



ECONOMIC DEVELOPMENT COMMITTEE

DATE: Tuesday, May 4, 2021

TIME: 5:30 PM

LOCATION: Via Zoom

On Tuesday, May 4, 2021, the Housing and Economic Development Committee will conduct a virtual meeting using emergency legislation approved by LD 2167; 1 M.R.S. §403-A, that authorizes cities and towns to conduct meetings online. This meeting will be conducted remotely using Zoom.

Allow your computer to install the free Zoom app to get the best meeting experience. If you are not able to attend live, we will be posting a recording of the meeting once it has concluded.

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

Please click the link below to join the webinar:

<https://zoom.us/j/93841248203>

Or One tap mobile :

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Webinar ID: 938 4124 8203

International numbers available: <https://zoom.us/u/abCbg2PDZ3>

1. Zoom Virtual Public Meeting Information

a. **Via Zoom**

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2. Review and accept draft Minutes from April 20, 2021 Committee meeting.

- a. See attached draft meeting Minutes.

3. Public Hearing on Portland Downtown Fiscal Year 2022 Budget and Work Plan for Committee Discussion and Vote to Recommend to the City Council – Cary Tyson

- a. See attached Memorandum and backup.

4. New Applications for City Affordable Housing Financial Assistance to include City HOME, Housing Trust and/or Affordable Housing Tax Increment Financing District Sources

- a. Review of Funding Resources and a Progress Update on the Development Projects Previously Awarded Funding for Committee discussion and direction – Mary Davis.

See attached Memorandum and backup.

- b. Public Hearing on an Affordable Housing Tax Increment Financing (TIF) District Credit Enhancement Agreement (CEA) and HOME and/or Housing Trust Fund Request for 73 Winter Street and Vote to Recommend Approval to the City Council – Victoria Volent.

NOTE: Executive Session: Pursuant to 1 M.R.S.A 405(6)(C) and 5 M.R.S.A. 13119-A, the Committee may go into executive session to provide staff direction on negotiations.

- c. Public Hearing on an Affordable Housing Tax Increment Financing (TIF) District Credit Enhancement Agreement (CEA) and HOME and/or Housing Trust Fund Request for 91 Winter Street and Vote to Recommend Approval to the City Council – Victoria Volent. See enclosed Memorandum and materials.

NOTE: Executive Session: Pursuant to 1 M.R.S.A 405(6)(C) and 5 M.R.S.A. 13119-A the Committee may go into executive session to provide staff direction on negotiations.

See attached Memorandum and backup for the 73 and 91 Winter Street AHTIF Requests.

5. Public Hearing and Vote to Recommend to the City Council amending the Downtown Transit Oriented Development TIF District to remove 73 and 91 Winter Street from the District in order for the properties to be their own free-standing Affordable Housing TIF Districts – Victoria Volent

- a. This is a companion item to Item #4(b) and (c).

Next Meeting Date: May 18, 2021

Minutes
Remote Housing and Economic Development Committee
April 20, 2021

NOTE: This meeting was held via Zoom and 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 remote meeting of the Housing and Economic Development Committee (HEDC) of the Portland City Council was held on Tuesday, April 20, 2021, at 5:30 p.m. via Zoom. Present from the Committee was its Chair Councilor Spencer Thibodeau and members Councilors Pious Ali, Tae Chong, and Andrew Zarro. Also present from the City Council was Mayor Kate Snyder and Councilor April Fournier. Present from the City staff were, Associate Corporation Counsel Michael Goldman, Housing and Community Development Division Director Mary Davis, Housing and Economic Development Director Greg Mitchell, Senior Executive Assistant Lori Paulette, and Housing Program Manager Victoria Volent.

Item #1: Zoom Meeting Information – no Committee action required.

Item #2: Review and vote on April 6, 2021, draft meeting Minutes

On motion made by Councilor Chong, seconded by Councilor Zarro, the Committee voted unanimously (4-0) to accept the Minutes as published.

Item #3: Presentation and Committee discussion on the Rental Housing Advisory

Committee 2021 Work Plan

Chair Thibodeau introduced this item by noting that with the creation of the Rent Board, in addition to the already established Rental Housing Advisory Committee, the HEDC requested staff to provide a summation of the roles and responsibilities of the RHAC.

