



ECONOMIC DEVELOPMENT COMMITTEE

DATE: Tuesday, February 18, 2020

TIME: 5:30 PM

LOCATION: Room 209

1. Review and vote on January 21, 2020 draft meeting Minutes.

- a. See attached draft meeting Minutes.

2. Portland Harbor Dredge Project/BUILD Grant Update and Funding Allocation Update for Committee Discussion.

- a. See attached Memorandum from Greg Mitchell.

3. Presentation on Portland Foreside Project Tax Increment Financing (TIF) Credit Enhancement Agreement (CEA) Request, along with establishment of a new Business Improvement District for Committee Discussion.

- a. City staff have received a request for a TIF CEA, to be paired with the creation of a BID. Staff will present a factual overview of the proposal but has no recommendation on the request at this time.
- b. See attached materials.
- c. **Executive Session:** Pursuant to 1 M.R.S.A. 406(6)(C), the Committee may go into executive session to provide staff direction for negotiations of a possible CEA.

4. Executive Session: Pursuant to 1 M.R.S.A. 405(6)(C), the Committee will go into executive session to discuss real estate negotiations and provide guidance to staff for the following:

- a. Possible TIF CEA public-private partnership to stimulate parking structure investment for public use; and,
- b. Possible Land Exchange Agreement to secure privately-owned property for municipal use.

Next Meeting Dates:

- February 25, 2020, joint EDC and Health and Human Services Committee meeting regarding proposed marijuana regulations.
- March 4, 2020, joint EDC and Housing Committee meeting.

Minutes
Economic Development Committee
January 21, 2020

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, January 21, 2020, 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 Tae Chong, Nicholas Mavodones, and Spencer Thibodeau. Present from the City staff were Economic Development Director Greg Mitchell and Senior Executive Assistant Lori Paulette.

Chair Costa welcomed Councilor Chong to the Committee.

The Chair also noted no action items on this one item Agenda to discuss the 2020 Work Plan and Goals, with Committee members to add additional items of interest they would like to see on the Work Plan.

Item #1: Review and accept Minutes of previous meeting held on November 19, 2019.

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

Item #2: Review, discuss, and provide direction to City staff on the Committee's 2020 Work Plan and Goals.

Mr. Mitchell said that the packet includes accomplishments during calendar year 2019 for the EDC, as well as the proposed meeting schedule, meeting the first Tuesday of every month

beginning in March. February will have two joint meetings with the Health and Human Services Committee on February 4th and 25th to discuss City proposed marijuana regulations. February 4th would be a Committee discussion to provide direction to staff, with the 25th targeted for a public hearing and possible vote the City Council. February 18 would be a regular EDC meeting to discuss the IDEALs project, proposed redevelopment plans from the Maine State Pier to Ocean Gateway, and the Portland Harbor Dredge Project/BUILD Grant Application update, including funding scenarios.

Councilor Mavodones said that he will not be able to participate in the February 18th meeting, although he would like to, but the Committee and staff can update him. Mr. Mitchell noted that those items will be introductory, and staff will be bringing them to the Committee as they mature for further discussion/recommendations from the Committee.

Chair Costa noted that it would be difficult to reschedule IDEALs at this point, but also agreed that these items are introductory. It would also be a goal to have a recommendation on marijuana regulations sent to the City Council at the joint EDC and HHS February 25th meeting.

Regarding the March 3rd regularly scheduled EDC meeting, Chair Costa noted that this may need to be rescheduled due to the Presidential primaries that date, and the fact that the City Clerk's office may need as many rooms as possible in City Hall for that primary.

Councilor Mavodones suggested that the third Tuesday of the month be placed on the Committee's calendars and Room 209 for reservation. Committee consensus agreed, noting that those meetings can be canceled if no business is ready.

In lieu of the March 3rd EDC meeting, Mr. Mitchell noted that the Housing Committee has its regular meeting on March 4th, where it is being discussed to have a joint meeting with the EDC to review, in executive session, three properties for possible disposition, i.e., 22 Randall Street, 165 Lambert Street, and the former West School property on Douglass Street. Regarding public

notice to property owners within 500 feet of these properties, this would be done when the Committee discuss City property disposition matters in open session.

Councilor Mavodones noted that it would be beneficial for the Committee to have an update, if available, on environmental issues at the former West School site.

Mr. Mitchell said that the Phase I ESA has been done for the West School, and the Phase II ESA is underway and should be completed shortly. Mr. Mitchell then noted a few more items to be included in upcoming meetings, including Portland Adult Ed updating the Committee on their workforce training efforts from the City TIF investment; one possible commercial credit enhancement agreement request; Annual TIF District Activity Report; and, Portland's Downtown annual documents. Regarding the latter, Mr. Mitchell noted business improvement districts no longer have a 30-year termination; the Legislature amended it so that the municipality can continue these at their discretion.

Mr. Mitchell then noted other items his Department is working on but not yet scheduled for the EDC including public-private partnerships to support investment in remote public parking in support of increased transit service to the Portland peninsula; possible land exchange to support realignment of Kennebec Street from Brattle Street to Forest Avenue; and, Homeless Service Center RFP oversight and developer selection.

Councilor Mavodones questioned the last item, noting that the City Council is still working on a final Resolution for its goals for such a Center.

Mr. Mitchell noted that, when ready, the Committee would review an RFP for sale or lease of the property to a developer who would construct and manage the facility, with the City entering into a long-term lease agreement for the space as a Homeless Service Center.

Regarding future TIF investment recommendations, Chair Costa noted that with the revaluation currently underway and anticipated to be completed for FY2021, this Committee will

look at the area-wide TIF Districts to discuss and recommend investment options.

Councilor Thiobodeau suggested a few items he would like to discuss at future meetings, including the Portland Landing \$750,000 Federal Grant, City-owned Angelo's Acre and whether to move forward on a sale or not, and neighborhood planning – marketing/branding/highlighting various neighborhoods.

Councilor Mavodones said that he is good with the Work Plan as drafted, which includes the Council goals.

Councilor Chong said that he would like to discuss Portland being open for business in all places, suggesting investing in these areas with appropriate signage and public art, for example. If the City invests in these areas, other private investment would follow. He then highlighted a few of those areas, including Pine Tree shopping center area – that area to the Westbrook line, Stroudwater, St. John Valley, to name a few, that need to be more inviting and walkable. There have been buildings empty for years in these locations. Housing affordability is also needed, and suggested TIF investment to target higher wage jobs, as well as manufacturing jobs.

Chair Costa also noted that there have been some CDBG changes where some of these areas may be eligible for investment from that funding source. Mr. Mitchell said that this can be further researched and will get back to the Committee.

Chair Costa said that he would like to see information sharing from the business community/trade groups/industry sectors as to what works/does not work for them to get their perspective, including investment opportunities and access to investment opportunities.

Councilor Chong questioned TIFs and possible investment in the “blue economy” for sustainable use of ocean resources for economic growth, suggesting an information sharing could be done with the Gulf of Maine Research Institute.

Chair Costa thanked the Committee for their feedback, and also noted that information sharing may good during the Summer months.

On motion then made by Councilor Mavodones, seconded by Councilor Chong, the Committee voted unanimously to adjourn the meeting at 6:30 p.m.

Respectfully, Lori Paulette



CITY OF PORTLAND
Economic Development
Gregory A. Mitchell, Director

Memorandum

To: Chair Costa and members of the Economic Development Committee

From: Greg Mitchell, Economic Development Director

Date: February 13, 2020

RE: Update on Portland Harbor Dredge and Confined Aquatic Disposal (CAD) Cell – Funding, process, and next steps

CC: Jon P. Jennings, City Manager
Bill Needelman, Waterfront Coordinator

Introduction

The City of Portland, with funding from the Maine Department of Transportation and partnership with the Portland Harbor Commission and the City of South Portland, has made significant progress toward dredging the piers, wharfs, and berthing resources of Portland Harbor. The February 18, 2020 Economic Development Committee meeting provides a timely opportunity to update Councilors on recent progress, funding developments, process and next steps. The EDC previously received an update on the Portland Harbor Dredge Project by the Waterfront Coordinator on June 18, 2019.

As further described below, the critical path timeline for this longstanding process has accelerated and keeping policy makers and stakeholders informed and engaged will be increasingly important moving forward.

Background

Most observers of Portland's waterfront are aware of the ongoing efforts by the Cities and Harbor Commission to dredge berthing and vessel support infrastructure along both shores of the Fore River.

In short, over 244,000 cubic yards of material needs to be removed from Portland Harbor to restore lost or degraded berthing areas. Given the environmental state of these sediments, disposal at sea is not an option and the project has identified a feasible site for a CAD cell to responsibly contain and sequester contaminated materials.

In aggregate, +/-108,000 cubic yards of material are estimated for dredging from the Portland side of the Fore river and +/-136 000 cubic yards of material anticipated from the South Portland waterfront. City owned public facilities in Portland alone (East End boat ramps, Ocean Gateway and the Amethyst lot, Maine State Pier, and the Portland Fish Pier) will contribute nearly 52,000 cubic yards of material. The South Portland “Portland Street Pier” is a minor contributor, estimated at +/-2300 cubic yards. The balance of sediment will come from private piers, boat yards, and marinas throughout the harbor.

The project will benefit 30 private commercial properties, supporting dozens of businesses, hundreds of jobs, thousands of vessels, and millions of dollars in annual economic activity. A comprehensive economic assessment of the direct and indirect value of the project and of the impacted properties is about to be undertaken to further refine the benefits of the project and the costs of inaction. This assessment will serve additionally as the basis for satisfying recent amendments to Chapter 8 of the City Code requiring ongoing periodic economic evaluations of the Portland Waterfront.

Additional information and background on the project is found at:

<http://www.portlandharbordredge.info/>

Current Status:

Following the June 2019 EDC meeting, the project team (through the consulting team at Stantec) has filed applications with the State of Maine DEP for review under the Natural Resources Protection Act and US Army Corps of Engineers for review under the Clean Water Act and impacts to the federal channel (Section 408.) The application has been determined to be complete with additional material under development for the Army Corps 408 review. Initial feedback from the agencies is encouraging.

The project team continues to engage with stakeholders and is working with the review agencies on specific issues, such as eelgrass impacts. Filing and acceptance of environmental permits is a major milestone for the process and positions the project to be viewed as ready for funding.

Funding Strategy and Timeline:

Funding to Date:

As noted previously, dredging is expensive. To date, a mix of state, federal, and municipal funding has taken the process from concept to the permit application stage. US EPA Brownfields funds awarded to the Portland Harbor Commission (with smaller amounts to the City of Portland) have totaled over \$400,000 targeted toward assessment and permitting of dredging the berthing resources themselves. The Portland Harbor Dredge project is the first Brownfields program project in the nation to fund a submerged lands assessment. MDOT has contributed \$325,000 toward the CAD cell portion of the project. The City of Portland has allocated \$100,000 of current year Waterfront TIF funding to complete the process of permitting and permit review support. Additional funds from Portland, South Portland, and MDOT will continue to fund soft costs associated with funding applications as further explained below.

Future Project Costs

The above soft costs, while significant, represent only a fraction of the anticipated construction costs moving forward.

The project estimates assume 370,000 cubic yards of material to build the CAD cell (which must be over dredged to accommodate the contributing sediments) at an estimated \$30/cubic yard. The 244,000 cubic yards of material from the piers and wharfs is estimated to cost +/- \$40/cubic yard.

Including future soft costs for final engineering and design, bidding document prep, mobilization, and mitigation fees, the Portland Harbor dredge project is estimated at +/- \$30,000,000.

The project team is continuing to fine tune these numbers and the above estimates are intended to be conservative.

Funding Moving Forward:

Given the magnitude of the costs, the project team has always assumed a mix of funding sources needed to achieve the project outcomes. While public monies have carried the project to date, private pier and marina owners will be anticipated to contribute address the issues. Federal funds will be essential.

The general breakdown of funding will rely heavily on a federal grant from the USDOT “BUILD” program. BUILD grants, the successor to TIGER, require a significant match of non-federal monies. The State of Maine, through MDOT, has committed to support an application for the Portland Harbor Dredge project subject to an equivalent commitment from municipal and private funds. The project team has identified “tipping fees” as the equitable mechanism to distribute local share costs. In order to participate in the program, a contributing pier owner will need to pay per cubic yard of material to go into the CAD cell. Given that many pier and marina owners have thousands (or tens of thousands) of cubic yards of material, tipping fees will be significant for larger facilities.

