside, Downtown TOD TIF, and Waterfront TIF – to include workforce training as a use of TIF funds. Funding for the pilot program was included in the City FY2020 Municipal Budget. A Request for Proposals to utilize the funding was issued on July 1, 2019, with a proposal deadline of August 14, 2019. It is expected that the pilot program will be operational during FY2020.

Employment Disparity Study: The City Manager's office conducted a limited analysis for the costs of such a study and determined it was not cost effective.

4. Tax Increment Financing Overview and Value

Tax Increment Financing (TIF) is the most flexible economic development program available to municipalities. TIFs support municipal investment, as well as can be associated with private sector or affordable housing investment. TIFs are flexible municipal financing tools to fund the following types of activities to support public and private sector investment:

- public infrastructure projects;
- economic development programs, including municipal marketing and staff; and,
- support of individual private commercial and affordable housing project financing needs.

The three property tax components associated with TIF Districts include:

A. ***New Property Taxes***. TIF revenue is generated from new increased municipal assessed value and associated new property taxes. TIFs can be established for up to thirty (30) years and new or "captured assessed value" in the TIF District can range from 1% to 100% of the amount of new property taxes.

B. ***Original Assessed Property Value (OAV)***. The taxes from property base or "Original Assessed Value" reverts to the municipal general fund and is not captured in a TIF District.

C. ***Flow of TIF CEA Funds***: The flow of taxes to return to the developer through a CEA is as follows.

i. The City sends its yearly tax bills for payments due in September and March of each fiscal year;

ii. Developer pays the taxes;

iii. In September and May of each year, for each CEA, a check is made to be sure the Developer's taxes are current. If current, the Economic Development Department proceeds to process that fiscal year TIF payment to return a portion of the taxes to the developer according to the CEA. If not current, the Economic Development Department will not move forward with the payment until current.

5. TIF District Approval Process

There is a three step process to approve establishment of a TIF District. The three steps include:

A. Economic Development Committee recommendation for approval to the City Council for commercial TIFs, or Housing Committee for affordable housing TIFs;

B. City Council approval; and,

C. State of Maine Department of Economic Development Department approval for commercial TIF districts or Maine State Housing Authority approval for affordable housing TIF Districts.

6. <u>City Council Actions During FY2019:</u>

The City Council took up the following items during FY2019:

A. Approved an Affordable Housing TIF District for 977 Brighton Avenue for a term of 30 years (FY2020 through FY2049), with 75% capture to the Developer and 25% into the City's General Fund. This District supports the development of a 40 units of senior rental housing, of which 34 units will be occupied by households with income not exceeding 60% of area median income. TIF revenues will be used by Developer to pay for operating costs for the project.

B. Approved amending the Bayside TIF to support establishment of an Affordable Housing TIF District for the 178 Kennebec Street senior housing project (detailed below). The City sale of its property at 178 Kennebec Street will result in taxable property with ground level commercial space and a senior housing project on the upper floors. The project is a two-unit condominium, including ground level commercial space (Unit 1) and upper floor affordable senior housing units (Unit 2). Unit 1 remains in the Bayside TIF District, while Unit 2 will be its own Affordable Housing TIF District.

C. Approved an Affordable Housing TIF District for 178 Kennebec Street for a term of 30 years (FY2020 through FY2049), with 75% capture to the Developer and 25% into the City's General Fund. This District supports the development of a 51-unit senior residential project, 40 units of which will be occupied by households with income not exceeding 60% of Area Median Income; 15 units of which will be occupied by households with income not exceed 50% of Area Median Income; and 10 units at market rate.

D. As noted previously, the three area-wide TIF Districts were amended to include funding for workforce training, with a pilot program to begin during FY2020.

E. The Downtown TOD TIF District also was amended to increase the capture rate from up to 22% to up to 100%.

F. The Waterfront TIF District was amended twice during FY2019. The first was to include workforce training as an allowable use, together with adding additional properties. The TIF district was amended a second time to include other additional properties. This will allow for increased TIF Revenue for the projects listed in the TIF development program.

7. **<u>Statutory Limits for TIF Districts</u>**

There are two State statutory limitations which include:

A. ***Acreage***: No single TIF District, including Affordable Housing Districts, can be larger than 2% of a municipality's total acreage, or in the case of Portland, 2% of Portland's 12,386 acres is 247 acres. Also, all active TIF Districts have to be less than 5% of a municipality's total acreage, or in the case of Portland, 5% is 619 acres. Based upon active TIF Districts, including Affordable Housing TIF Districts, as of FYE2019, Portland has the ability to include 244 additional acres in TIF Districts.

B. ***Value***:

i. **Commercial/Area Wide TIF Districts:** The OAV of all these TIF Districts in a municipality cannot be more than 5% of its total aggregate value (FY19 aggregate value: $9,687,850,000), or in the case of Portland, 5% is $484,392,500. Based upon active TIF Districts as of FYE2019, Portland has the ability to include an additional $324 Million of property value in TIF Districts.

ii. **Affordable Housing TIF Districts:** The OAV of all Affordable Housing TIF Districts cannot be more than 5% of the total aggregate value (FY19 aggregate value: $9,687,850,000), or in the case of Portland, 5% is $484,392,500. Based upon active Affordable Housing Districts as of FYE2019, Portland has the ability to include an additional $482 Million of property value in Affordable Housing TIF Districts**.**

It is noted that the amount of acreage and value to include in TIF Districts fluctuates as TIF districts are created, amended, expired, and/or terminated.

There are exemptions from State limitations for Transit Oriented Development (TOD) and Downtown TIF Districts, for which Portland now has two: Thompson's Point TOD TIF, and the Downtown TOD TIF.

8. **<u>Tax Sheltering Benefits</u>**

Municipalities realize "savings" from the tax sheltering effect of TIF Districts. The following direct financial impacts occur when municipal valuation increases:

A. State Education Aid is reduced,
B. State Municipal Revenue Sharing is reduced, and
C. A municipality pays a higher percentage of the County budget.

This amount of "savings" is significant and one of the most important benefits of establishing TIF Districts.

For Portland, tax shelter savings is conservatively estimated at 30%, meaning that for every new tax dollar, Portland saves 30 cents which would otherwise be lost for property tax value not included in a TIF district. Portland's estimated total tax shelter savings for all active TIF Districts is just over $1.24 Million for FYE2019.

9. TIF Districts in Portland

A listing of all approved TIF Districts as of FYE2019 is provided as Item B in the Report Appendix.

This listing includes seven expired TIF Districts as of FYE2019 – Auto Europe, Shipyard Brewery, Nichols Portland, UNUM, Bayside Student Housing, Bramhall/Holt Hall, Riverwalk/Ocean Gateway, and Baxter Library LP. It is noted that Bramhall/Holt Hall, Riverwalk/Ocean Gateway, and Baxter Library LP CEAs expired this Fiscal Year, that is FY2019 being their last year of TIF payments.

This listing also includes two TIF Districts which were terminated by the City Council during FY15 – those being the Village at Oceangate (Bay House), and the Fore India Middle LLC TIF District.

It is noted that after expiration and termination of the above TIF Districts, 100% of their property tax revenue reverts to the City's General Fund.

In addition, this listing provides the following information for each TIF District:

A. TIF District duration;
B. percentages of taxes allocated to the Recipient/Developer, City, and General Fund;
C. TIF District location; and
D. brief description.

Item C in the Appendix provides a map showing the location for each active TIF District.

A listing of approved active individual site specific TIF Districts, area-wide TIF Districts, Downtown TOD TIF, Thompson's Point TOD TIF, non-active TIF Districts, and terminated TIF Districts by name are provided below.

Active Approved Individual Site Specific TIF Districts

As of FYE2019, the City has twelve, single site active TIF Districts with associated CEAs, 4 TIF Districts supporting commercial projects, 2 TIF commercial districts supporting housing projects (market and affordable), and 6 of which are affordable housing TIF Districts, namely:

- Holt Hall (Expiring FYE2019 – Market Rate Rental Housing)
- Riverwalk/Ocean Gateway (Expiring FYE2019)
- PowerPay/Portland Public Market
- Baxter Library (Expiring FYE2019)
- McAuley Place (Market Rate and Affordable Rental Housing)
- ImmuCell
- Avesta/Pearl Place Affordable Housing TIF
- 409 Cumberland Avenue Affordable Housing TIF

- 134 Washington Avenue Affordable Housing TIF
- 17 Carleton Street Affordable Housing TIF
- Deering Place Affordable Housing TIF
- 58 Boyd Street Affordable Housing TIF

The following two additional affordable housing TIF districts were approved in FY2019, and will be activated with FY2020:

- 977 Brighton Avenue Affordable Housing TIF
- 178 Kennebec Street (Unit 2) Affordable Housing TIF

Beginning FY2020, the City will have three commercial TIF districts (one for an affordable housing project – "McAuley Place"), and eight affordable housing TIF districts.