Mary Davis provided a high-level overview of the RHAC as outlined in the City Code. She also noted the RHAC met with the Housing Committee in October of 2020 to provide an update on their activity, and to present a request for direction, from the Housing Committee of items of interest for the RHAC to work on. That direction was postponed due to the anticipated change in the Committee membership due to the November 2020 election. When the HEDC met earlier this year, the HEDC noted they preferred to wait and provide direction after the Rent Board began their work. In the meantime, it was suggested the RHAC to put together a potential work plan for review and feedback by the HEDC. Three members of the RHAC attended the HEDC meeting; co-chairs of the RHAC, Regan Sweeney, and Meredith Cook as well a RHAC member Nora Graves.

Regan Sweeney indicated he had not prepared a formal presentation but is available to answer any questions from the HEDC. Meredith Cook said she was hoping to walk away with more clarity and direction for the group.

Members of the HEDC thanked the RHAC for their work and the ideas presented in their memo. Councilor Chong asked if the RHAC would conduct some type of listening session for the various demographics and population of renters. Chair Thibodeau would like to look at the ideas collected from the 2016 housing-charrette/forum and see what remains applicable now. He also noted his commitment to the RHAC. The HEDC and RHAC discussed expectations and how to best move forward. Consensus of the HEDC is to provide feedback on the RHAC memo and provide their own items for consideration to staff for their next meeting. The RHAC would come back to the HEDC with an update on which items they would like to take up for discussion, and the RHAC would meet with the HEDC during the summer with a status update,

Mary Davis noted the next meeting of the RHAC is May 24. Meetings are held via zoom and are open to the public to participate.

Item #4: Public Hearing on the Portland Foreside Project Tax Increment Financing

Credit Enhancement Agreement Request for Committee discussion and direction – Greg

Mitchell

Mr. Mitchell noted that this item was advertised as a Public Hearing with no vote requested from the Committee but rather for Committee direction to staff. The Agenda also notes that the Committee may go into executive session. This is not a new request but slightly different from the March 2020 request to the Economic Development Committee, which also included a Business Improvement District (BID). The request today is for a Transit-Oriented Development (TOD) TIF District with Credit Enhancement Agreement and no BID request. Because of the pandemic, the developer has faced many challenges which are documented in the backup provided in the packet by the developer. Casey Prentice is available if you want to hear about his challenges. Staff is requesting Committee direction as to whether the City should proceed with negotiations for a TIF, which request is for 20 years at 65% capture to the developer and 35% to the City, which TIF proceeds would be used for on-sight infrastructure as defined in page 8 in the backup. The build-out value is estimated at over \$400 Million in new investment, where a 65% capture would return just over \$120 Million to developer and \$64 Million to the City over the life of the District. Mr. Mitchell noted that the City is in a revaluation year, so these numbers are estimates and will be adjusted based on the revaluation. The area of the TIF District is proposed to be the private property and other areas of public property, including Ocean Gateway and the Maine State Pier in order to direct TIF revenue into those areas as well. These properties would need to be removed from the Waterfront TIF to be a free-standing TOD TIF District.

Chair Thibodeau noted that back in February 2020, the Economic Development Committee (EDC) provided some feedback at that time. The City focus for TIF Districts is for affordable housing. He then opened the meeting for public comment.

Joe Brunelle of 61 Kellogg Street noted that this would be a bad investment and dangerous precedent by the City if it moved forward. This is a project that does not City subsidy; the cost analysis does not work. Instead, the City needs to take care of its basic needs.

Casey Prentice, 110 Free Street, said he was here to answer any question. The proposed TOD TIF District would provide new revenue to the City.

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

Chair Thibodeau noted that there are statutory requirement and local requirements per City TIF Policy to be eligible for a CEA, and Mr. Mitchell agreed, including meeting the City's Green Building Ordinance.

Chair Thibodeau also noted that there is a need requirement as well in the City TIF Policy, and Mr. Mitchell agreed. A third-party is brought in to do a financial analysis, same as for Affordable Housing TIFs, but this has not yet been done yet for the subject request.