The fee amount and distribution is still under discussion, but as much as \$20.40/cubic yard may be needed. At such a rate, the City of Portland may be subject to over \$1,000,000 in local tipping fees alone.

It should be noted that much, but not all, of the subtidal areas planned to receive dredging are owned by the State of Maine through the submerged lands program.

Assumed Funding Structure:

Federal BUILD program (formerly TIGER)	\$20,000,000 +/-
State of Maine Transportation Funds	\$5,000,000
Local Funds “Tipping fees”	\$5,000,000 Based on contributing sediment volume
	\$30,000,000 +/- Total

Funding Application Process:

Funding deadlines for the BUILD application are fast approaching. MDOT staff members have informed the City that a notice of funding opportunity for BUILD will be released any day with a 90 day window for application. In order to meet this timeline, a number of steps must be taken.

- **Convene a funding team** including the local project team members (Portland, South Portland, Harbor Commission, Stantec Consultants,) MDOT staff, MDOT grant writer. *Status: Complete*
- **Fund the grant writer** with a combination of local and state dollars. *Status: Complete*
- **Reach out to stake holders** – specifically to inform private pier and marina owners of the need to plan for tipping fee expenses. *Status: Underway (recent meetings by the Waterfront Working Group, Waterfront Alliance, and future City Council meetings are part of this effort)*
- **Conduct an economic assessment** – The BUILD application will require an estimate of direct and indirect project benefits and costs. The City of South Portland has approved an interlocal agreement to participate and fund half of this study and the Portland City Council approved the proposal on Monday, February 3. An RFP for selecting an economic consultant is complete and consultant contracting with AECOM is pending final documents review. *Status: Underway*
- **Secure commitments for local funding and tipping fees** – The project team is exploring the grant requirement for documenting and securing local dollars in advance of the application. *Status: under discussion*
- **BUILD grant application** – **Anticipated for early May.** Waterfront property owners, vessel owners, environmental organizations, and other stakeholders will be asked to support this project with letters of support and data needed for the economic assessment. *Status: Pending contracting with the grant writer.*

Next Steps

The BUILD grant application will require an all hands on deck effort from all Portland Harbor Dredge project team members. Given the necessity of private property participation, solid communication between the project team and all stakeholders is essential. The EDC meeting is one venue for such communication.

The Sustainability and Transportation Committee will also receive a briefing on February 26 and there is a full City Council workshop scheduled for March 2.

February 13, 2020

Dear members of the City of Portland Economic Development Committee,

We are pleased to provide you with the following set of preliminary materials for the Portland Market District:

1. Business Improvement District Presentation
2. Business Improvement District/TIF Bonds Structure Chart and the associated Process Outline
3. Waterfront TIF 5th Amendment
4. Portland Foreside Transit TIF
5. Portland Foreside Transit TIF Map
6. Preliminary Projections of Portland Foreside Transit TIF Revenue and CEA
7. Portland Foreside Municipal Development and Business Improvement District

In the included materials, you'll find our proposal for a public-private partnership between the City of Portland and Portland Foreside Development Company to build a cohesive and activated waterfront experience, which we are calling the Portland Market District. Specifically, we are proposing that the partnership establish a Business Improvement District and issue Tax Increment Financing (TIF) Bonds. While the overall proposal combines a few separate concepts, this is one interwoven plan and the success of the whole proposal requires all the individual parts.

Portland Market District - the Business Improvement District (BID):

The BID provides the mechanism for managing, maintaining and activating the newly developed Portland Market District. The model for the BID is the Portland Downtown Business Improvement District. Like the Portland Downtown, the new Portland Market District will have ongoing maintenance needs (e.g. trash, snow removal, street cleaning) and would benefit from district-wide events (e.g. concerts, festivals, outdoor movie screenings) and a district-oriented management plan. As with Portland Downtown, the entity that will manage the Portland Market District has been structured as a Maine nonprofit (federally, a 501(c)(4), like Portland Downtown). Although there is currently only one property owner within the Portland Market District it is key that we set up the BID, and the nonprofit management of the BID, now to ensure that the Portland Market District remains a clean, energized and cohesive space regardless of property ownership. For those not familiar with the structure of Portland Downtown, the City of Portland has the authority to designate a business improvement district and establish an assessment on the property inside that district to fund costs within the district. We propose that the City establish the Portland Market District BID and the associated assessments to fund the management, maintenance and activation of the district by the Portland Market District nonprofit entity.

TIF Bonds:

We are working hard to leverage all available opportunities to make sure the Portland Market District reaches its full potential. One valuable tool is the use of TIF and the monetizing of TIF revenues through the issuance of TIF bonds. We are proposing a new Transit TIF district and a Credit Enhancement Agreement between the City and the nonprofit Portland Market District entity. This would allow for the issuance of City of Portland bonds on behalf of the Portland Market District, as borrower, which bonds would be repaid and secured by the future TIF revenues in the new TIF district (not the general obligation of the City). The Portland Market District would use the proceeds of the TIF Bonds to accomplish projects that are of great importance to the Portland Market District and to the City. Specifically, the TIF Bond proceeds would pay for common infrastructure that is needed in the area (roads, utilities, sidewalks, etc. – not buildings) and certain City-designated projects within the TIF district. As you know, we are making progress toward the construction of the headquarters building for Sun Life Financial. Although we often refer to the Sun Life building as Phase I of our development plans, the additional phases of the development plans can't move forward without significant improvements to the common infrastructure. The investment needed to build this common infrastructure is of a magnitude that, without the TIF Bonds to assist with the costs, the additional planned phases of the development aren't financially viable.

We recognize that this is a complicated structure, so we look forward to discussing the details with you and answering any follow up questions you may have.

Sincerely,

Portland Foreside Development Company



BID presentation / 02.18.20





A Portland district like no other.

Inspired by the World's most successful public market districts, Portland Market District reflects the people, products, and place that make our city and cultural attitude unique. Local entrepreneurs featuring local goods in landmark historic buildings – on the waterfront. The definition of authentic.

Portland is undoubtedly a premier culinary destination and the market district adds a dynamic and accessible place where customers can find many of the passionate chefs, food producers and makers who have put Maine on the map. Indoor and outdoor event spaces and markets create a unique energy where these culinary innovators work side-by-side inspiring one another and the public.

Developed and operated by locals, for locals, the market district is a system of parks, plazas, historic properties, mixed use and open spaces that encourage people to spend more time on the actual waterfront, collaborating together at will. We provide the marketing and operational services to drive this success.

We are firmly committed to the community and seek to make our home an even better place. Through partnerships with local nonprofits and community residents, Portland Market district will share the vibrant experience of living and working in this extraordinary place.

**“Finally, a place to experience the wonder
of Portland’s waterfront”**



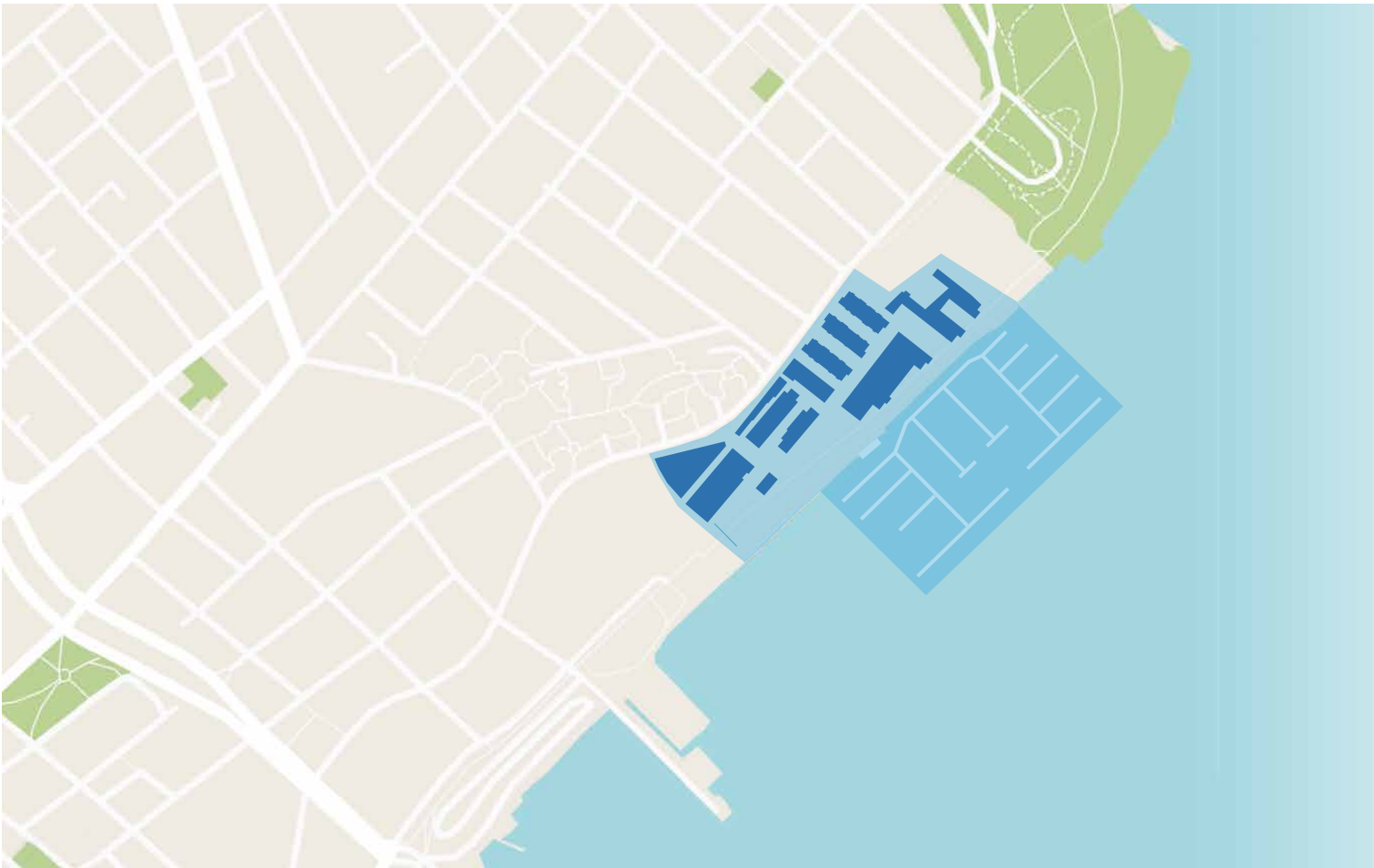
Portland's only true waterfront district.



Leading Portland's cultural charge,
while honoring our rich historical heritage.
Our symbol derives from the iconic
“58 Market Hall” which is the beating
heart of the district – former site of
The Portland Company.



District geography. It all happens here.





Portland

↑ Downtown
Arts District
Cross Arena
City Hall / Merrill

← Waterfront
Old Port
Market District



It takes a village.



A matter of scale.

How big are we talking?
The entire Old Port can fit on
our plot!



District geography.



Exponential local job creation. It's the "little" businesses keep our city interesting & vibrant.

Market Hall, Retailers, Bars & Restaurants

Local farmers
Local crafters
Local distilleries
Local entrepreneurs
Delivery services
Accounting / legal services
Local architects / designers
Employees / servers

Weddings & Event Spaces

Surrounding Hotel bookings
Caterers
Florists
Performers / Musicians
Event planners
A/V & Lighting specialists
Maintenance crews

Residential & Hospitality

Interior design services
Food delivery
Housekeeping / Childcare services
Carpenters / Plumbers / Electricians
Events catering
Spa services
Personal trainers
Hospitality personnel

Marina & Waterfront Activation

Dockage fees	Guide Services
Fuel	Nautical Tourism
Provisions / Supplies	Boat Shows
Services	Full-time & Seasonal workers
Boat Repairs & Maintenance	
Entertainment	
Recreation	

Mission driven.

Our mission is simple – to provide, maintain and build upon the venue by which all Portlanders and visitors can thrive.