Active Approved Area Wide TIF Districts and Associated CEAs

The City has two active area wide TIF Districts, for which the City retains a portion of the TIF funds for public infrastructure projects, with a portion of the TIF funds targeted to CEAs within those Districts, namely:

- Bayside
    - Capital LLC CEA (expires FY2023)
    - Bayside Student Housing CEA (expired FY2018)
- Waterfront
    - Waterfront Maine CEA (expires FY2031)

Approved Downtown and/or Transit-Oriented Development (TOD) TIF Districts

- Downtown TOD TIF

  The City retains a portion of the TIF funds for workforce training, public infrastructure, Creative Portland, and transit projects for the Downtown TOD TIF. This Downtown TOD TIF was approved during FY2015 and was activated with FY2016. There is no CEA associated with it at this time.

- Thompson's Point TOD TIF and CEA

  For the Thompson's Point TOD TIF, the City retains a portion of TIF Funds for transit projects. This TOD TIF also has an associated CEA with Thompson's Point Development Company, Inc. for development of Thompson's Point.

Terminated TIF Districts

The City Council has terminated two TIF Districts, namely:

- Fore India Middle LLC – This TIF project had not come to fruition and, therefore, was terminated by the City Council in November 2014; and,

- The Village at Oceangate, LLC (Bay House) – This TIF District was also terminated by the City Council in November 2014 due to this District's use being converted into residential condominiums which is not an allowable TIF District use.

10. <u>TIF District Financial Overview for FYE2019, including FY15, FY16, FY17, and FY18:</u>

See below for financial comparison of FYE2019, FYE2018, FYE2017, FYE2016, and FYE2015 for then active TIF Districts:

	FYE2015	FYE2016	FYE2017	FYE2018	FYE2019
City General Fund-Taxes from OAV	$6.3 Million	$22.8 Million	$23.38 Million	$23.98 Million	$24.89 Million
City General Fund-Taxes from Non-Captured Value	$720,000	$2.4 Million	$2.2 Million	$3.6 Million	$4.8 Million
Total TIF Taxes From Captured Value	$3.2 Million	$1.8 Million	$2.09 Million	$2.7 Million	$3.2 Million
- TIF Taxes to CEAs	$2.0 Million	$1 Million	$1.08 Million	$1.187 Million	$1.1 Million
- TIF Taxes to Public Infrastructure/Arts/Staff	$1.2 Million	$.8 Million	$1.01 Million	$1.54 Million	$2.1 Million
Total Tax Sheltering Value	$160 Million	$87 Million	$99.6 Million	$126 Million	$143.5 Million
Estimated Annual Average Tax Sheltering Savings	$1.3 Million	$.7 Million	$.831 Million	$1.2 Million	$1.24 Million

<u>Table Explanations:</u>

<u>City General Fund-Taxes from OAV</u> - The above table shows a yearly increase in taxes from the OAV into the General Fund. FYE2016's higher increase is due to the Downtown TOD TIF Activation, where the OAV is just under $1 Billion, and associated taxes with that OAV at $22 Million. As noted earlier in the definition section, all taxes from the OAVs go to the General Fund.

<u>City General Fund-Taxes from Non-Captured Value</u> – The number fluctuates based on each CEA, as well as the City's budget needs for public infrastructure/staff salaries/arts/debt service, for example. The captured value percentages for the area wide TIF Districts - Bayside and Waterfront - are adjusted yearly based on those needs. The captured value percentage for the

Downtown TOD TIF was originally set at 12% for the first year (FY2016) and then set at 22% for years 2 through 30. This capture rate was amended during FY2019 to capture up to 100% annually. Therefore, beginning with FY20, it will be adjusted annually, together with the Bayside and Waterfront area TIF Districts. Non-captured increased assessed value taxes flow into the General Fund.

Total TIF Taxes From Captured Value – The percentage of captured value varies yearly based on CEAs and the City's financial needs. This TIF Revenue is then allotted to the various CEAs, and then to the City public infrastructure projects/debt service/arts/staff investments, for example.

Total Tax Sheltering Value – This number represents the total percentage of the increased assessed of value (IAV) all TIF Districts that has been captured. It is noted that the captured value percentage for area TIFs is adjusted yearly based on City use of TIF funds needed for public infrastructure projects, staff, as well as debt service for payment of the Bayside HUD loan and for Ocean Gateway associated debt expenses.

Estimated Tax Sheltering Savings – This is the estimated tax sheltering savings from all the TIF Districts.

Appendix D is a spreadsheet showing the FYE 2019 TIF Districts funding allocation and individual CEA annual payments.

11. Example of a Performing TIF

An example will be provided annually.

Performing TIF District: Avesta/Pearl Place – Affordable Housing TIF District

Duration: 30 year term (FY08 through FY37)
Percentages: Various percentages of captured value to return to Developer based on Maine State Housing Authority Certificate of Approval, to a maximum of $22,000 annually.
Location: Oxford and Pearl Streets

The Avesta/Pearl Place Affordable Housing TIF District was the first affordable housing TIF approved by the City Council on August 21, 2006, and the Maine State Housing Authority (MSHA) on October 6, 2006.

The project consisted of transforming 1.03 acres of land into affordable housing units. Phase I, for which this TIF was targeted to, was to develop 60 affordable units – 60% of the units targeted to 50% of area median income, and 40% of units targeted at 60% of area median income - which was anticipated to generate approximately $30,000 in net new taxes. Of that $30,000, the City Council and MSHA approved a maximum annual reimbursement at $22,000 to finance additional debt required by the project. This project was completed in 2007. Phase II, completed in 2013, added another 54 affordable units.

The total development cost of the Project Phase I was estimated at $13,300,000. Phase I was also supported by additional City investment of $427,000 in HOME funding. Overall the

City TIF and HOME investments leveraged over $12 Million Dollars in additional financing for the project through the Low Income Housing Tax Credit Program, Maine State Housing Authority funding, and other local bank financing.

The subsequent investment and increases in assessed value is as follows:

Assessed Values	Real Estate	Personal Property	Total Value
OAV 4/1/2005	646,050	$0	$646,050
4/1/2008	$3,528,200	$20,000	$3,548,200
4/1/2013	$3,528,200	$46,380	$3,569,480
4/1/2018	$3,528,200	$47,280	$3,575,480

Through FY19, the Developer has realized just over $237,400 in TIF revenue funds, and the City has realized approximately $401,000 in General Fund revenue from the project.

This TIF District provides affordable housing to many area residents.

12. Summary

For more information, contact Greg Mitchell, Economic Development Director, via email at gmitchell@portlandmaine.gov, or 1-207-874-8945.

PORTLAND TIF POLICY

November 20, 2017

I. INTRODUCTION

Tax Increment Financing (TIF) is an economic development program authorized under state law to support municipal projects. The TIF program allows municipalities to provide financial assistance to local economic development projects and programs – from infrastructure, municipal economic development programs and staff, to business expansions - by using new property taxes that result from new commercial or residential investment associated with the corresponding increase in property value.

Portland TIF Policy supports investment in municipal economic development programs, infrastructure investment (which is generally through the establishment of area wide or neighborhood TIF districts) and individual project site specific TIF districts to support either infrastructure or individual private project financing needs.

The City is committed to invest in infrastructure located within the public rights-of-way that encourage economic development. Use of TIF investment to invest in infrastructure recognizes the savings which occurs through the TIF Program tax sheltering benefits.

"Infrastructure" is defined, but not limited to: traffic upgrades, public parking facilities, roadway improvements, lighting, sidewalks, water and sewer utilities, storm water management improvements and placing above ground overhead electric and telecommunications lines underground.

II. STATE TIF LIMITATION

There are acreage and value caps limitations for municipalities to establish TIF along with term limits. Term limits include bonds which may be issued for a maximum of 20 years (anticipation notes for three years). TIF districts may be designated for a maximum of 30 years.

III. PURPOSE

The primary purposes of the TIF Policy include:

A. To support Portland Economic Development and Housing Plans and Policies;
B. To stimulate expansion of the City's commercial and industrial tax base;
C. To stimulate new affordable and market rate housing investment;
D. To retain and create quality employment;
E. To support Portland's Capital Improvement Plan; and,
F. To establish standards upon which the City Council will authorize TIF.