Councilor Chong asked about a phased development, and Mr. Prentice said that originally, back in early 2020, the financing package had to pledge all land, but then the Pandemic hit and the financing fell apart. The new lender has stricter requirements for collateral which is the driving force for the TOD TIF request.

Councilor Chong if there were any affordable housing units in the planned 400 units, and Mr. Prentice noted that there would be 40 following Inclusionary Zoning Ordinance, instead of buying out. He noted that the development wants to be inclusive of the neighborhood with a variety of rental units/housing options.

Councilor Chong asked if the Marina was generating revenue, and Mr. Prentice noted that it needs more infrastructure to make it happen, including underground wiring and sewer pumping/cleaning.

Councilor Zarro questioned if the City has done this kind of TIF District before, and Mr. Mitchell indicated that the Thompson's Point TOD TIF District was created in 2011 to assist with on-site infrastructure and utilities. Since then, the City's TIF Policy has changed three times, with the previous TIF policy allowing CEAs to assist with entire developments, including sidewalks and lighting.

Councilor Zarro noted 40 affordable housing units out of 400, asking if the development was subject to the green new deal.

Mr. Mitchell said that the development site is covered by an approved Planning Board Site Plan so it is grand-fathered versus current requirements of 25%. Mr. Mitchell also noted that because this is a commercial TIF request, versus AH TIF request, it follows Inclusionary Zoning versus Area Median Income.

Councilor Ali asked if the Committee direction is not to move forward, how would this impact the project.

Mr. Mitchell noted that there would likely not be a lot of investment at this time. If the Committee direction were to move forward, he would further work with the applicant on the development, possibly in a phased approach, and also would need to bring in a third-party to analyze financial necessity.

Councilor Chong indicated that the City's need there is not economic development; the City's needs are affordable housing and 40 affordable housing units out of 400 residential units in a \$120 Million TIF investment does not provide a good return for the City or its taxpayers. This does not fit with the City's goals at this time so his recommendation would be to not move forward with the request.

Councilor Zarro agreed, noting the City's top goal is affordable housing. Although he understands the challenges for the project, he would not recommend moving forward.

Chair Thibodeau said that his guidance is similar to his colleagues to hold on this project. Should something else come before staff, please keep the Committee apprised.

Chair Thibodeau then noted the Committee is meeting twice in May, the 4th and the 18th, and would try to keep it to one per month during the Summer.

On motion then made by Councilor Chong, seconded by Councilor Zarro, the Committee voted unanimously (4-0) to adjourn at approximately 7:00 p.m.

Respectfully – Lori Paulette and Victoria Volent



CITY OF PORTLAND
Housing and Economic Development
Gregory A. Mitchell, Director

MEMORANDUM

TO: Housing and Economic Development Committee

FROM: Greg Mitchell, Housing and Economic Development Director

DATE: April 27, 2021

SUBJECT: Portland Downtown (PD)/Annual Assessment Documents
for FY2022:

1. Adopting Development Program for PD;
2. Establishing Special Assessment; and,
3. Authorizing Agreement

I. ONE SENTENCE SUMMARY

Annually, the City Council authorizes the City Manager to execute documents necessary for the continued operation of Portland Downtown (formerly known as Portland's Downtown District).

II. BACKGROUND

The PD District was originally established by the City Council on March 16, 1992. Since then, each year in June, for the following fiscal year starting July 1, City Council authorization of establishing the special assessment and approval of the documents is needed.

For FY2022, City Council authorization is needed for the continued operation of PD, which documents include: (1) Adopting the Development Program for the PD; (2) Assessing Maintenance and Implementation Assessments in the PD District; and, (3) authorizing the Agreement for work to be done by PD and work to be done by the City.

The budget for PD is funded largely from special assessments on all real estate in the current District to fund the PD development program expenses for FY2022. The proposed mil rate to raise this assessment will be determined once the revaluation numbers are in, toward the end of May.

Portland Downtown representatives will provide a presentation to the HEDC at its May 4, 2021, meeting.

III. INTENDED RESULT OR COUNCIL GOAL ADDRESSED

The intended result is for the City Council to accept the FY2022 Development Plan, authorize the annual special assessment levied to property owners in the District in order for the PD to continue its program of services to support downtown cleanliness, safety, and events, and to formalize the Agreement between the PD and the City for services.