Formed with the intent to unlock the social and economic potential of Portland's waterfront, our efforts will focus on priority outcomes including job creation, economic development, cultural sustainability and good old fashioned FUN.

We shall realize and maximize ambitious quality-of-life goals by integrating innovations into physical development, and provide robust programming to stimulate business opportunities and the public realm.



Let's walk to the water.



Our Function / 3 Simple tenets





- Provide security & safety
- Provide ground maintenance & waste disposal services
- Ensure accessibility for people of all ages and abilities
- PEOPLE FIRST approach

People come first as evidenced
in every social and design decision
we make.





- Organize district-wide promo events
- Ongoing advertising & promotion for district businesses
- Help services & support
- Provide next-generation digital Infrastructure services
- Forge partnerships and collaborate closely with existing Maine tourism & business development entities
- Coordinate efforts with Portland Downtown & Arts districts to maximize city-wide growth

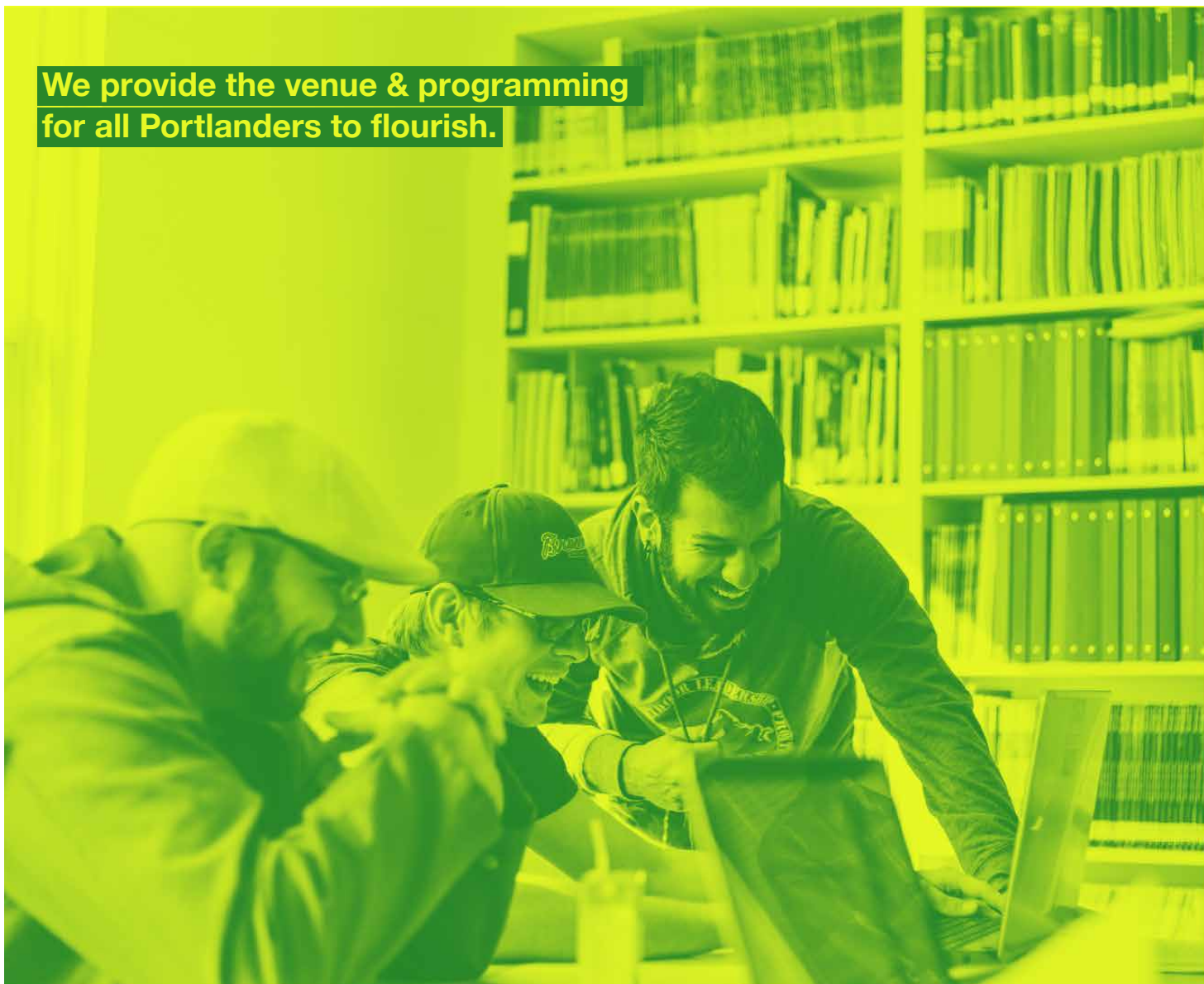
Exponential business opportunities through district density and collaborative partnerships and events.





- ◆ Venues for invention
- ◆ Community engagement initiatives
- ◆ Foster cross-pollination of ideas
- ◆ Public programming
- ◆ Education & entertainment
- ◆ Lead the activation of Portland's waterfront for all to enjoy
- ◆ Honor & promote strength in diversity

**We provide the venue & programming
for all Portlanders to flourish.**



Engaging public programming



Public programming / Intent to inspire

Spring /

Spring theater
Farmers market

Summer /

Solstice	Gardening experts
Moving stage	Antique week
Urban screen (outdoor film projections)	Ping pong
Buskers	Edible landscape
Small boat show	Historic takeover night
Waterfront cocktails	Plaza waltz (Finnish)
Plaza yoga	Dingy building
tai chi	

Fall /

Biergarten
Car Park: Cars + Coffee (vintage car and motorcycle, Industry City)
Food trucks / Food demos
Art Shows
Craft works
Corn hole masters series
Plaza yoga

Winter /

Outdoor Christmas market
Ice bar
Ice skating rink
Winter fire pits
Curling court

Cultural sustainability.

We all talk of economic and environmental “sustainability”. But where does “Culture” fit into our plan and why is it so important?

We continue to define and identify the cultural beliefs, practices, attitudes, and shared knowledge that has shaped Portland in the past and will lead us to a prosperous future.

A historic port city, we’ve “risen from the ashes” many times. We have survived because we invent, we build, we make.

While we no longer build steam powered locomotives and ships at our site, a new Maine maker has risen. They too are makers, inventors and innovators. Their tools are different, but their attitude and beliefs are the same.

This is the cultural ethos we strive to foster. A place to innovate, to challenge, to make better.

How do we maintain this balance? How do we provide our children with memorable experiences that spark wonder and questioning? How do we dare people to dream?

Answer: Actively promote innovation through inspiration utilizing public space and programming.

INVEST IN FUTURE GENERATIONS

VALUE STRENGTH IN DIVERSITY

INSPIRE TO INNOVATE

FOSTER cROSS-INDUSTRY COLLABORATION WHEREVER POSSIBLE

INCLUSION - STRENGTH IN NUMBERS

MAINTAIN & NURTURE SOCIAL INFRASTRUCTURE

**Maintaining the delicate balance
& symbiotic relationship so that all
may prosper.**

**Long-term success is mutual & shared.
All parties must invest in each other
to flourish.**



Keeping our city strong for the long term. Revenue for Portland's deficits and the public good.

Construction

Total Economic Impact of Construction

Jobs: 2,591

Earnings: \$203,009,748

Sales: \$494,988,751

Tax Revenue from Construction

Total Fiscal Impact to City of Portland: \$9,895,910

Sales Tax (for State of Maine): \$13,417,007

Annual (permanent):