IV. GENERAL PRINICPLES

The three primary general principles for the City Council to establish TIF districts include:

A. Investment

***Minimum Real Property Investment*.** A minimum of $1 million in new taxable investment property value for commercial and industrial development and $500,000 for affordable housing development is needed to qualify for a TIF. This is the minimum amount which makes practical sense to consider use of the TIF program due to the amount of new municipal property tax revenue generated from new private investment.

B. Jobs Associated with Commercial and Industrial Development

Applicants for TIF participation will be required to provide a plan outlining the number and quality of jobs retained or created associated with each TIF district. While there is not a specific formula for the numbers of jobs associated with the amount of TIF financial assistance, the number and quality of the jobs will be taken into consideration for each TIF district. It is recognized that housing projects do not create many permanent jobs.

C. Maximize Tax Sheltering Benefits

A municipality's total equalized assessed value is used to calculate General Purpose Aid to Education (subsidy), State Revenue Sharing (subsidy) and County taxes (expense). When a municipality's equalized assessed value increases, State Aid for Education decreases, municipal revenue sharing decreases, and the municipality pays a greater portion of County taxes. TIF allows municipalities to "shelter" new value resulting from private investment from the calculation of its State subsidies (education and revenue sharing) and County taxes. In other words, specific municipal shelter benefits, for the term of the TIF, include:

1) No reduction in State aid for education,
2) No reduction in municipal revenue sharing and
3) No increase in County taxes.

Annually, the Council Committee with jurisdiction over housing and community development and City Council will evaluate available TIF district capacity related to State acreage and value limitations to determine whether existing TIF districts need amending and/or new TIF district establishment. Scheduled public infrastructure investments included in the City's Capital Improvement Plan will inform decisions about adjustments to existing TIF districts or establishment of new TIF districts.

V. APPROACH, POLICY, and TERM REQUIREMENTS

Must meet or exceed the below requirements.

A. Approach

There are three approaches to consider establishing TIF districts. They include:

1) ***Municipal Economic Development Programs funded directly through a pay-as-you-go approach.***

   Examples of municipal economic development programs include paying for economic development staff, annual funding to Creative Portland for city marketing/branding, and other TIF law allowable activities.

2) ***Area wide TIF districts financed by City Bond/Debt Issuance***

   Issuance of municipal general obligation bonds or limited obligation bonds is a mechanism that may be used to fund a TIF district program. Allowable uses are spelled out in state TIF law. Generally, municipalities will issue debt to cover the cost of infrastructure investment.

3) ***Individual Site Specific TIF districts utilizing Credit Enhancement Agreements (CEAs)***

   A CEA is a contract between a municipality and developer to assist an individual development project by using a percentage or all of the tax revenue generated by the investment to pay certain authorized project costs which could include site specific infrastructure or private individual project financing needs. Allowable project costs are spelled out in state TIF law.

B. Policy for the Three Approaches

1. Policy for Municipal Economic Development Programs.

Requires annual review and City Council financial appropriations.

2. Policy for Area wide TIF District Locations (for City Bond/Debt Issuance)

a) Area wide TIF will be established for infrastructure investment which has applications beyond one individual project.

b) City TIF emphasis will be placed upon the following general “Priority Revitalization Areas” to support commercial development, housing development, redevelopment, or to support buildings in need to redevelopment, address blight or historic preservation:

- Affordable housing projects off peninsula;
- Riverside Street commercial and industrial zoned areas;
- Forest Avenue corridor from I-295 to Woodfords Corner;
- Washington Avenue corridor from Congress Street to I-295;
- Portland Technology Park ;
- Areas in which future significant wastewater and/or stormwater infrastructure investments are planned;
- West Commercial Street vacant property;
- Libbytown;
- St. Johns Street Valley;
- Other areas based upon scheduled public infrastructure investment included in the City's Capital Improvement Plan.

The above list of general priority revitalization areas serve as guides to establish specific boundaries for TIF districts at time of district establishment.

c) Market Rate Housing. Market rate rental housing projects must be located in priority revitalization areas to stimulate housing investment for the purpose of attracting 24/7 pedestrian activity. Pursuant to State Law, TIF for condominium projects are not allowed.

d) Affordable Housing**.** Affordable Housing TIF (AHTIF) may be designated on an area wide or site specific basis.

The relevant City Council Committee will complete an annual assessment of housing needs and priorities. This assessment will include a determination regarding designation of an area wide AHTIF. Site specific AHTIF requests submitted by developers will be considered on a case-by-case basis. Area wide or site specific AHTIF designations must address an identified community need.

State law requires that at least 25% of the district area must be suitable for residential use, development must be primarily residential, and at least 1/3 of the units must be for households at or below 120% of area median income which allows for individual mixed income projects or area wide affordable housing TIF districts.

Allowable uses of AHTIF revenues are defined by State law.

e) City preference is to invest in area wide public infrastructure TIF districts versus establishing individual private site specific TIF districts.

f) Area wide TIF districts also should seek to maximize the benefit of downtown and transit oriented development (TOD) districts which are <u>exempt</u> from State TIF law for acreage and value limitations.

g) Terms for area wide TIF districts will be considered for up to 100% of new tax revenue and upwards of thirty (30) years, the maximum allowed by State law, due to the long-term need to invest in neighborhood infrastructure.

<u>NOTE 1</u>: As of this Amended TIF Policy date, there are two existing area wide TIF Districts, i.e., Bayside and Waterfront TIF Districts.

<u>NOTE 2</u>: As of this Amended TIF Policy date, there also exists two Transit Oriented Development (TOD) District, namely the Thompson Point TOD TIF District and the Downtown TOD TIF District to support new or expanded transit services and improved transit connections between the Portland Transportation Center, Jetport and Downtown.

<u>3. Policy for Individual Site Specific TIF Districts Utilizing Credit Enhancement Agreements (CEAs)</u>

a) CEAs for individual site specific TIF districts will be considered for investment in infrastructure or project financing need and cannot be applied to any agreed upon public infrastructure improvements associated with a City Council approved conditional rezone agreement. Additional provisions related to CEAs include:

i) City Green Building Code

Compliance with the City's Green Building Code is required when TIF assistance is provided to individual private project CEAs.

ii) Affordable Housing

Affordable Housing TIF (AHTIF) may be designated on an area wide or site specific basis. Developments are encouraged to promote economic diversity.

The City Council Committee will complete an annual assessment of housing needs and priorities. This assessment will include a determination regarding designation of an area wide AHTIF. Site specific AHTIF requests submitted by developers will be considered on a case-by-case basis. Area wide or site specific AHTIF designations must address an identified community need.

State law requires that at least 25% of the district area must be suitable for residential use, development must be primarily residential, and at least 1/3 of the units must be for households at or below 120% of area median income which allows for individual mixed income projects or area wide AHTIF districts.

Allowable uses of AHTIF revenues are defined by State law.

(iii) State Prevailing Wage Requirement

Any firms employed in the construction phase of a TIF-assisted project must compensate all employees the current wage rates and fringe benefits as required under applicable state prevailing wage law under 26 M.R.S.A. §1306, or Portland City Ordinance Ch. 33, §33-1 to 33-12, whichever is greater.

City staff shall provide to the relevant City Council Committee an annual update on:

a) the impact of this prevailing wage requirements on CEAs;
b) feasibility of construction firms to pay prevailing wages and benefits; and
c) compliance with this section.

(iv) Equal Employment Opportunities and Nondiscrimination

The developer and its contractors employed in the construction phase of a TIF-assisted project shall adhere to a policy of non-discrimination in all employment actions, practices, policies, procedures, phases, and conditions of employment. All employment-related decisions (including but not limited to hiring, discharge, transfers, promotions, discipline, training, job opportunities, and wage and salary levels) will be made without discrimination based on an individual's race or color, religion, age, sex (including pregnancy), sexual orientation, gender identity or expression, ancestry or national origin, physical or mental disability, veteran status, genetic information, previous assertion of a claim or right under Maine's Workers' Compensation Act, previous actions taken protected under Maine's Whistleblowers' Protection Act, or any other protected group status as defined by applicable law. Provisions in applicable laws providing for bona fide occupational qualifications, business necessity, or age limitations will be adhered to by the developer and its contractors where appropriate. This policy shall not be construed to prohibit any employment action or policy which is required by federal law, rule or executive order.

b) Applicants for CEA participation must demonstrate and pay the following:

i) Financial Necessity.