IV. FINANCIAL IMPACT

This year's assessment will be funded from special assessments on all real estate in the current district for an estimated FY2022 total of \$1,036,500, which remains level from the FY2021 PD budget of \$1,036,500. This would be for the period July 1, 2021 to June 30, 2022. *The proposed mil rate to raise this assessment will be determined later in May and June during the City revaluation. The FY2021 mil rate was \$1.05 cents per \$1,000 of property value in the District; in FY2020, the mil rate was \$1.09; in FY2019, the mil rate was \$1.03 cents per \$1,000 of property value in the expanded district. It is noted that for the prior nine (9) years before FY2019, the PD mil rate had been the same rate of \$.92 cents per \$1,000 of property value in the geographic area before the approved FY2019 geographic expansion of the district.*

V. STAFF ANALYSIS AND RECOMMENDATION THAT WILL NOT APPEAR IN THE AGENDA DESCRIPTION

City staff have reviewed the documents and recommends the HEDC vote to forward this to the City Council with a recommendation of approval.

VII. RECOMMENDATION

The Portland Downtown Board of Directors voted to recommend approval of the FY2022 Budget, Development Plan, and Agreement at its April 15, 2021, meeting.

It is recommended that the HEDC vote to forward this to the City Council with a recommendation of approval.

VIII. LIST OF ATTACHMENTS

- Development Plan and FY2022 Budget
- Agreement with Exhibits

FY22 Budget and Development Plan



Portland Downtown stimulates a thriving, vibrant & sustainable downtown community

FY21 Highlights

- Monument Square Tree Cam
- Mission 3/65
- Awarded CDBG grant in partnership with City of Portland for bike repair stations
- Completion & early implementation of 5-Year Strategic Plan
- Continued Pandora's Lights
- Partnered with Portland Buy Local on Community Gift Swap
- Hosted Back to Biz webinar with SCORE
- Community Forums on HHS move to 39 Forest Ave
- Open Streets Forum
- Weekly Merchant Forums early pandemic
- Continued successful cadet program
- Graffiti fighting partnership with LearningWorks
- Partnered with Milestone HOME Team & Amistad
- Fiscal support of portable restrooms on Cotton Street & other areas

Fiscal Year 2022 Stay the Course

- FY22 overall budget echoes FY21
- Supplemental Services at \$414,126
- Grant applications already submitted for mural & placemaking efforts
- CDBG funding recommended Portland Downtown & Amistad Peer Outreach Worker (POW) program
- Increase in cadet funding
- Continuing our new mural program

Notes on FY22 Budget

- Like most organizations, activities are pandemic dependent
 - PD strives to model good organizational behavior & has no plans to host in-person activities until the CDC deems such activities safe
- While we expect events such as Merry Madness to take place this winter, we are estimating likely safe crowd allowances & income accordingly
- Visitor Information Booth is planned but like most things, will be assessed regularly

FY22 Development Plan

- Strengthen outreach & relationship building
- Grow advocacy efforts
- Expand mural program
- Implement new strategic plan & continue to tweak committee structure
- Further engage downtown residential community
 - New board seat for downtown renters
- Mural Trail brochure
- Purchase of new street sweeper to aid in downtown cleanliness
- Expanding board to include residential renter representative

2020-2025 Strategic Plan Guiding Principles

- Portland Downtown is a community builder
- Portland Downtown is a key advocate for the downtown community
- Portland Downtown is a strong partner & collaborator
- Portland Downtown strives to be increasingly environmentally sustainable
- Portland Downtown believes in organizational sustainability