Total Annual Economic Impact

Jobs: 3,411

Earnings: \$221,546,117

Sales: \$677,241,870

Annual Fiscal Benefits at Full Buildout

City of Portland

Property Tax: \$11,927,896

State of Maine

Sales Tax: \$12,611,481

Income Tax: \$6,595,163

Where it can go/

Public schools

Arts programs

Public parks

Homeless shelters

Transportation upgrades

Harbor dredging project

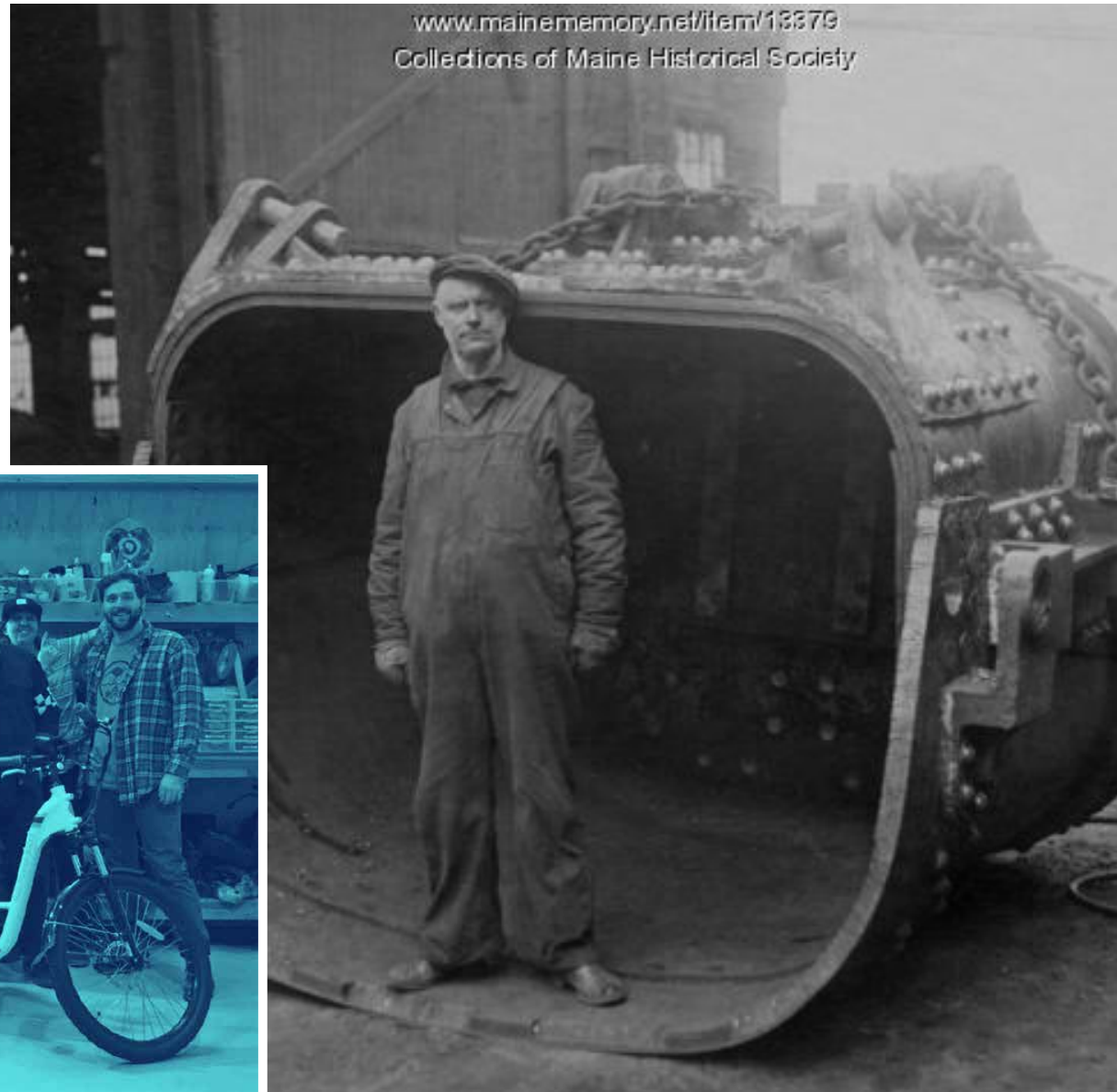
Public transportation

Social services

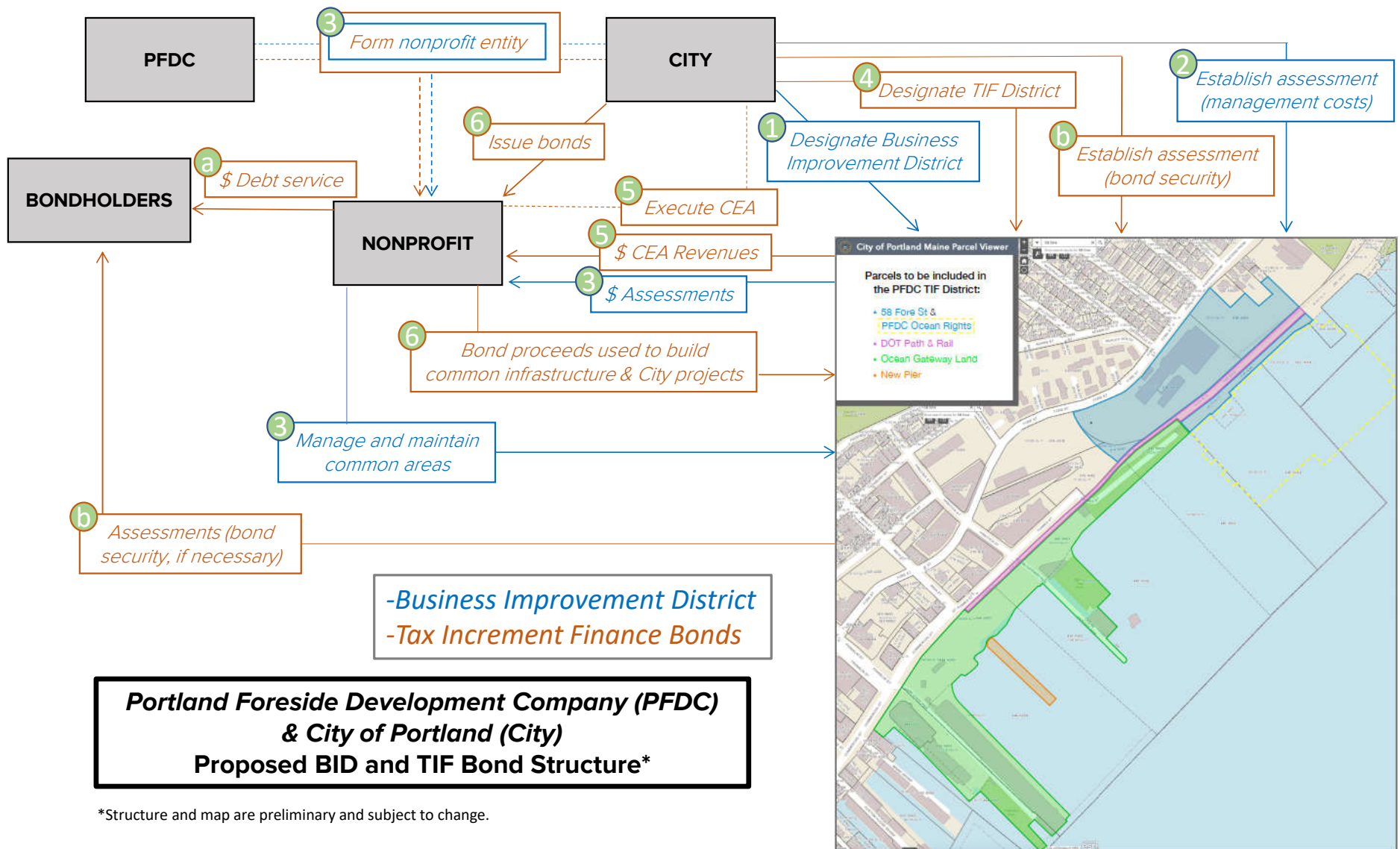
Fund the things that matter.

RESURGAM

& THANK YOU.



www.mainememory.net/item/13379
Collections of Maine Historical Society



*Structure and map are preliminary and subject to change.

Process Outline: Proposed BID and TIF Bond Structure*

Market District Business Improvement District:

1. City of Portland (the “City”) designates a Business Improvement District (the “Business District”). The outline of the proposed Business District is not shown on the map but the Business District is proposed to be a portion of the area covered by the TIF District (as defined below).
2. The City establishes an assessment on the property inside the Business District (the “BID Assessment”) in order to fund operating costs within the project site.
3. The City and Portland Foreside Development Company (“PFDC”) form a nonprofit Business Improvement District entity (the “BID Entity”), which will manage the needs of the District using the revenue collected from the BID Assessment.

TIF Bonds:

4. The City designates a Transit Tax Increment Financing District (the “TIF District”) and adopts a Development Program for the TIF District.
5. The City and the BID Entity execute a Credit Enhancement Agreement in connection with the TIF District, which provides that a percentage of the increase in tax revenues within the TIF District, will go to the BID Entity (the “CEA Revenues”).
6. The City issues bonds and loans the proceeds to the BID Entity, and the BID Entity uses the proceeds of the bonds to build and improve common infrastructure in the TIF District and to undertake other City-designated projects within the TIF District.
 - a. The BID Entity pays debt service on the bonds from the CEA Revenues. The bonds are not general obligations of the City and would not be secured by a pledge of general tax revenue.
 - b. If required for the marketing of the bonds, back-up security for the payment of debt service on the bonds will be an assessment on the TIF District (in addition to the operations-related assessment identified in item 2), which assessment would be collected by the City only if the TIF Revenues were not sufficient to pay debt service.

**ECONOMIC DEVELOPMENT
CITY OF PORTLAND, MAINE**

An Application for a Municipal Development and Tax Increment Financing District

**FIFTH AMENDMENT TO
WATERFRONT MUNICIPAL DEVELOPMENT AND TAX INCREMENT FINANCING
DISTRICT DEVELOPMENT PROGRAM**

[Removing the 58 Fore Street/Portland Foreside parcels from the District]

***Presented To:
City of Portland Economic Development Committee:***

February 18, 2020

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EXHIBIT B	AMENDED ASSESSOR’S CERTIFICATE
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EXHIBIT D	CERTIFIED COPY OF THE PUBLIC HEARING MINUTES
EXHIBIT E	CITY COUNCIL ORDER
EXHIBIT F	STATUTORY REQUIREMENTS AND THRESHOLDS FORM

I. Development Program Amendment Narrative

A. Introduction/ Summary of the Fifth Amendment to the Waterfront Municipal Development and Tax Increment Financing District

The City seeks an amendment to the Waterfront Municipal Development and Tax Increment Financing District (together with subsequent amendments thereto, the “District”) and Development Program (the “Amendment” and, together with subsequent amendments thereto, the “Development Program”).

This Amendment would remove certain acreage from the District in order to make the area available to designate a new Municipal Development and Tax Increment Financing District, to be known as the Portland Foreside Municipal Development and Tax Increment Financing District. The following parcels are proposed to be removed from the District with the associated Chart, Lot, and Block (CBL) designations:

- 58 Fore Street/Portland Foreside: 018-A001, 018-A002, 018-A003 and 019-A003
- Portland Landing: 446-A001 and 445-A001
- Ocean Gateway Pier: 445-A002
- Maine State Pier: 444-A001, 444-A002, 444-A003, 444-A004, 444-A005

(Additional parcels not currently in the District will be added to the proposed Portland Foreside Municipal Development and Tax Increment Financing District: DOT corridor / Narrow Gauge: 018-A013 and 019-A015)

This Amendment is structured and proposed pursuant to Chapter 206 of Title 30-A of the Maine Revised Statutes, as amended. This Amendment shall be effective on _____, the start date of the Portland Foreside Municipal Development and Tax Increment Financing District.

B. The Existing District and Development Program

On March 18, 2002, the City of Portland (the “City”) designated the Waterfront Municipal Development and Tax Increment Financing District and adopted the Development Program for the District. The Department of Economic and Community Development (“DECD”) approved the original District and the original Development Program on March 29, 2002. The City created the District in order to capture new taxable investment primarily from commercial development occurring along the City’s waterfront and to fund a variety of public facilities and improvements as well as City economic development projects and activities. The original term of the District was ten (10) years. The original acreage of the District was 3.4 acres and the initial original assessed value of the District was \$6,716,410.

The *First Amendment* to the Development Program, approved by DECD on June 28, 2019, included the following:

- Extended the District's 10-year term for an additional 20 years through fiscal year July 1, 2031 to June 30, 2032;
- Increased the size of the District by adding an additional 1.55 acres as a sub-district, thereby increased the total size to 4.95 acres and an original assessed value of \$7,667,310;
- Amended the capture and retention rates;
- Added certain projects to the approved project list; and
- Added the ability to enter into credit enhancement agreements with potential companies/developers within the City's Waterfront Central Zone.

The *Second Amendment* to the Development Program, approved by DECD on May 29, 2018, included the following:

- Added three properties with the following Chart, Lot, and Block (CBL) numbers:
 - o 019-A-014001;
 - o 031-K-003001; and,
 - o 031-K-103001.

The *Third Amendment* to the Development Program, approved by DECD on April 5, 2019, included the following:

- Added sixteen properties as listed on the map in Exhibit A; and
- Increased City TIF revenue investment options, as well as increased the geographic area by amending and renaming the WREZ to the "Waterfront Development Growth Area Ordinance" (WGA).

The *Fourth Amendment* to the Development Program, approved by DECD on August 26, 2019, included the following:

- Added the following properties with the following CBL numbers and locations:
 - o 060-A001 on West Commercial Street;
 - o 038-G001 at Commercial and Center Streets;
 - o 030-D005 on Commercial Street; and
 - o 019-B022 and 019 B004 on Fore and India Streets.

C. Physical Description and Original Assessed Value

Prior to this Amendment, the District was comprised of 97.615 acres in the City's waterfront area and had a total original assessed value of \$_____. Following the removal of parcels 018-A001, 018-A002, 018-A003 019-A003, 446-A001, 445-A001, 445-A002, 444-A001, 444-A002, 444-A003, 444-A004, 444-A005 with an original assessed value of

\$_____, the District will be comprised of ____ acres and will have a total original assessed value of \$____. Please see Exhibit A for an amended map of the District and Exhibit B for an amended Assessor's Certificate for the District.

D. Special Procedural Explanation

Please note that this Amendment is also presented to the City Council on the same date as a proposal for a new Municipal Development and Tax Increment Financing District, specifically, the *Portland Foreside Municipal Development and Tax Increment Financing District*. This project is also located in the existing Waterfront TIF District and is the reason this Amendment is being presented.

II. Evidence of Public Hearing and Vote for Amendment

A. Notice of Public Hearing

Attached as Exhibit C, is a copy of the Notice of Public Hearing published in the *Portland Press Herald*, a newspaper of general circulation in the City, a date at least ten (10) days prior to the public hearing. The public hearing was held on _____, in accordance with the requirements of 30-A M.R.S.A. § 5226(1).

B. Minutes of Public Hearing

Attached as Exhibit D, is a certified copy of the minutes of the public hearing held on _____, at which time the proposed District was discussed by the public.

C. Authorizing Votes

Attached as Exhibit E is an attested copy of the City of Portland Council Order, which was approved by the City Council at a City Council meeting duly called and held _____, adopting the Amendment to the Development Program.

D. Statutory Requirements & Thresholds form

Attached as Exhibit F is a completed statutory requirements and thresholds form for the District.

ECONOMIC DEVELOPMENT PROGRAM

CITY OF PORTLAND, MAINE

An Application for a Municipal Tax Increment Financing District

**PORTLAND FORESIDE TRANSIT-ORIENTED MUNICIPAL
DEVELOPMENT AND TAX INCREMENT FINANCING DISTRICT
DEVELOPMENT PROGRAM**

***Presented To:
City of Portland Economic Development Committee:***

February 18, 2020

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Portland Foreside Transit-Oriented Municipal Development and Tax Increment Financing District Development Program

I. Introduction

The Maine Legislature established municipal tax increment financing (“TIF”) as an economic development tool to be used by municipalities to: (a) provide new employment opportunities; (b) improve and broaden its tax base; and (c) improve the general economy of the State. The Legislature recognizes that the State and its municipalities benefit from a municipality’s economic development partnership with a local business to promote responsible new development that (a) enhances local efforts for economic, industrial or commercial development; and (b) retains and expands the local tax base and employment opportunities. The Maine Legislature expanded the municipal TIF program to allow municipalities to create “transit-oriented” TIF districts to facilitate and promote economic development projects that link land uses with transit facilities to support and be supported by a transit system or systems. The City of Portland (the “City” or “Portland”) previously adopted a transit-oriented development TIF district at Thompson’s Point, and now can enter into another such an undertaking with Portland Foreside Development Company, LLC (the “Company”) as a means to maximize the private investment dollars of the Company to accelerate and enhance the development potential and accomplish important public infrastructure projects.