The applicant must demonstrate the City's participation is financially necessary in order for the project to proceed.

ii) Financial Capacity**.**

The applicant must demonstrate financial capacity to support their project.

iii) Fees

A financial underwriting analysis will be conducted by a third party on all projects requesting CEA participation. Applicants for CEA assistance will be responsible for reimbursing the City for all project third party legal and financial underwriting costs***.***

C. Terms for CEA Projects

1) Maximum Percentages.

A maximum average percentage of 65% for the entire term associated with individual project CEA's. Notwithstanding the previous sentence, the maximum average percentage for the entire term associated with individual project CEAs for affordable housing shall be 75%. For the purposes of this policy, the term affordable housing shall be defined as in "V. Approach, Policy, and Term Requirements" Section B(2)(d) (Affordable Housing) of the Portland TIF Policy.

2) Maximum Number of Years.

Up to twenty (20) years to match individual private sector commercial financing terms; for Affordable Housing projects, up to thirty (30) years. The term of a TIF may start upon agreed trigger event, such as an increased assessed value. This would be included in a CEA on that negotiated triggering event.

3) Use of Maine Services for CEA Projects Encouraged.

VI. TIF APPLICATION AND ADMINISTRATION PROCESS

A. Application Information and Contact.

The Economic Development Department and the Housing and Community Development Division (for affordable housing projects) handle all TIF inquires and processes requests for TIF. An applicant must submit a letter to either the Economic Development Department for commercial projects or the Housing and Community Development Division for affordable housing projects outlining the proposed project, including TIF project financial information, a plan outlining both the number of permanent and construction jobs associated with the proposed project, as well as a demonstrated ability to meet the requirements under Section B(3)(a) of this policy.

B. Approval Process.

There is a two step approval process which includes obtaining a recommendation from the City Council Committee and City Council approval. Two meetings (or readings) by the City Council are needed. The City Council vote on the TIF occurs at the second meeting.

C. Post-Construction Report to City Council.

The Economic Development Department and the Housing and Community Development Division shall provide a post-construction report to the City Council Committee and City Council regarding each TIF-assisted project which shall include, but not be limited to, an analysis of the adherence to Section (V)(B)(3)(a) of this policy.

D. Annual Report to City Council.

The Economic Development Department and the Housing and Community Development Division shall provide annual reports to the City Council Committee and City Council regarding TIF district activity.

SUMMARY OF ALL APPROVED

TAX INCREMENT FINANCING (TIF) DISTRICTS

IN THE CITY OF PORTLAND A/O FYE2019 (June 30, 2019)

This provides an overview of the twenty-four Tax Increment Financing Districts (TIF's) approved by the City of Portland.
Of the 24 Districts:

- 8 have expired;
- 2 were terminated;
- 3 are area-wide TIF Districts (Bayside, including one Credit Enhancement Agreement; Waterfront, including one Credit Enhancement Agreement; and, Downtown Transit Oriented Development TIF District) used primarily by the City of Portland for public infrastructure, workforce training, staff salary and administrative expenses, and debt service;
- 7 are Affordable Housing TIF Districts;
- 3 are Commercial TIF Districts; and,
- 1 is a Transit Oriented Commercial TIF District.

Below are details of each of these TIF Districts.

1. <u>Nichols Portland</u> (Economic Development TIF) **(Expired FY14)**

Duration: 20 year term (FY95 through FY14)
Percentages: Years 1 to 5, 90% to Recipient, 10% to City General Fund; years 6 to 10, 75% to Recipient, 25% to City General Fund; years 11 to 20, 50% to Recipient, 50% to City General Fund.
Location: 2400 Congress Street

This TIF was created to support Nichols Portland expansion of its existing manufacturing facility at 2400 Congress Street and retain 450 jobs.

2. <u>Shipyard/Longfellow</u> (Economic Development TIF) **(Expired FY07)**

Duration: 12 year term (FY96 through FY07). Please note this TIF has expired and the City General Fund is receiving 100% of the real estate taxes.
Percentages: 90% to Recipient, 10% to City General Fund Years 1 through 6; 50% to Recipient; 50% to City General Fund Years 7 through 11; 1% to Recipient, 99% to City General Fund Year 12.
Location: Newbury Street

This TIF was used to transform the former Crosby-Laughlin site on Newbury Street into the Shipyard Brewing Company.

3. <u>Auto Europe</u> (Economic Development TIF) **(Expired FY11)**

Duration: 15 year term (FY97 through FY11). Please note this TIF has expired and the City General Fund is receiving 100% of the real estate taxes.
Percentages: 75% to Recipient; 25% to City General Fund
Location: Commercial Street across the street from Casco Bay Lines, former Galt Block building.

This TIF was used to renovate the former Galt Block Building into the headquarters for Auto Europe. The Galt Block Building had been vacant for over 10 years.

4. <u>Bramhall/Holt Hall</u> (Economic Development TIF) **(Expired FY19)**

Duration: 20 year term (FY00 through FY19)
Percentages: 75% to Recipient; 25% to City General Fund, plus a Payment in Lieu of Taxes (PILOT) associated with first floor space.
Location: 794 Congress Street

This TIF was used to renovate Holt Hall, built in the 1860's, and then vacant in excess of 10 years, into 36 market rate rental apartments and office space on the ground floor at a cost of almost $4 Million.

5. <u>UNUM</u> (Economic Development TIF) (**Expired FY15)**

Duration: 15 year term (FY01 through FY15)
Percentages: 100% capture of increased value with 75% going to the Recipient, and 25% going to economic development projects for the City.
Location: Outer Congress Street.

This TIF was utilized to support expansion of UNUM offices and to build a 1,200 space parking garage.

6. <u>Waterfront TIF</u> (Economic Development TIF)

Duration as originally approved March 18, 2002: 10 year term (FY03 to FY12)
Duration Extended as of June 7, 2010 for a 30-year term: FY03 to FY32
Percentage: 100% TIF capture. Annually, the City Council has adjusted this TIF capture rate to place a portion of the property tax revenue in the City General Fund.
Location: Selected waterfront properties.

This is a municipal TIF to be used for waterfront projects and workforce training for the waterfront.

6a. Waterfront Maine LP (Cumberland Cold Storage Building) on Commercial Street (Economic Development TIF)

Duration: 20-year term (FY12 through FY31)

Percentage: 63% years 1 through 5; 64% years 6 through 10; 55% years 7 through 15; 45% years 16 and 17; 40% years 18 and 19; and, 35% year 20 – with a maximum cumulative TIF payment numeric cap not to exceed $2,870,058.
Location: 252 Commercial Street on the Portland waterfront.

The City entered into the TIF in order to support the renovation of the Cumberland Cold Storage building into a Class A office building, with continued marine uses on the first floor and berthing according to zoning regulations. The reuse of this building will accommodate the relocation of Pierce Atwood, bringing its 175 employees to the Portland waterfront.

7. <u>Bayside TIF</u> (Economic Development TIF)

Duration: 30 year term (FY04 through FY33)
Percentages: 100% TIF capture. Annually, the City Council has adjusted this TIF capture rate to place property tax revenue in the City General Fund.

The geographic area of this TIF District was expanded by City Council vote on November 17, 2014, expanding it from 62 acres, to 129 acres, to align with the area of Bayside contained in the *Bayside Vision Plans I* and *II.*

This is a municipal TIF to be used for public infrastructure improvements, relocation of the one remaining scrap metal recycling facility and acquisition of the scrap metal yard site, business recruitment marketing for the Bayside area, pledging TIF revenue as a repayment source to HUD or any other agency or entity that finances Bayside investment, workforce training, and administrative and staff costs. Investments from this TIF also include two Credit Enhancement Agreements (CEA's) with the following:

7a. Capital LLC (Intermed Building) on Marginal Way (Economic Development TIF)

Duration: 15 year term (FY09 through FY23)
Percentage: 100% to return, to Developer, to an annual maximum cap of $355,000 and annual debt service threshold test.
Location: Bayside next to I-295

The City entered into the CEA in order to assist with the development of a parking structure in connection with the office building.

7b. **Southern Maine Student Housing on Marginal Way** (Economic Development TIF) **(Expired FY18)**

Duration: 11 year term (FY08 through FY18)
Percentage: 100% to return, to Developer, to a maximum annual cap of $120,000 and annual debt services threshold test.
Location: Bayside next to I-295

The City entered into the CEA in order to assist with the development of a parking structure in connection with the student housing development.