The Portland City Council on March 18, 2002, designated the Waterfront Municipal Development and Tax Increment Financing District (as amended, the “Waterfront District”) and adopted the Development Program for the Waterfront District (as amended, the “Waterfront Development Program”). The City has approved various amendments and added additional parcels since the original approval. The Waterfront District is set to expire on June 30, 2032. The Waterfront District includes a portion of the project to be undertaken by the Company.

The City now proposes to designate a new **Portland Foreside Transit-Oriented Development and Tax Increment Financing District** (the “District”) and adopt this Development Program (the “Development Program”) for the District that includes the Portland Foreside parcels as well as a number of surrounding publicly owned areas including the Thames Street lot, the Fore Street Corridor running from India Street to Atlantic Street, and Ocean Gateway coastal land inclusive of the new pier and other water areas for commercial and transit activities. A list of included parcels is provided in Section II.C hereof. Concurrently, the City is amending the Waterfront District to remove the portion that comprises the Company’s project and some publicly owned areas. This new District would run for the maximum term of years from July 1, 2020 through and including June 30, 2051 and allow for the City not only to undertake the City project costs currently outlined in the existing Waterfront District Development Program but also additional transit-oriented City projects identified in Section II.D. hereof. It will also provide a unique opportunity to partner with the Company in undertaking a variety of

projects that will benefit the City and the private development that would not otherwise be undertaken at all or as quickly. Such projects include but are not limited to the following:

1. **Portland Landing Development:** Improvements to City-owned hardscape areas on the waterfront adjacent to the Portland Foreside development project that will serve as a multimodal connection for individuals using transportation features.
2. **Portland Foreside Publicly Accessible Spaces:** Creating improvements and infrastructure to the privately-owned on-site common areas that will be cohesive with the publicly owned areas in the vicinity.
3. **Portland Company Historic District:** The development of road infrastructure and utility extensions into the site will facilitate the rehabilitation and public access of the Portland Company Historic District.
4. **Underground Utility Lines on Fore Street:** Assisting with the relocation of above ground powerlines underground along the portion of the Fore Street corridor abutting the Portland Foreside development project.
5. **Multi-modal Paths:** Improvements to MDOT hardscape areas that contain an easement for use by Portland Trails for the stretch of MDOT property that bifurcates the Portland Foreside development project.
6. **Narrow Gauge Improvements:** Improvements to the MDOT rail corridor for the stretch of MDOT property that bifurcates the Portland Foreside development project.
7. **Restoration of Seawall:** Improvements to the seawall along the Portland Foreside development project to help enable improvements to the MDOT corridor and commercial development.
8. **Capital Structures:** Site improvements/structures to promote economic development and transit activity in the area.
9. **New Pier:** Assisting with the development of a new pier on Portland's eastern waterfront.
10. **Water Taxi Port:** Assisting with the creation of a new water taxi port.

These listed projects are expected to be financed with the proceeds of a tax increment financing bond issue that converts the District's credit enhancement agreement into capital to undertake improvements. The debt service on such bonds is paid with tax increment revenues from the District and the full faith and credit of the municipality is not planned to be used as security for the bond.

The Portland Foreside development project is a proposed mixed-use development on approximately 10 acres along the City's eastern waterfront (the "Project"). The Company plans to develop the project in a manner that includes a substantial investment in public infrastructure and helping members of the public pass from private project common space to publicly owned areas without noticing the difference. The Project will include over 1.4 million square feet of residential development, office space, hotel lodging, restaurants, retail, a marina, parking and outdoor spaces. The current master plan includes a

connection to adjacent lands owned by the City slated to be converted into waterfront public open space, connection to Fore Street, and will also provide access to and improvements for pedestrian trails and water frontage.

The significant public benefits associated with the Portland Foreside development project and the District for the City of Portland are projected to include:

- ***Site redevelopment of underutilized waterfront property.***
- ***Private development project infrastructure investment totaling over \$40 million*** including approximately 6 acres of publicly accessible common areas typically associated with municipal roadways and sidewalks including storm water systems, utilities corridors, common area lighting and all other infrastructure.
- ***Public improvements listed above.***
- ***Jobs supported during Construction*** exceeding 2500 jobs.
- ***Permanent Job creation*** estimates exceeding 3400 jobs.
- ***Tax Revenue from Construction*** to the City of Portland of \$9.8 million.
- ***New Annual Property Tax Revenue*** to the City of Portland of \$12 million.
- ***Earnings from Construction*** exceeding \$200 million.
- ***Sales from Construction*** of \$495 million.
- ***New Annual Earnings*** at full build out of \$220 million.
- ***New Annual Sales*** at full build-out of \$678 million.

II. Development Program Narrative

A. The Portland Foreside Project

The Portland Foreside development project consists of approximately 10 acres of real estate along the City's eastern waterfront at the former Portland Company complex. The Portland Foreside Transit-Oriented TIF District would be comprised of all of the approximately 10 contiguous acres of Portland Foreside parcels and in addition, roughly 60 acres of publicly owned area for a combined total of approximately 70 acres for the entire TIF District. The significant development project will generate revenues to serve many of the City's goals.

Portland Foreside is currently an industrial and commercial site that has been underutilized for many decades. The Company proposes to redevelop the property to its highest and best use. The proposed plan for the redevelopment includes the following components on six development blocks on the property, as well as a marina:

Phase 1

Phase 1 will comprise a mixed-use development for a collective 509,000 square feet. The most western block referred to as Block 1 will include a 127,000 square foot class-A office building with ground floor retail, and will serve as a new headquarters building for Sun Life Financial, Inc. Sun Life Financial will be joined by WEX, Inc. 180,000 square feet global headquarters and Covetrus, Inc. 160,000 square feet global headquarters on adjacent blocks to the west and northwest respectively. One of the most iconic historic Portland Company buildings will be reconstructed to the south of the Block 1 office building.

Adjacent and just to the east of Block 1 lies the seven remaining Portland Company buildings that make up the Portland Company Historic District, also often referred to as Block 2 or the Historic Core. The Historic Core is a celebration of Portland's industrial heritage. The Company has worked extensively with Greater Portland Landmarks, Maine Preservation, and the local Historic Preservation Board to dedicate roughly 1.5 acres surrounding Block 2 as a local historic district. Occupying 30,000 square feet of the historic buildings will be the new 58 Fore Market Hall. This market will feature a highly curated group of the best chefs in the food and beverage industry in the state of Maine with a variety of prepared foods, produce, specialty goods, meats and seafood to make it a highlighted destination for locals and tourists alike. Many of the upper floors of the historic buildings will feature approximately 16,000 square feet of highly functional event space and 10,000 square feet of office space. In addition to the historic buildings, the block is comprised of two alleys and two plazas both of which are publicly accessible and curated to provide an optimally engaging user experience.

Adjacent to the east of Block 2 lies a newly constructed 250,000 square feet parking garage that holds approximately 600 cars with 10,000 square feet of ground floor retail and 18,000 square feet of residential wrapping the west side of the building. As parking spaces have become a scarce commodity in downtown Portland, the garage offers a much-needed publicly accessible solution to reducing strain on the overburdened street parking. Locals and tourists can commute to the site by car and park without oversaturating street parking throughout nearby neighborhoods.

In addition to the publicly accessible plazas and alleys mentioned previously, other substantial infrastructure improvements to the site are required to deliver Phase 1. These include the construction of an access road that runs from Block 4 across the site to connect into Thames Street as well as service vehicle channels throughout the site to enable trash removal and access for emergency vehicles. Additionally, a utility corridor to service the site, inclusive of water, sewer, storm water, electric, tel/data, natural gas, etc will be constructed under the access road and pedestrian plazas. The Company and the City are working cooperatively to optimize this utility corridor. Furthermore, various walkways, waterfront viewpoints and multiple stairways intended to provide pedestrian

access into and through the site from the top of the Fore Street retention wall will be needed to ensure site accessibility and provide encouragement of multimodal means of transportation.

Phase 2

Phase 2 will comprise approximately 535,000 square feet of mixed-use development to be built within two development blocks on the site. Block 4 will undergo further development during Phase 2. Just to the south of Block 4 is Block 5, which is planned to encompass 280,000 square feet of additional mixed-use development, including ground floor retail. Market conditions and demand will drive the specific uses. Infrastructure improvements necessary for the completion of Phase 2 will be sizeable, including the extension of all utilities.

Phase 3

Phase 3 will consist of a single Block that includes one building with a ground floor of 11,500 square feet of retail and upper floors of 23,000 square feet of more mixed-use development as the market demands dictate. The block will include infrastructure costs associated with the collection of hardscape areas surrounding the building that will create a series of walkways and recreational areas intended for public enjoyment to enhance the economic activity of the area.

Phase 4

Phase 4 is comprised of the most eastern block on the site, referred to as Block 6, and will contain approximately 200,000 more square feet of mixed-use development. Due to its geographic position, it has a unique shape and dramatic grade changes which make this block likely to be the last phase of development. These attributes are architectural opportunities to create dynamic spaces both inside and out, offering future patrons and users a unique experience.

B. The Transit-oriented TIF District

A transit-oriented development is a type of development that links land use with transit facilities to support and be supported by a transit system. The Portland Foreside Project is situated within a close proximity to several nearby neighborhoods including Munjoy Hill, Back Cove and Downtown. Through providing multimodal transit routes with the numerous walkway, plazas and streetscapes planned for the parcel within the District, the entire area becomes publicly accessible and navigable by environmentally friendly modes of transportation such as bikes, walking, or skating. The intention of offering highly functional pathways into, throughout and around the site is to encourage the community to travel to the site on foot or by bike to cut down on emissions, traffic, and parking. The eastern promenade walkway's current high-volume use shows the potential for curating multimodal transit routes. The walkway is active with pedestrians from the early morning until sunset all four seasons. Portland Foreside has designed site infrastructure to enable volumes exceeding the observed foot traffic to easily flow through the site and surrounding areas included in the District. Additionally, Fore Points Marina currently

rents slips to many island residents in Casco Bay and facilitates both drop-offs and pick-ups for local water taxis. The marina is envisioned to continue to facilitate multi-modal transit for island residents seeking a private transportation alternative to the quasi-municipal Casco Bay Lines.

The District consists of a transit-oriented development area and a transit-oriented development corridor. A transit-oriented development area is an area of any shape such that no part of the perimeter is more than $\frac{1}{4}$ mile from an existing or planned transit facility. A transit-oriented development corridor is a strip of land of any length and up to 500 feet on either side of a roadway serving as a principal transit route. The District contains a transit-oriented development corridor that begins at the east end of the Eastern Promenade trail and continues through the Project and ends on the western side of the Portland Landing waterfront park for a total distance that exceeds 2000 feet.

The captured value will be calculated on only the new tax value generated within the District from Phased developments and will not affect the current property tax base.

The following properties comprise the TIF District designation and are subject to this application (see Exhibit B).

Plot Description	Land Owner	Land Plot	Square Footage	Acreage
Portland Foreside	PFDC	018-A001	269,182	6.18
	PFDC	018-A002	44,374	1.02
	PFDC	018-A003	125,017	2.87
	PFDC	019-A003	12,087	0.28
	PFDC	N/A*	2,247	0.05
		<i>PFDC Total</i>	<i>452,907</i>	<i>10.40</i>
DOT Path and Rail	State	018-A013	52,736	1.21
	State	019-A015	33,789	0.78
Portland Landing	City	445-A001	233,010	5.35
	City	446-A001	40,432	0.93
Ocean Gateway	City	445-A002	1,084,465	24.90
Maine State Pier	City	444-A001	153,003	3.51
	City	444-A002	74,940	1.72
	City	444-A003	169,858	3.90
	City	444-A004	714,666	16.41
	City	444-A005	32,217	0.74
		Total	3,042,023	69.84

* Note that a small portion of Land Plot 019-A010 was purchased by the Company.