8. <u>Riverwalk/Ocean Gateway</u> (Economic Development TIF) (**Expired FY19)**

Duration: 13 year term (FY07 through FY19)
Percentages: Formula based percentages in Credit Enhancement Agreement
Location: Hancock and Fore Street area

The TIF was entered into to assist with the construction of a parking structure for the development plan for the area adjacent to Hancock Street.

9. **<u>Avesta/Pearl Place</u>** (Affordable Housing TIF)

Duration: 30 year term (FY08 through FY37)
Percentages: Various percentages captured value to return to Developer based on Maine State Housing Authority Certificate of Approval, to a maximum of $22,000 annual cap.
Location: Oxford and Pearl Streets

This TIF is an affordable housing TIF to assist in the creation of affordable housing in the City's Bayside area along Oxford and Pearl Streets.

<u>10. Creative Portland Development and Arts</u> (Economic Development TIF)

<u>NOTE:</u> ***This area wide TIF District was reduced/renamed by the City Council on February 19, 2015, reducing the geography to just the Baxter Library property (see #10a below), and renaming it the Baxter Library TIF District with the term ending FY19; this will take effect with FY16).***

Original Duration: 15-year term (FY10 through FY24); ***Term amended as noted above to end FY19.***
Original Percentages: 100% capture; annually, the City Council may adjust this TIF capture rate to place property tax revenue in the City General Fund; ***Percentage amended to reflect the 65% capture for the Baxter Library project***.
Original Location: Multiple properties included in the Downtown Area; ***Location amended as noted above to be only the Baxter Library property.***

This TIF was ***originally*** created to assist in maintaining the creative economy businesses through the creation of the Creative Portland Corporation and TIF funds to assist in funding its administrative personnel and program of activities up to a maximum of $100,000 annually. ***This element of the original TIF District is now included in the recently created Downtown Transit Oriented Development (TOD) TIF District – See Item #18 below.***

10a. Baxter Library LP at 621 Congress Street (Economic Development TIF) (**Expired FY19)**

Duration: 9-year term (FY11 through FY19)

Percentage: Lesser of annual 65% to return to Developer or amount necessary to service project debt. Adjustments to annual payment if project refinancing occurs.
Location: 621 Congress Street

The City entered into the CEA in order to assist with the reuse, redevelopment, and preservation of a hallmark downtown building built in 1888, where adaptive reuse of this former library is challenging and expensive. This Project added $2.5 Million in new municipal assessed commercial valuation. The reuse of this building accommodated the relocation of the VIA Group, bringing its then 64 employees to this upper area of downtown Portland.

11. McAuley Place (Economic Development TIF)

Duration: 30 year term (FY10 through FY39)
Percentages: 60% to Recipient; 40% to City General Fund.
Location: 605 Stevens Avenue

This TIF was created to assist in the renovation of the former Mother House/Convent (built over 100 years ago) on Stevens Avenue into a market rate independent senior living community, including 45 to 50 apartments in the renovated Convent; 25 to 30 apartments (new construction) in an addition to the Convent; and, 36 units (new construction) located in three townhouse/cottages adjacent to the Convent.

12. PowerPay/Portland Public Market (Economic Development TIF)

Duration: 30 year term (FY11 through FY40)
Percentages: Years 1 through 8 – 75% to Developer, 25% to City General Fund; Years 9 through 30 – 50% to Developer, 50% to City General Fund.
Location: 25 Preble Street

This TIF district was created to support the retention and expansion of PowerPay, along with redeveloping an important asset in Portland's Downtown that was formerly known as the Portland Public Market. Because of the complex renovation issues and the high cost associated with redeveloping the Portland Public Market property, PowerPay requested TIF assistance to cover the Project financing gap. PowerPay renovated and moved its headquarters to this location with well over 150 employees.

13. Thompson's Point Development Company, Inc. (Transit-Oriented TIF)

Duration: 30 year term (FY15 through FY44).

Percentages:
Phase One of Project*:* Years 1 through 10 – 75% to Developer and 25% to City transit-oriented projects; years 11 through 15 – 60% to Developer, 25% to City transit-oriented projects, and 15% to City's General Fund; years 16 through 20 – 50% to Developer, 25% to City transit-oriented projects, and 25% to City's General Fund; years 21 through 30 – 40% to Developer, 25% to City transit-oriented projects, and 35% to City's General Fund.

Phases Two and Three of Project: Years 1 through 30 – 0% to Developer; 25% to City transit-oriented projects; 75% to City's General Fund.

Location: Thompson's Point

This Transit-Orient Development (TOD) Tax Increment Financing (TIF) District was created to support Thompson's Point Development Company Inc.'s redevelopment of Thompson's Point into the **Forefront at Thompson's Point.** Additionally, the TOD will assist to expand and improve transit connections between Thompson's Point and key commercial locations within Portland (i.e. Jetport, Portland Transportation Center and Portland's Downtown) and around the region.

Thompson's Point consists of approximately 30 acres of real estate adjacent to the Portland Transportation Center that is home to the Northern New England Passenger Rail Authority, which runs the Amtrak Downeaster and Concord Trailways bus company.

The Forefront at Thompson's Point is a mixed-use development that is transforming a blighted and grossly underutilized 30-acre parcel located along Interstate 295 into a highly visible gateway destination event center generating significant economic activity within the District and throughout Portland. The Company is redeveloping Thompson's Point in a manner that includes a substantial investment in public infrastructure, including construction of an above-ground parking garage with approximately 700 spaces, road extensions and widenings, rail crossings upgrade, utility investments, and expanded walking and biking trails.

14. The Village at Oceangate, LLC (Bay House) (Economic Development TIF)

This TIF was terminated by the City Council on November 3, 2014 due to the conversion of market rate apartments into condominiums which is not allowable use of TIF funds.

Duration: 11 year term (FY14 through FY25)
Percentages: Years 1 through 5 – 75% to Developer, 25% to City General Fund; Years 6 through 10 - 65% to Developer, 35% to City General Fund. Total revenue to developer is capped at $647,971 over the term of the District.
Location: Hancock Street, between Newbury and Middle Streets.

This TIF district was created to support the development of The Bay House Project. The Project includes the construction of two new buildings that will contain ninety-four (94) market rate apartments, a parking garage, and approximately 5,700 square feet of commercial retail space. Use of TIF proceeds is directed to support public infrastructure investments.

15. Fore India Middle, LLC (former Jordan's Meat Site) (Economic Development TIF)

This TIF was terminated by the City Council on November 3, 2014 due to the project not coming to fruition.

Duration: 4 year term (FY14 through FY17)

Percentages: Years 1 and 2 – 50% to Developer, 10% to City TIF Project; 40% to City General Fund; Year 3 - 40% to Developer, 10% to City TIF Project; 50% to City General Fund; Year 4 – 40% to Developer, 60% to City General Fund. Total revenue to developer is capped at $650,000 over the term of the District.
Location: Portion of block surrounded by Fore, India, and Middle Streets.

This TIF district was created to support the development of a portion of the former Jordan's Meats site. This development project includes a five-story, approximately 180,000 sf. of mixed-use consisting of 12,300 sf. of retail space on Middle Street, 9,800 sf. of retail space on Fore Street, three levels of office space comprising 63,900 sf. on Middle Street, and 18 residential condominium units along Fore Street and India Street. In addition, there will be two "internal" parking garages behind the retail spaces (not visible from the street), one 110-space garage at the Fore Street level, and another 63-space garage one story above at the Middle Street Level. The Developer expects to have an urban grocery on Middle Street with a variety of produce, meats, food, and household items, with an emphasis on natural, organic and healthy items. The other retail users and the office users have not been identified yet. Use of TIF proceeds is directed to support public infrastructure investments.

16. 409 Cumberland Avenue (Affordable Housing TIF)

Duration: 22 year term (FY14 through FY35)
Percentage: 50% to Developer; 50% to City Housing Affordable Housing Revolving Loan Fund

Location: 409 Cumberland Avenue

This Affordable Housing TIF District supports the development of 46 affordable units and 11 market rate units of rental housing. TIF revenues will be used by Developer to pay operating costs for the project; City TIF revenues will be used for the establishment of an affordable housing revolving loan fund.

17. 134 Washington Avenue (Affordable Housing TIF)

Duration: 20 year term (FY15 through FY34)
Percentages: 50% to Developer; 50% to City General Fund.

This Affordable Housing TIF District supports the development of an 18-unit residential rental project. TIF revenues will be used by Developer to pay for operating costs for the project.

18. Downtown Transit Oriented Development (TOD) TIF (Economic Development TIF District)

Duration: 30 year term (FY16 through FY45)
Percentages: 12% Year One; 22% years 2 through 4; and up to 100% years 5 through 30.

This Downtown TOD TIF will support various municipal and other development projects, including sidewalk and pedestrian enhancements, streetscape, lighting, yearly funding of up to $100,000 for Creative Portland to assist in funding its administrative personnel and program of activities (see Item #10 above), street alignment, utilities, bicycle improvements, public transit, wayfinding, workforce training, administrative and staff costs.

19. 17 Carleton Street (Affordable Housing TIF)

Duration: 22 year term (FY16 through FY37)
Percentages: Years 1 and 2: 0% to Developer; 100% to City. Years 3 through 22: 65% to Developer; 35% to City General Fund.

This Affordable Housing TIF District supports the development of a 37-unit residential rental project. TIF revenues will be used by Developer to pay for operating costs for the project.

20. ImmuCell (Economic Development TIF)

Duration: 12 year term (FY18 through FY29)
Percentages: Years 1 through 11: 65% to Developer, 35% to City General Fund; Year 12: 30% to Developer, 70% to General Fund.

This Economic Development TIF supports ImmuCell Corporation's expansion from its existing facility at 56 Evergreen Drive to a new two-story, 12,625 sq. ft. (est.) production facility on Caddie Lane off of Riverside Street. ImmuCell Corporation is a growing animal health company that develops, manufactures, and sells products that improve animal health and productivity in the dairy and beef industry. Over the last nearly 16 years, the Company has invested in excess of $11 Million in the R&D of a product that addresses mastitis, the most significant cause of economic loss to the dairy industry. This lead product in development is **Mast Out**, a novel, ground-breaking treatment for mastitis in lactating dairy cows. Completion of construction of this new facility was done 2017.

21. Deering Place (Affordable Housing TIF)

Duration: 30 year term (FY19 through FY48)
Percentages: 75% to Developer, 25% to City General Fund for 30 year term.

This Affordable Housing TIF District supports the development of 75 units of residential rental housing. TIF revenues will be used by Developer to pay for operating costs for the project.

22. 58 Boyd Street (Affordable Housing TIF)

Duration: 30 year term (FY19 through FY48)
Percentages: 50% to Developer, 50% to City General Fund for 30 year term.

This Affordable Housing TIF District supports the development of a 55 unit, mixed income, multi-family rental apartment building. TIF revenues will be used by Developer to pay for operating costs for the project.

23. 977 Brighton Avenue (Affordable Housing TIF)

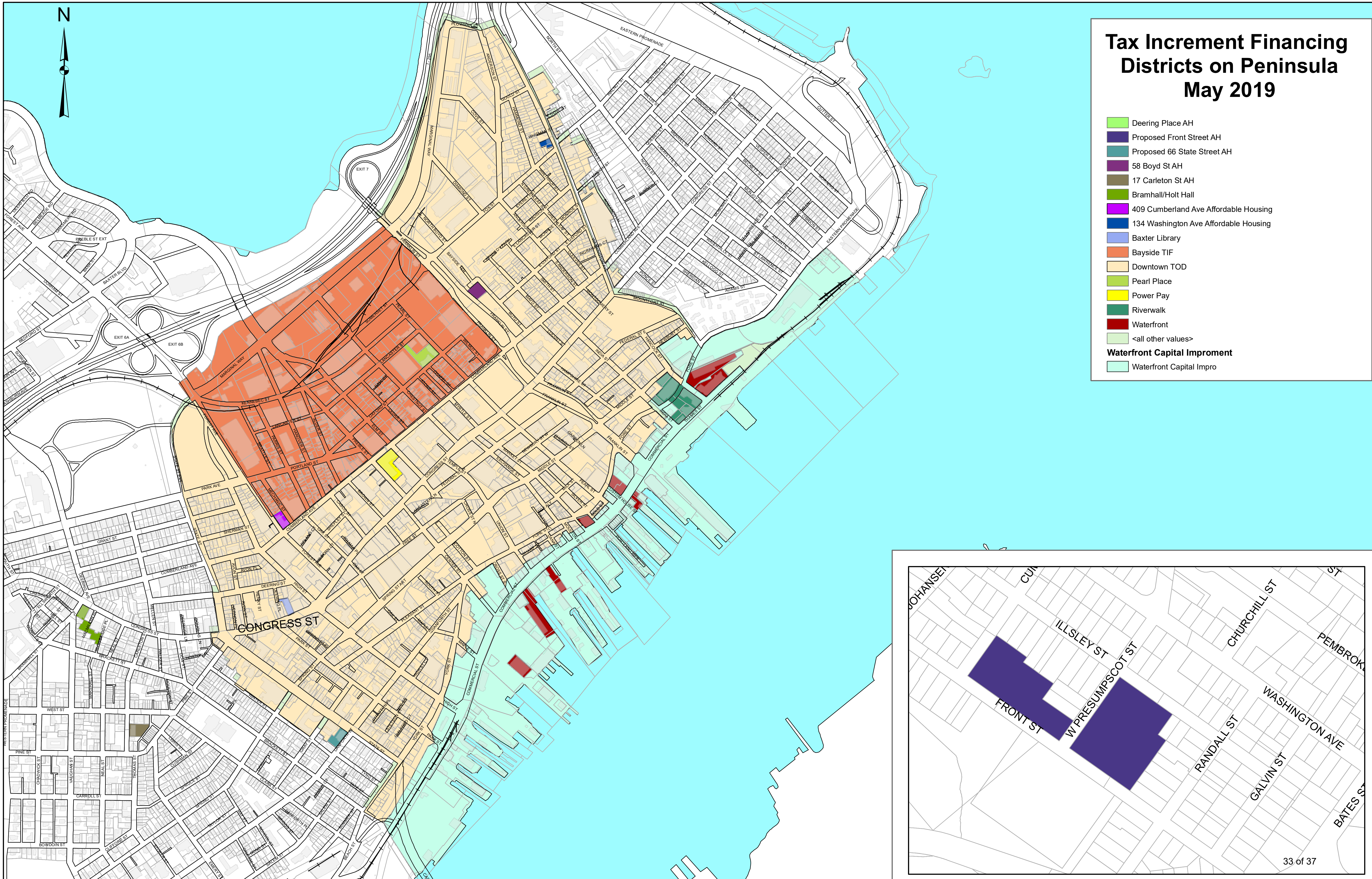
Duration: 30 year term (FY20 through FY49)
Percentages: 75% for 30 years to Developer; 25% to City General Fund.

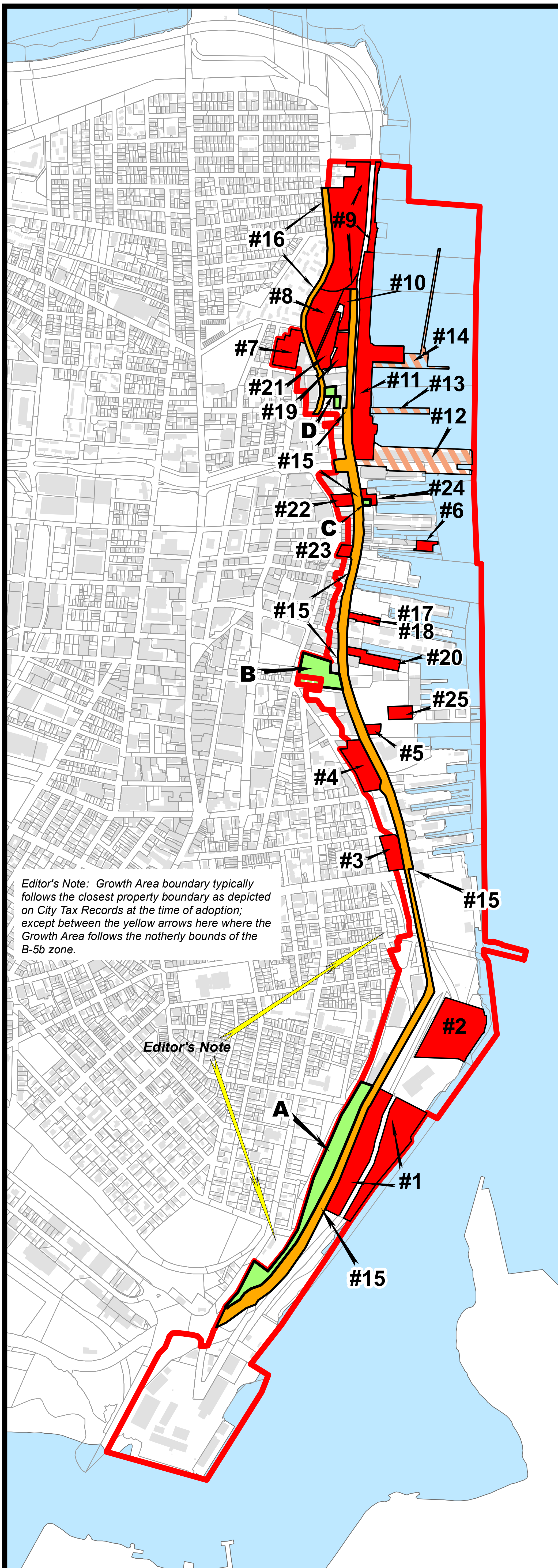
This Affordable Housing TIF District supports the development of 40 units of senior rental housing. TIF revenues will be used by Developer to pay for operating costs for the project.