C. The Development Program and Credit Enhancement Agreement

By designating and adopting the Portland Foreside Transit-Oriented TIF District, the City will capture one hundred percent (100%) of the new assessed value created within the District over the original assessed value and retain the new tax revenues generated from the captured assessed value. During the thirty (30) year District term, the City will enter into a twenty (20) year credit enhancement agreement with an average of sixty-five percent (65%) allocation of the TIF revenues. The credit enhancement agreement will be for the express purpose of offsetting the costs associated with the construction and operation of projects that will benefit, enhance and accelerate the private development, while also bringing tremendous benefits to the municipality. Such project will include but not be limited to the following:

Example Uses of TIF Revenues Through CEA

1. **Portland Landing Development:** Improvements to City-owned hardscape areas on the waterfront adjacent to the Portland Foreside development project that will serve as a multimodal connection for individuals using transportation features.
2. **Portland Foreside Publicly Accessible Spaces:** Creating improvements and infrastructure to the privately-owned on-site common areas that will be cohesive with the publicly owned areas in the vicinity.
3. **Portland Company Historic District:** The development of road infrastructure and utility extensions into the site will facilitate the rehabilitation and public access of the Portland Company Historic District.
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7. **Restoration of Seawall:** Improvements to the seawall along the Portland Foreside development project to help enable improvements to the MDOT corridor and commercial development.
8. **Capital Structures:** Site improvements/structures to promote economic development and transit activity in the area.

9. **New Pier:** Assisting with the development of a new pier on Portland's eastern waterfront.
10. **Water Taxi Port:** Assisting with the creation of a new water taxi port.

By arranging to have the Credit Enhancement Agreement fund the items listed above, the City will be able to work cooperatively with the Company to create an area in the eastern waterfront part of the City that serves the public seamlessly through publicly owned and privately-owned spaces. In addition, the Company and the City contemplate coordinating on a bond issue that would convert the Credit Enhancement Agreement and TIF revenues into capital for these improvements in an efficient way that would not use the City's general tax base as security. The intention is for a nonprofit corporation to administer the Credit Enhancement Agreement improvements to be financed with bonds. Such nonprofit corporation would contract with the City and the Company where appropriate to undertake the improvement projects.

D. Municipal Use of TIF Revenues

The City of Portland will use from the remaining tax revenues generated from the TIF District, over and above what is allocated through the Credit Enhancement Agreement, for transit-oriented and other economic development projects that will expand and improve transit connections between Portland Foreside and key locations within Portland as well as certain transit projects through the City, and will promote economic development generally as presented in the following Project Cost table.

Municipal Use of TIF Revenues Outside CEA – Project Cost Table

Note: All citations refer to Title 30-A, Chapter 206, Section 5225

Project	Statutory Citation	Estimated Cost
<i>PREVIOUSLY APPROVED PROJECTS FROM WATERFRONT DISTRICT:</i>		
<i>In District: Capital Infrastructure Design and Investments, including financing costs, for example:</i>		
Pier and Wharf Structural Repair	(1)(A)(1)(2)(3)(7)	\$15,000,000
Local Match for Ocean Gateway Project	(1)(A)(2)	\$1,000,000
Street Studies and Improvements (Remedy Traffic Congestion)	(1)(A)(1)(2)(3)(7)	\$20,000,000
Pedestrian and Multi-Modal Circulation and Amenity Improvements	(1)(A)(1)(2)(3)(7)	\$2,000,000
New Publicly Owned Pier	(1)(A)(1)(2)(3)(7)	\$3,000,000
Multi-Modal Surface and Structured Parking	(1)(A)(1)(2)(3)(7)	\$10,000,000
Utilities Infrastructure (for Commercial Development)	(1)(A)(1)(2)(3)(7)	\$15,000,000
Credit Enhancement Agreements	(1)(A)	\$4,000,000
		Per Each Individual CEA

In and out of District: (a) Funding the Economic Development Department, including prorated salaries of City Manager, Finance, and Planning Urban Development Director and Planning staff; (b) Workforce training funds. Costs of services and equipment to provide skills development and training, including scholarships to in-state educational institutions or to online learning entities when in-state options are not available, for jobs created or retained, of value to marine industry; (c) Costs of funding economic development programs or events; (d) Costs of funding environmental improvements projects for commercial use, including sea level adaptation studies and infrastructure improvements; (e) Professional services costs. (f) Dredging of commercial vessel berthing; and, (g) Dredge sediment disposal and CAD Cell development. NEWLY PROPOSED PROJECTS IN PORTLAND FORESIDE TRANSIT-ORIENTED TIF DISTRICT: <i>[Will need City assistance to complete transit-related menu of uses for TIF revenues.]</i> In District: In and out of District:	(1)(A)(5) and (C)(1) (1)(C)(4) (1)(C)(1) (1)(C)(2) (1)(A)(4); 1(C)(1) (1)(A)(1)(2)(7) (1)(A) and (1)(C)(2)	Project \$50,000 Annually effective 7/1/2010 for 22 years, or \$1,100,000 total. \$750,000 \$250,000 \$5,000,000 \$1,000,000 \$5,000,000 \$5,000,000
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Total Estimate of TIF Revenue Expenditure over 30-year term:		\$ _____ excluding CEA Projects
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E. Operational Components

1. Public Facilities.

Contributions from the Portland Foreside development project will result in a variety of important public improvements all identified in the two project cost tables in Sections II.B. and II.C. hereof. Any improvements that continue to be privately owned will be the responsibility of private entities as applicable.

2. Uses of Private Property within District.

The Credit Enhancement Agreement will allow the Company to use TIF funds to develop the Project on a much faster schedule and on a more desirable scale than would otherwise be possible by assisting with the financing for internal infrastructure of common areas. For the Project to be successful a scale of density is required to support the upfront capital costs associated with extending extensive infrastructure into the site. This density is far greater than Portland can absorb in a single project, requiring a phasing of development. This phasing creates a non-financeable situation for the infrastructure expenses. In addition, the Credit Enhancement Agreement will also fund pivotal public improvement projects.

3. Plans for Relocation of Persons Displaced by Development Activities.

There are no persons to be displaced by the District's development activities.

4. Environmental Controls

The Development Program proposes improvements that will comply with all federal, state, and local rules and regulations and applicable land use requirements; the results of any environmental diligence on the site as may be conducted by the Company shall be made available to the City for review upon request.

5. Proposed Operation of District

The Project will be developed by the Company, its successors, affiliates and partners, or

assigns, who will be responsible for payment of all maintenance expenses, insurance, and taxes on the Project.

During the thirty-year life of the District, the City of Portland, City Council, or its designee, will be responsible for the administration of the District. The Company will be solely responsible for completion of the development project.

III. Physical Description

The District will be comprised of approximately 70 acres of property, approximately 10 of which is privately owned and 60 of which is publicly owned area. Please see Exhibit A for an area map showing the site location of the District in relation to the municipal boundaries. Please see Exhibit B for a more detailed map of the District itself.

IV. Financial Plan

A. Costs and Sources of Revenues

The District comprises an area depicted on maps at Exhibit A and B and includes taxable real and personal property with an original assessed value of the original District of \$_____ as of March 31, 2019 (i.e., April 1, 2018). The development within the District is estimated to add an additional \$444,000,000 of new assessed real property taxable value to the City over time. This revenue is based upon preliminary construction cost estimates prepared in good faith by the Company and its consultants, which have been reviewed by the City Assessor, but final values may be higher or lower depending upon the ultimate cost of construction which may not be determined until the project is permitted, financed, and construction is complete. The Project is expected to be undertaken in phases as noted in Section II.A. above.

The attached Exhibit C details the projections based upon the anticipated assessed value increases within the District. Exhibit C is a projection based upon best available information and is included for demonstration purposes only. No assurances are provided as to the results reflected therein.

The Development Program provides for the new tax revenues generated by the increased in assessed value of the Phased improvements within District to be captured and designated as TIF revenues. The City will allocate the retained revenues to the economic development activities described in the Development Program.

B. Development Program Fund

The Development Program requires the establishment of the Portland Foreside Development Program Fund pledged to, and charged with, the payment of the project costs in the manner outlined in 30-A M.R.S.A. §5227(3).

The Portland Foreside Development Program Fund is established consisting of a Project Cost Account, which includes two sub-accounts designated as the “Credit Enhancement

Agreement TIF Account” and “City Project Cost Account” pledged to, and charged with, payment of eligible project costs.

C. Financial Plan

As shown in Exhibit C, the development within the described District is expected add approximately \$444 hundred million of new taxable property value in the City of Portland and the TIF revenues associated with such value will be allocated generally as follows:

Each year during the 30-year District term, the City will retain one hundred percent (100%) of the TIF revenues generated within in the District.

Regardless of the total amount of value captured during any year, the amount of TIF revenues to be paid to the nonprofit entity through the credit enhancement agreement will be based on the total amount of increased assessed value of the real property within the District resulting from improvements in the amounts reflected in the table immediately below:

[The Company expects this description to evolve with further financial analysis from underwriters yet to be engaged in terms of when the 20-year term of the CEA will start and end within the 30-year term as well as how the average 65% reimbursement will be spread over the 20-year CEA term.]

TIF Years:	Percentage of Increased Assessed Value to be Captured as Captured Assessed Value and to Nonprofit Entity:	Percentage of Increased Assessed Value to be Captured as Captured Assessed Value and Retained by City:
Years 1-2	0%	100%
Years 3-22	65%	35%
Years 23-30	0%	100%

Actual payments to the Credit Enhancement Agreement TIF Cost Account and the City Project Cost Account will be determined based upon the actual increased assessed value retained within the District and by the terms of the Credit Enhancement Agreement. Taxes paid on any new value not captured in the District will flow to the City’s General Fund, as in the normal course.

The District is to be established for a period of thirty (30) years. The City anticipates financing a number of items outlined in this Development Program with a municipal bond, the term of which will be no longer than the District term.

V. Tax Shifts

In accordance with Maine statutes governing the establishment of Tax Increment Financing Districts, the tables set forth in Exhibit C identifies the tax shifts that are expected to result during the term of this District from the establishment of the District. A

summary of the annual average tax shift impacts follows:

General Purpose Aid to Education Tax Shift:	\$ _____
Municipal Revenue Sharing Tax Shift:	\$ _____
County Tax Shift:	\$ _____
 Total Average Annual Savings	 \$ _____

VI. Municipal Approvals

A. Public Hearing Notice

The City of Portland gave proper Notice of Public Hearing in accordance with the requirements of 30-A M.R.S.A. Section 5226. Attached as Exhibit D, is a copy of the Notice of Public Hearing published in the *Portland Press Herald*, a newspaper of general circulation in the City on _____, a date at least ten (10) days prior to the public hearing. The public hearing was held on _____, in accordance with the requirements of 30-A M.R.S.A. § 5226(1).

B. Public Hearing

A Public Hearing at which the Proposed Portland Foreside Transit-Oriented Development and TIF District and Development Program was discussed and held on _____, in the Portland City Council Chambers. A copy of the minutes of that meeting is included as Exhibit E.

C. Authorizing Votes

An attested copy of the Order of the Portland City Council designating the Portland Foreside Transit-Oriented Development TIF District and adopting this Development Program is included as Exhibit F.

D. Assessor's Certificate

A letter from the Tax Assessor of the City of Portland certifying the Original Assessed Value of the District is included as Exhibit G.

E. Statutory Requirements & Thresholds Form

A completed Department form is attached as Exhibit H to demonstrate the District complies with all applicable statutory requirements and thresholds.

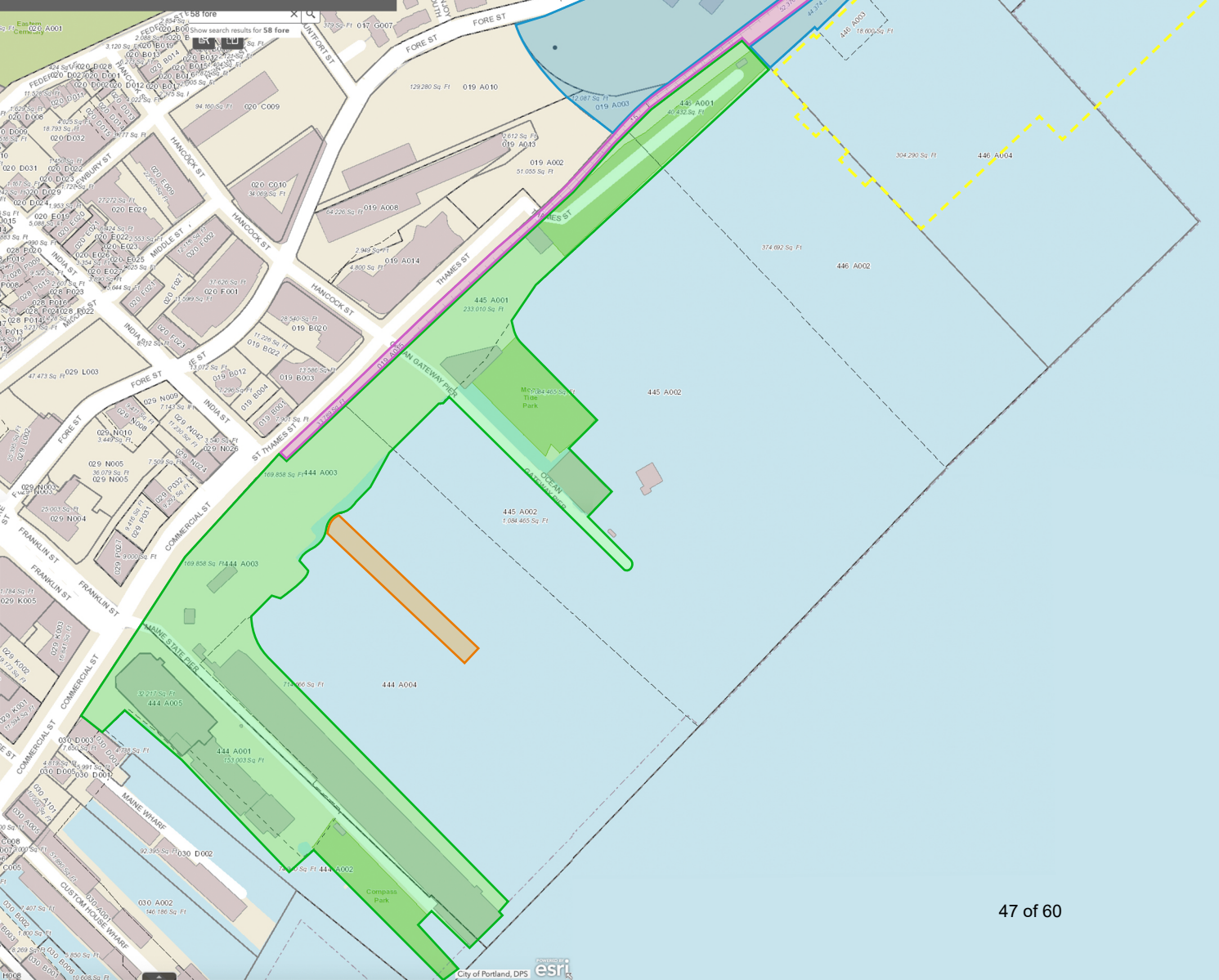
EXHIBITS

- Exhibit A. TIF District Location Map
- Exhibit B. TIF District Tax Maps
- Exhibit C. TIF Projections & Tax Shift Calculations
- Exhibit D. Public Hearing Notice
- Exhibit E. City Council Meeting/Public Hearing Minutes
- Exhibit F. City Council Order
- Exhibit G. Assessor's Certificate
- Exhibit H. Statutory Requirements & Thresholds Form

DRAFT

▲ 58 Fore St &
PFDC Ocean Rights

- ▲ 58 Fore St & PFDC Ocean Rights
- ▲ DOT Path & Rail
- ▲ Ocean Gateway Land
- ▲ New Pier



Portland Foreside Transit TIF: CITY OF PORTLAND, MAINE

B1 Office; B1 Residential; Historic Core; B3 Retail & Office; B5 Hotel (and parking pedestal); B5 Residential Condo (and parking pedestal); B4 Residential (and 75 parking spaces); B6 Residential Condo; and B7 Marina

TIF Year	Tax Year	Projected New Assessed Value	Percent of Value Captured in TIF	TIF District Captured Assessed Value	Projected Mil Rate 23.31	Total TIF Revenue	Nonprofit Credit Enhancement TIF Revenue Percentage	Nonprofit Credit Enhancement TIF Revenue	Development Program Fund TIF Revenue Percentage	Development Program Fund TIF Revenue
0	2019		0%	\$0	23.31	\$0	n/a		n/a	
1	2020	\$14,260,300	100%	\$14,260,300	23.31	\$332,408	0%	\$0	100%	\$332,408
2	2021	\$111,799,700	100%	\$111,799,700	23.31	\$2,606,051	0%	\$0	100%	\$2,606,051
3	2022	\$287,658,160	100%	\$287,658,160	23.31	\$6,705,312	65%	\$4,358,453	35%	\$2,346,859
4	2023	\$371,584,870	100%	\$371,584,870	23.31	\$8,661,643	65%	\$5,630,068	35%	\$3,031,575
5	2024	\$377,192,520	100%	\$377,192,520	23.31	\$8,792,358	65%	\$5,715,032	35%	\$3,077,325
6	2025	\$406,865,358	100%	\$406,865,358	23.31	\$9,484,031	65%	\$6,164,620	35%	\$3,319,411
7	2026	\$436,538,195	100%	\$436,538,195	23.31	\$10,175,705	65%	\$6,614,208	35%	\$3,561,497
8	2027	\$436,538,195	100%	\$436,538,195	23.31	\$10,175,705	65%	\$6,614,208	35%	\$3,561,497
9	2028	\$436,538,195	100%	\$436,538,195	23.31	\$10,175,705	65%	\$6,614,208	35%	\$3,561,497
10	2029	\$436,538,195	100%	\$436,538,195	23.31	\$10,175,705	65%	\$6,614,208	35%	\$3,561,497
11	2030	\$436,538,195	100%	\$436,538,195	23.31	\$10,175,705	65%	\$6,614,208	35%	\$3,561,497
12	2031	\$436,538,195	100%	\$436,538,195	23.31	\$10,175,705	65%	\$6,614,208	35%	\$3,561,497
13	2032	\$436,538,195	100%	\$436,538,195	23.31	\$10,175,705	65%	\$6,614,208	35%	\$3,561,497
14	2033	\$436,538,195	100%	\$436,538,195	23.31	\$10,175,705	65%	\$6,614,208	35%	\$3,561,497
15	2034	\$436,538,195	100%	\$436,538,195	23.31	\$10,175,705	65%	\$6,614,208	35%	\$3,561,497
16	2035	\$436,538,195	100%	\$436,538,195	23.31	\$10,175,705	65%	\$6,614,208	35%	\$3,561,497
17	2036	\$436,538,195	100%	\$436,538,195	23.31	\$10,175,705	65%	\$6,614,208	35%	\$3,561,497
18	2037	\$436,538,195	100%	\$436,538,195	23.31	\$10,175,705	65%	\$6,614,208	35%	\$3,561,497
19	2038	\$436,538,195	100%	\$436,538,195	23.31	\$10,175,705	65%	\$6,614,208	35%	\$3,561,497
20	2039	\$436,538,195	100%	\$436,538,195	23.31	\$10,175,705	65%	\$6,614,208	35%	\$3,561,497
21	2040	\$436,538,195	100%	\$436,538,195	23.31	\$10,175,705	65%	\$6,614,208	35%	\$3,561,497
22	2041	\$436,538,195	100%	\$436,538,195	23.31	\$10,175,705	65%	\$6,614,208	35%	\$3,561,497
23	2042	\$436,538,195	100%	\$436,538,195	23.31	\$10,175,705	0%	\$0	100%	\$10,175,705
24	2043	\$436,538,195	100%	\$436,538,195	23.31	\$10,175,705	0%	\$0	100%	\$10,175,705
25	2044	\$436,538,195	100%	\$436,538,195	23.31	\$10,175,705	0%	\$0	100%	\$10,175,705
26	2045	\$436,538,195	100%	\$436,538,195	23.31	\$10,175,705	0%	\$0	100%	\$10,175,705
27	2046	\$436,538,195	100%	\$436,538,195	23.31	\$10,175,705	0%	\$0	100%	\$10,175,705
28	2047	\$436,538,195	100%	\$436,538,195	23.31	\$10,175,705	0%	\$0	100%	\$10,175,705
29	2048	\$436,538,195	100%	\$436,538,195	23.31	\$10,175,705	0%	\$0	100%	\$10,175,705
30	2049	\$436,538,195	100%	\$436,538,195	23.31	\$10,175,705	0%	\$0	100%	\$10,175,705
30 Yr. Totals:						\$280,798,731		\$127,695,509		\$153,103,221
30 Yr. Average:						\$9,359,958	43%	\$4,256,517	57%	\$5,103,441
20 Yr. Average:						\$9,822,731	65%	\$6,384,775	35%	\$3,437,956

Notes:

1. These projections are based on projections of increased assessed values which the Company has reviewed with the City Assessor based on project plans and timelines.
2. Projections assume a flat mil rate.
3. Projections assume a 20-year credit enhancement agreement during which time the payment obligation to the credit enhancement agreement is an average of 65% to support the enumerated projects in the Development Program. *[The following items may change in the proposal due to financing projections yet to be run with bond underwriters: when during the 20-year period for the CEA occurs and how the average of 65% payments will be achieved over the course of the 20-year period.]*

ECONOMIC DEVELOPMENT PROGRAM

CITY OF PORTLAND, MAINE

**PORTLAND FORESIDE MUNICIPAL DEVELOPMENT & BUSINESS
IMPROVEMENT DISTRICT**

***DISTRICT DESIGNATION &
INCEPTION DEVELOPMENT PROGRAM***

Presented To City of Portland Economic Development Committee:

February 18, 2020

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Exhibits:

- A. TIF District Location Map
- B. TIF District Tax Maps
- C. Public Hearing Notice
- D. City Council Meeting/Public Hearing Minutes
- E. City Council Order
- F. Statutory Requirements & Thresholds Form

Portland Foreside Municipal Development District District Designation & Inception Development Program

I. Introduction

The Maine Legislature established development districts as an economic development tool to be used by municipalities to: (a) provide new employment opportunities; (b) improve and broaden its tax base; and (c) improve the general economy of the State. The Legislature recognizes that the State and its municipalities benefit from a municipality's focused economic development activities within areas for specific purposes.

The City of Portland (the "City") has a long track record of administering a successful development district – Portland Downtown. The Portland Downtown Development District was designated by the City of Portland in 1992, and since that time, the City of Portland has worked cooperatively with the Downtown District nonprofit corporate entity to determine the service needs that are special to the Downtown District and that go beyond the operations that are appropriate for the general tax base to support. The City annually approves an assessment that is added to taxpayer bills for taxpayers whose property is located within the Downtown District in order to fund those special services. The Downtown District entity has representation on its board of an array of Downtown District area stakeholders. Given this public – private partnership model, the Downtown District is able to focus its activities on the unique needs of the property owners within the Downtown District and has been one of the sources of the tremendous economic success the Downtown District area and the entire City has seen over time.

The City is now voting to designate a new development district, the ***Portland Foreside Municipal Development District*** (the "District") and adopt this initial Inception Development Program (the "Inception Development Program") for the District. The District will include the Portland Foreside development project area, a proposed mixed-use development on approximately 10 acres along the City's eastern waterfront ("the Project"). Like the Downtown District, the District has service needs that are special to the District and go beyond the operations that are appropriate for the general tax base to support. The sole owner of the property within the District, Portland Foreside Development Company LLC (the "Company"), is a willing participant and will have representation on the District's non-profit entity board. The Company acknowledges that a special assessment will be added to their property tax bill to fund the special services. In addition to the special service needs of the District, the Company plans to develop the Project in a manner that includes a substantial investment in public infrastructure and helping members of the public pass from the Project's common space to adjacent publicly owned areas without noticing the difference. The Project will include over 1.4 million square feet of residential development, office space, hotel lodging, restaurants, retail, a marina, parking and outdoor spaces. The current master plan includes a connection to adjacent lands owned by the City slated to be converted into waterfront public open space, the adjacent public Fore Street, and will also provide access to and improve a section of pedestrian trails and water frontage. The common area of the project represents

approximately 5 acres as currently designed. As the Project is built, this area of the City will have its own character and serve as another enclave for business activity within the City that doesn't currently exist.