24. 178 Kennebec Street (Affordable Housing TIF)

Duration: 30 year term (FY20 through FY49)
Percentages: 75% for 30 years to Developer; 25% to City General Fund.

This Affordable Housing TIF District supports the development of 51 units of senior rental housing. TIF revenues will be used by Developer to pay for operating costs for the project.


Tax Increment Financing Districts on Peninsula May 2019
Deering Place AH
Proposed Front Street AH
Proposed 66 State Street AH
58 Boyd St AH
17 Carleton St AH
Bramhall/Holt Hall
409 Cumberland Ave Affordable Housing
134 Washington Ave Affordable Housing
Baxter Library
Bayside TIF
Downtown TOD
Pearl Place
Power Pay
Riverwalk
Waterfront
<all other values>
Waterfront Capital Improment
Waterfront Capital Impro
N
CONGRESS ST
EXIT 7
EXIT 6A
EXIT 6B
ILLSLEY ST
W PRESUMPSCOT ST
FRONT ST
CHURCHILL ST
WASHINGTON AVE
RANDALL ST
GALVIN ST



WATERFRONT TIF DISTRICT

Map ID	Parcel Address - Common Name	CBL
Proposed AMD4-WTIF Parcels to be added (5/2019).		
A	JB Brown Site, West Commercial St	Add 060 A001
B	Portland Square Master Plan, Lower Lot and Center St Hotel	Add 038 G001, includes addition to Growth Area
C	Dry Dock Building at 84 Commercial St	Add 030 D005
D	Fore Street office block and India Street residential block	Add 019 B004 and 019 B022
AMD3-WTIF Parcels Added. Council Approved 10/15/2018. MDECD Approved 4/5/2019.		
1	400 West Commercial, PYS	060 F001
"	"	060 F003
2	IMT Cold Storage Site	Multiple, inlcuding: 059 A002 and 059 A005, and portions of 059 A007, 059 A008, 059 A009
3	431 Commercial St., "Angelo's Acre"	043 C009
4	383 Commercial St., Dasco Development, Rufus Deering Site	042 A001
5	Portland Fish Pier Lot #1	041 A013
6	60 Portland Pier	030 B004
7	127 Fore St., Shipyard Brewery	020 C009
8	100 Fore St.,Hamilton Marine Site	019 A010
9	58 Fore St, Portland Foreside	018 A001, 018 A002, 019 A003
10	Thames St Lot, Phase II	019 A002
11	Ocean Gateway Land, Parking and Queuing	444 A003 and A004; 445 A001 and A002; 446 A001 and A002
12	Portland Ocean Terminal and the Maine State Pier	444 A001 and A002
13	New Pier	444 A004
14	Ocean Gateway Pier	445 A002
15	West Commercial St., Commercial St., Thames St Corridor	NA
16	Fore Street Corridor, India Street to Atlantic Street	NA
AMD 2: WTIF Parcels Added. Council Approved 3/16/2018. MDECD Approved 5/29/2018.		
17	5 Widgery Wharf, Union Wharf	031 K003
18	218 Commercial St., Union Wharf	031 K103
19	Hancock St., WEX Headquarters	019 A014
AMD 1: WTIF Sub-District Created. Council Approved 6/7/2010. MDECD Approved 6/28/2010.		
20	252 Commercial St., Pierce Atwood	041 A016
WTIF District Creation. Council Approved 6/7/2010. MDECD Approved 6/28/2010.		
21	144 Fore St./Warehouse & Storage	019 A008
22	7 Custom House St/Office & Business	029 K001
23	145 Commercial St/Office & Business	029 S001
24	68 Commercial St./Maine Wharf	030 D001
25	5 Portland Fish Pier/Bristol Seafood	041 A005

Map produced by the City of Portland Economic Development Department. Intended to document Growth Area and Waterfront TIF District boundaries as of October 15, 2018 as well as proposed expansions. TIF district boundaries are based on the underlying tax parcels where available. Actual parcel boundaries may change by sale or lease and TIF District boundaries may be amended from time to time. May 2019

Legend

Growth Area Boundary as Recently Expanded

TIF District Parcels

Existing TIF parcel, as of April 2019

Property for TIF District Inclusion

Pier Infrastructure for In-district Capture and Use of TIF Funds

Public Roadway for Use of TIF Funds

Addition to Growth Area Boundaring and TIF District

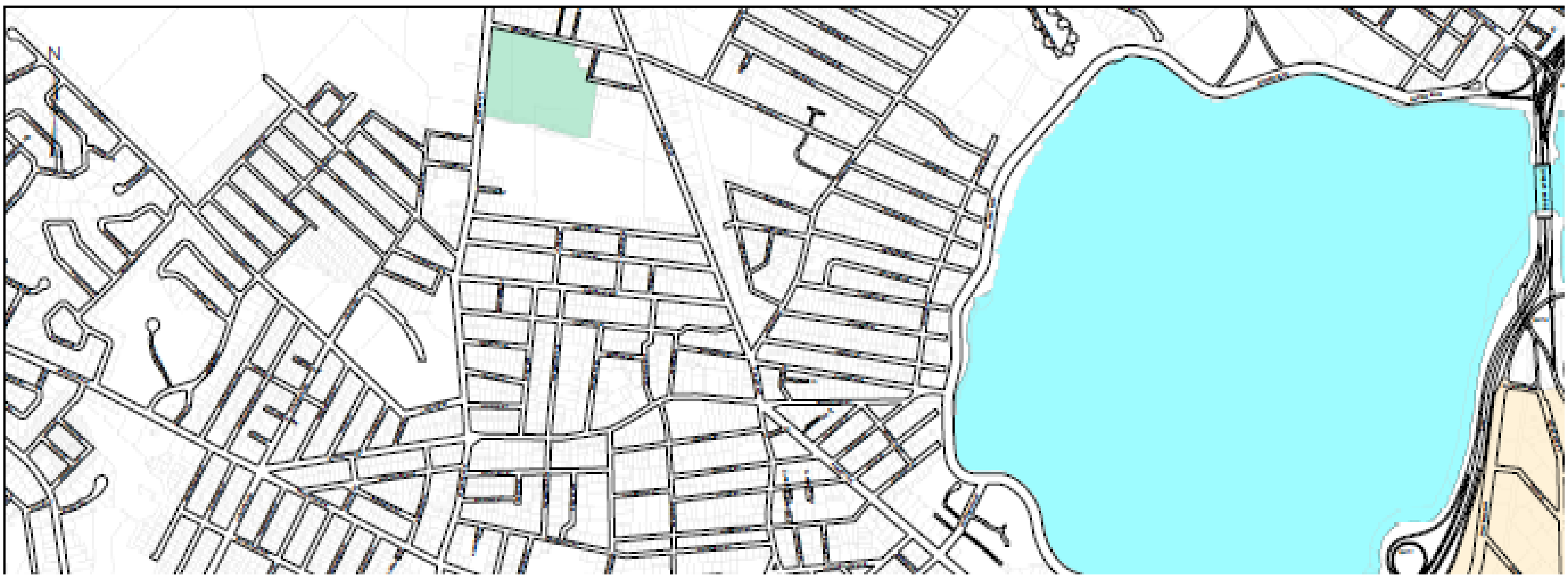
Portland Waterfront Development Growth Area
Waterfront TIF District Expansion *May 2019*