The District will provide a unique opportunity for the City to partner with the business representatives in the District through the use of a nonprofit entity corporation who will administer the District's activities and interact with the City in much the same way that Portland Downtown does today. The District would run for an indefinite term of years from July 1, 2020. In particular, the City contemplates that the District and the nonprofit corporation that acts to administer it will perform the following two functions during the term of the District:

(1) OPERATIONS OF THE DISTRICT:

Develop an annual budget for operational activities necessary within the District to activate the common areas, including but not limited to:

- Common area maintenance and repairs, including walkways, plazas and roads
- Utility and infrastructure maintenance and repairs
- Landscaping maintenance
- Cleaning and beautification services
 - Graffiti removal
 - Litter patrol & collection on publicly accessible areas
 - Snow removal, including salt/sand as required
 - Leaf removal
 - Cleaning of furniture and fixtures
 - Cleaning and maintenance of public restrooms
 - Cleaning of public art
 - Sidewalk sweeping
 - Installation of winter lights and other decorative or promotional items
- Facilitation of events to activate the district area
- Promotion of businesses in the district
- Common area trash and recycling program
- Enforcement of public safety through partnership with police
 - Conduct regular neighborly visits to property businesses
 - Identify persons in need and offer assistance
 - Enforce local municipal ordinances
 - Offer friendly greetings to residents and tourists
- Management of ambassador program to provide information to visitors
- Publication of site-wide directories & marketing initiatives to inform public of site happenings
- Management of community-oriented committees
 - Committee on small businesses
 - Events and promotions committee
 - Nightlife facilitation committee
 - Transportation improvement committee
- Oversight of assessment program
- Oversight of Credit Enhancement proceeds

Such budget is intended to be submitted annually to the City Council for review and approval much like the Portland Downtown process requires. Each such annual approval is considered to be a subsequent development program pursuant to the Municipal Development statute and will require not only the nonprofit board's approval, but also, the City Council following a public hearing.

(2) SUPPORT AND MANAGEMENT OF SPECIFIC CAPITAL PROJECTS IN AND AROUND THE DISTRICT:

The District nonprofit entity is also expected to act as the contracting entity for the credit enhancement agreement authorized by the Portland Foreside Transit-Oriented Municipal Development and Tax Increment Financing District (the "Credit Enhancement Agreement"). Such credit enhancement agreement will place responsibility in the District nonprofit entity's hands to undertake specified infrastructure projects, some of which will be privately owned and some of which will be publicly owned. Such projects may include but are not limited to:

- **Portland Landing Development:** Improvements to City-owned hardscape areas on the waterfront adjacent to the Portland Foreside development project that will serve as a multimodal connection for individuals using transportation features.
- **Portland Foreside Publicly Accessible Spaces:** Creating improvements and infrastructure to the privately-owned on-site common areas that will be cohesive with the publicly owned areas in the vicinity.
- **Portland Company Historic District:** The development of road infrastructure and utility extensions into the site will facilitate the rehabilitation and public access of the Portland Company Historic District.
- **Underground Utility Lines on Fore Street:** Assisting with the relocation of above ground powerlines underground along the portion of the Fore Street corridor abutting the Portland Foreside development project.
- **Multi-modal Paths:** Improvements to MDOT hardscape areas that contain an easement for use by Portland Trails for the stretch of MDOT property that bifurcates the Portland Foreside development project.
- **Narrow Gauge Improvements:** Improvements to the MDOT rail corridor for the stretch of MDOT property that bifurcates the Portland Foreside development project.
- **Restoration of Seawall:** Improvements to the seawall along the Portland Foreside development project to help enable improvements to the MDOT corridor and commercial development.
- **Capital Structures:** Site improvements/structures to promote economic development and transit activity in the area.
- **New Pier:** Assisting with the development of a new pier on Portland's eastern waterfront.
- **Water Taxi Port:** Assisting with the creation of a new water taxi port.

These projects are expected to be financed with the proceeds of a tax increment financing bond issue that will convert the aforementioned credit enhancement agreement into capital with which the District nonprofit entity can undertake improvements. The debt service on such bonds is expected to be paid with tax increment revenues from the District through the credit enhancement agreement; the full faith and credit of the municipality is not planned to be used as security for the bond.

II. Development Program Narrative

A. The Portland Foreside Project

The Project consists of approximately 10 acres of real estate along the City's eastern waterfront at the former Portland Company complex. The Portland Foreside Municipal Development District would be comprised of all of the approximately 10 contiguous acres.

Given the unique nature of the development project and the adjacent waterfront, marina and public uses with the existing and future public land in the vicinity, in order to fulfill its potential as a hub of commercial activity with its own character, the eastern waterfront area will need to have additional supportive services to be paid for with the taxpayers located in such area in the form of an assessment. Such services are likely to include (but not be limited to) the list referenced above under (1) OPERATIONS OF THE DISTRICT. The assessment to be added to District property owner's tax bills will fund the activities approved each year through the District nonprofit entity. The anticipated method of apportionment of the assessment will be based on taxable assessed property within the District. Any assessments made pursuant to this District and This Inception Development Program or subsequent approved development programs will not impact property taxes otherwise administered by the City.

In addition, the District nonprofit entity will oversee the implementation of the Credit Enhancement Agreement that will finance the capital projects outlined above and in the Portland Foreside Tax Increment Financing District Development Program.

B. The Municipal Development District

The following properties comprise the District designation and are subject to this application. See Exhibit B for a detailed map.

<i>MAP</i>	<i>BLOCK/LOT</i>	<i>SIZE</i>
019	A003	12,087 SF
018	A001	269,182 SF
018	A002	44,374 SF
018	A003	125,017 SF
019	A10 (a small portion)	2,247 SF*
Total		450,660 SF Approximately 10 acres

*This small portion of a larger parcel was purchased by the Company from an abutter.

C. Operational Components

1. Public Facilities

The District will fund a variety of important public improvements, including those publicly owned improvements that will be financed through the Credit Enhancement Agreement and contemplated TIF bond issue. Annually, the City will be asked to approve a development program and budget for the needs of the District for the coming fiscal year, all as pursuant to the public hearing and notice requirements of Chapter 206 in Title 30-A of the Maine Revised Statutes. The public improvements that are undertaken and owned by the City will then be the ongoing responsibility of the City; however, any improvements that continue to be privately owned will be the responsibility of private entities as applicable.

2. Uses of Private Property within District

The District will be comprised of the Project which is more fully described above in Section II.A.

3. Plans for Relocation of Persons Displaced by Development Activities

There are no persons to be displaced by the District's development activities.

4. Environmental Controls

This Development Program proposes improvements that will comply with all federal, state, and local rules and regulations and applicable land use requirements; the results of any environmental diligence on the site as may be conducted by the Company shall be made available to the City for review upon request.

5. Proposed Operation of District

The Project will be developed by the Company, its successors, affiliates and partners, or assigns, who will be responsible for payment of all maintenance expenses, insurance, and taxes on the Project.

The District nonprofit entity, will be responsible for the administration of the District, in cooperation with the City and City Council as outlined herein. The Company will be solely responsible for completion of the Project.

III. Physical Description

The District will be comprised of just over 10 acres of property. Please see Exhibit A for an area map showing the site location of the District in relation to the municipal boundaries. Please see Exhibit B for a more detailed map of the District.

IV. Financial Plan

A. Operations of the District

With respect to the operations-related aspects of the District, the District nonprofit entity will create a budget in advance of each fiscal year of the District to submit to and be approved by the City Council as a Development Program for the District for the relevant fiscal year. This process will mirror that of Portland Downtown. The submission of the annual Development Program will include the budgeted activities and items for the coming year, along with costs. Following review and approval according to the requirements of statute, the City Council will authorize the assessment appropriate to create such budget to be added to the District tax bills on the basis of relative property values of the District parcels. Once those assessments are paid, the City will provide such payments to the District nonprofit entity within __ days of such payments. [The intention is for this process to mirror the City's process used for Portland Downtown.]

As a way to preview the anticipated types of activities, here is a list of potential types of activities it is expected that the District may fund through an assessment:

Portland Foreside Development District Operations Potential Activities Table

Project Description	Budgeted Cost
1. Maintenance to access road	
2. Storm water system repair	
3. Replanting of shrubs in western plaza	
4. Graffiti removal	
5. Cleaning of public restrooms	
6. Maintenance of plaza lighting	
7. Replacement of broken pavers in walkway	
8. Garbage and recycling removal	

9. Maintenance of plaza lighting	
10. Installation of event banners	
11. Garbage and recycling removal	
12. Snow removal from building entryways	
13. Publication of site directories	
14. Committee management	
15. Public safety enforcement	

B. Capital Projects – Credit Enhancement Agreement Projects

The District nonprofit entity is expected to enter into the Credit Enhancement Agreement with the City relating to the Portland Foreside Transit-Oriented Municipal Development and Tax Increment Financing District. In this agreement, the District nonprofit entity will receive the legal right to receive future payments related to such TIF district in exchange for taking on the responsibility of managing and undertaking the enumerated projects for which the Credit Enhancement Agreement was undertaken. In addition, the District nonprofit entity will implement such enumerated projects through the issuance of bonded indebtedness that will fund the projects and for which the Credit Enhancement Agreement will act as the security.

The potential projects planned to be funded with the bonded indebtedness include but are not limited to the following:

Project	Project Cost Estimate	Party With Whom The District Nonprofit Entity Will Contract on Such Project
Portland Landing Development: Improvements to City-owned hardscape areas on the waterfront adjacent to the Portland Foreside development project that will serve as a multimodal connection for individuals using transportation features.	\$	City of Portland
Portland Foreside Publicly Accessible Spaces: Creating improvements and infrastructure to the privately-owned on-site common areas that will be cohesive with the publicly owned areas in the vicinity.	\$	Portland Foreside Entity
Portland Company Historic District: The development of road infrastructure and utility extensions into the site will facilitate the rehabilitation and public access of the Portland Company Historic District.	\$	Portland Foreside Entity

Underground Utility Lines on Fore Street: Assisting with the relocation of above ground powerlines underground along the portion of the Fore Street corridor abutting the Portland Foreside development project.	\$	City of Portland
Multi-modal Paths: Improvements to MDOT hardscape areas that contain an easement for use by Portland Trails for the stretch of MDOT property that bifurcates the Portland Foreside development project.	\$	City of Portland
Narrow Gauge Improvements: Improvements to the MDOT rail corridor for the stretch of MDOT property that bifurcates the Portland Foreside development project.	\$	City of Portland
Restoration of Seawall: Improvements to the seawall along the Portland Foreside development project to help enable improvements to the MDOT corridor and commercial development.	\$	City of Portland
Capital Structures: Site improvements/structures to promote economic development and transit activity in the area.	\$	City of Portland
New Pier: Assisting with the development of a new pier on Portland's eastern waterfront.	\$	City of Portland
Water Taxi Port: Assisting with the creation of a new water taxi port.	\$	City of Portland
TOTAL	\$	

The bonded indebtedness is contemplated to provide for \$_____ million in project fund revenues, \$_____ of which will be used for City projects and \$_____ of which will be used for Company projects. The City is expected to act as the issuer of such bonds, but the full faith and credit of the City will not be pledged to this bond issue.

V. Municipal Approvals

A. Public Hearing Notice

The City of Portland gave proper Notice of Public Hearing in accordance with the requirements of 30-A M.R.S.A. Section 5226. Attached as Exhibit C, is a copy of the Notice of Public Hearing published in the *Portland Press Herald*, a newspaper of general circulation in the City on _____, a date at least ten (10) days prior to the public

hearing. The public hearing was held on _____, in accordance with the requirements of 30-A M.R.S.A. § 5226(1).

B. Public Hearing

A Public Hearing at which the Proposed Portland Foreside Municipal Development District and this Inception Development Program was discussed and held on _____, in the Portland City Council Chambers. A copy of the minutes of that meeting is included as Exhibit D.

C. Authorizing Votes

An attested copy of the Order of the Portland City Council designating the Portland Foreside Municipal Development District and adopting this Inception Development Program is included as Exhibit E.

D. Statutory Requirements & Thresholds Form

A completed Department form is attached as Exhibit F to demonstrate the District complies with all applicable statutory requirements and thresholds.

EXHIBITS

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