Draft for Review by City of Portland Economic Development Committee

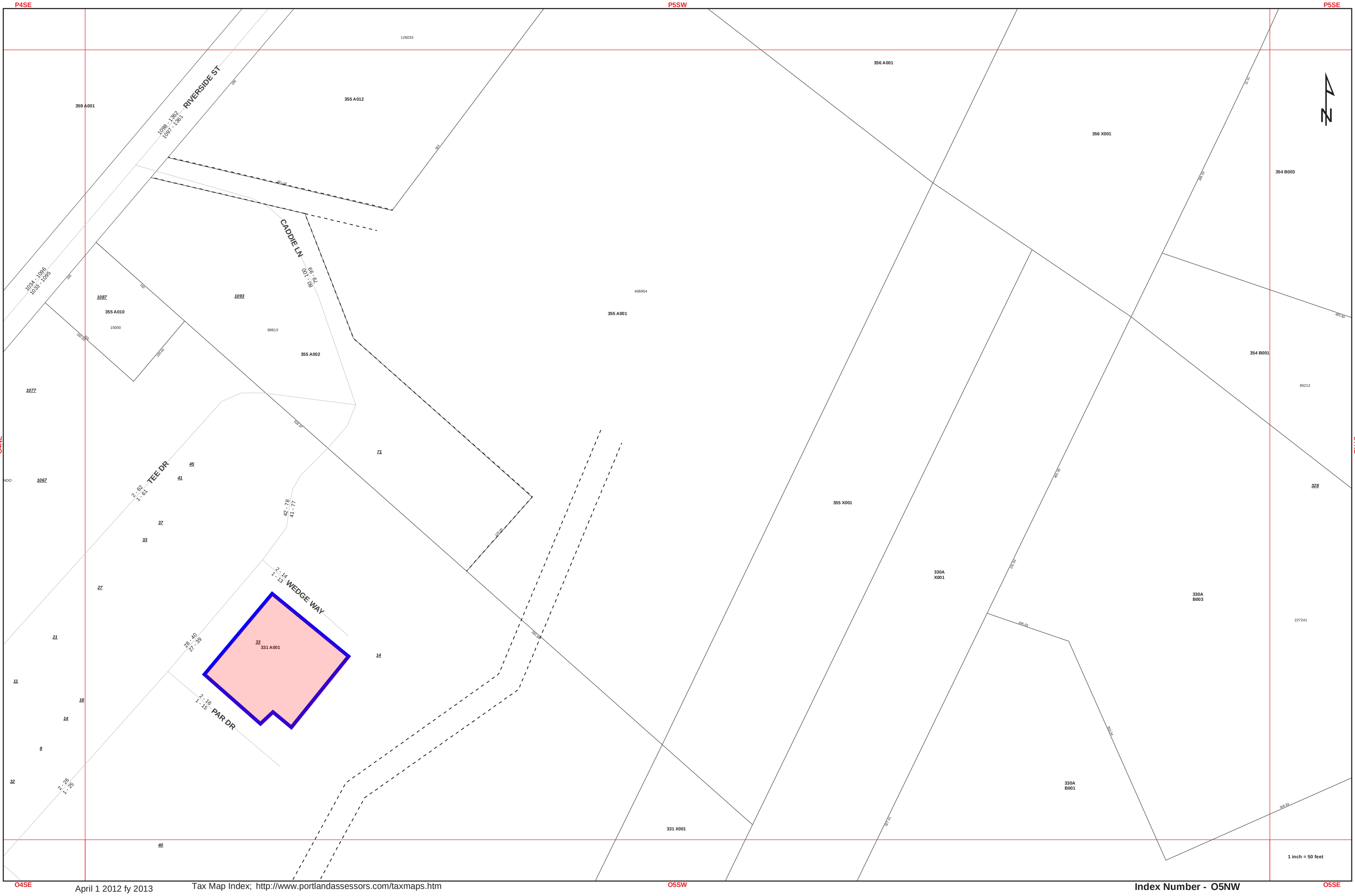
2,000 1,000 0 2,000 Feet

N

McAuley TIF District at corner of Walton Street and Stevens Ave.



ImmuCell TIF District off of Riverside Street.



FYE2019 Report

FY 19 Tax Rate: 0.02248

TIF Name	Starts/		TIF PLAN	TOTAL	ORIGINAL	Increased	PERCENT	Total Cpt.	PROCEEDS	City TIF	City General Fund
SITE Specific with CEA:	**Ends-FY**	**TERM**	**YEAR**	**ASSESSED VALUE**	**ASSESSED VALUE**	**Assessed value**	**APPLIED**	**Value**	**TO OWNER**	**Funds**	**(OAV and Non-Captured Taxes from IAV)**
HOLT HALL	00/19	20 YEARS	**20**	**4,956,760**	349,110	4,607,650	67%	3,070,538	69,026	0	42,402
- FY19 Taxes				111,428	7,848	103,580		69,026			
Baxter Library (f/k/a Arts)	11/19	9 YEARS	**9**	**2,502,600**	0	2,502,600	65%	1,626,690	36,568	0	19,690
- FY19 Taxes				56,258	0	56,258		36,568			
AVESTA/Pearl Place	08/37	30 YEARS	**12**	**3,575,480**	646,050	2,929,430	34%	996,006	22,000	0	58,377
- FY19 Taxes				80,377	14,523	65,854		22,000			
OCEAN GATEWAY/Riverwalk	07/19	13 YEARS	**13**	**37,459,500**	1,085,550	36,373,950	16%	5,827,107	130,993	0	711,096
- FY19 Taxes				842,090	24,403	817,686		130,993			
PowerPay/Ptld Pub Mkt	11/40	30 YEARS	**9**	**6,259,500**	1,862,600	4,396,900	50%	2,198,450	49,421	0	91,292
- FY19 Taxes				140,714	41,871	98,842		49,421			
McAuley	10/39	30 YEARS	**10**	**1,345,700**	0	1,345,700	60%	807,420	18,151	0	12,101
- FY19 Taxes				30,251		30,251		18,151			
Thompson's Point TOD	15/44	30 YEARS	**5**	**9,043,800**	3,844,900	5,198,900	100%	5,198,900	87,653	29,218	86,433
- FY19 Taxes				203,305	86,433	116,871		116,871			
409 Cumberland Ave. AH	14/35	22 YEARS	**6**	**3,715,400**	470,200	3,245,200	100%	3,245,200	36,476	36,476	10,570
- FY19 Taxes				83,522	10,570	72,952		72,952			
134 Washington Ave. AH	15/34	20 YEARS	**5**	**1,079,400**	155,600	923,800	50%	461,900	10,384	0	13,881
- FY19 Taxes				24,265	3,498	20,767		10,384			
17 Carleton St. AH	16/37	22 YEARS	**4**	**2,383,300**	261,600	2,121,700	65%	1,379,105	31,002	0	22,574
- FY19 Taxes				53,577	5,881	47,696		31,002			
ImmuCell	18/29	12 YEARS	**2**	**4,021,300**	52,600	3,968,700	65%	2,579,655	57,991	0	32,408
- FY19 Taxes				90,399	1,182	89,216		57,991			
58 Boyd Street AH	19/48	30 YEARS	**1**	**0**	0	0	50%	0	0	0	0
Deering Place AH	19/48	30 YEARS	**1**	**0**	0	0	75%	0	0	0	0
Area-Wide TIFs, with CEA											
BAYSIDE	04/33	30 YEARS	16	**202,619,800**	122,318,180	80,301,620	63%	50,806,835		787,138	3,412,755
FY19 Taxes				4,554,893	2,749,713			1,142,138			
- CEA/Atlantic Bayside Trust	09/23	15 YEARS	11	31,005,420	0	31,005,420	Formula		355,000		
WATERFRONT	**03/32**	**30 YEARS**	**17**	**47,459,980**	8,283,770	39,176,210	71%	28,003,155		424,689	437,389
FY19 Taxes				1,066,900	186,219			629,511			
- CEA/Waterfront Maine	12/31	20 YEARS	8	**15,187,300**	950,900	14,236,400	64%	9,111,296	204,822		
DOWNTOWN TOD TIF	16/45	30 YEARS	**4**	1,137,997,460	968,136,850	169,860,610	22%	37,369,334		840,063	24,742,120
FY19 Taxes				25,582,183	21,763,716	3,818,467		840,063			
Total Value:				**1,464,419,980**	**1,107,467,010**	**356,952,970**		**143,570,295**			
Total Taxes:				**32,920,161**	**24,895,858**	**8,024,303**		**3,227,460**	**1,109,487**	**2,117,583**	**29,693,091**