PORTLAND DOWNTOWN BUDGET FY22

Estimated valuation \$961,998,370

FY 22 Budget		
INCOME		
ASSESSMENT INCOME	\$	1,036,500.00
EVENT INCOME		
LIGHT UP YOUR HOLIDAYS		
TREE LIGHTING SPONSORSHIPS	\$	7,500.00
WINDOW DISPLAY CONTEST SPONSOR	\$	1,000.00
HORSE + WAGON RIDE SPONSORSHIPS	\$	
SHOP FOR A CAUSE SPONSORSHIP	\$	2,000.00
MERRY MADNESS TICKET SALES	\$	11,000.00
MERRY MADNESS SPONSORSHIP	\$	7,500.00
Total Light Up Your Holidays		
POLICE AWARDS BREAKFAST	\$	5,000.00
DOWNTOWN WORKER APPRECIATION DAY	\$	4,000.00
SUMMER KICK OFF WEEKEND		
SQUARE HOP SPONSORSHIP	\$	1,000.00
OPF SPONSORSHIPS		
OPF INCOME		
Total Summer Kick Off Weekend		
Total EVENT INCOME	\$	39,000.00
DIRECTORY PARTNERSHIP/CONTRIBUTION		0
GRANT INCOME	\$	1,000.00
CONTRIBUTIONS INCOME	\$	500.00
PARK & WORK INCOME	\$	250.00
Total Income	\$	1,116,250.00
Expense		
CLEAN INITIATIVES		
SUPPLEMENTAL SERVICES CONTRACT	\$	414,126.00
FIXED FEE FOR DID ADMIN	\$	9,650.00
ESTIMATED NONCOLLECTION	\$	10,365.00
REPAIRS & IMPROVEMENTS	\$	7,500.00

Total Clean Initiatives	\$	441,641.00
EMPLOYEE COSTS		
PAYROLL	\$	255,000.00
HEALTH & DENTAL		\$35,000.00
LIFE & DISABILITY INSURANCE	\$	3,750.00
PAYROLL PROCESSING FEE	\$	1,400.00
PAYROLL TAX EXPENSE	\$	18,000.00
EMPLOYEE PARKING & BUS	\$	5,000.00
UBIT (Federal Transportation Tax)		
SIMPLE IRA MATCH	\$	4,000.00
Total Employee Costs	\$	322,150.00
PROGRAMS & PARTNERSHIPS		
WINTER LIGHTS/PANDORA LACASSE	\$	62,000.00
VISITOR INFORMATION BOOTH/VISIT PORTAND	\$	10,000.00
POLICE CADET PROGRAM EXPENSE	\$	45,000.00
LEARNING WORKS	\$	20,000.00
MILESTONE HOMETEAM	\$	10,000.00
PEER OUTREACH WORKER PROGRAM	\$	6,000.00
Total Programs & Partnerships	\$	153,000.00
RENT & UTILITIES		
RENT	\$	21,000.00
CAM CHARGES	\$	11,000.00
TAXES- PERSONAL PROPERTY	\$	600.00
ELECTRIC	\$	1,700.00
GAS		
TELEPHONE & INTERNET	\$	3,800.00
Total Rent & Utilities	\$	38,100.00
OPERATIONS		
BANK SERVICE CHARGES	\$	100.00
CLEANING	\$	4,800.00
COPIER	\$	3,200.00
IT SUPPORT	\$	1,250.00
MEMBERSHIPS, DUES & SUBSCRIPTIONS	\$	4,500.00
EQUIPMENT EXPENSE	\$	2,000.00

POSTAGE	\$	3,500.00
SUPPLIES	\$	4,000.00
WEBSITE HOSTING + DEVELOPMENT	\$	1,500.00
SUBCONTRACTORS	\$	4,000.00
CONTINGENCY FUND	\$	5,000.00
RESERVE FUND	\$	20,000.00
Total Operations	\$	53,850.00
MARKETING		
GENERAL MARKETING	\$	15,000.00
DIRECTORY DISTRIBUTION		
SPONSORSHIPS/PARTNERSHIPS	\$	3,000.00
30 YEAR ANNIVERSARY BRAND UPGRADE	\$	5,000.00
Total Marketing	\$	23,000.00
INSURANCE		
DIRECTORS & OFFICERS	\$	650.00
GENERAL/EVENTS/LIQUOR	\$	6,000.00
WORKERS COMPENSATION	\$	1,200.00
Total Insurance	\$	7,850.00
PROFESSIONAL FEES		
ACCOUNTING	\$	3,500.00
ANNUAL ELECTIONS	\$	2,000.00
LEGAL	\$	2,500.00
Total Professional Fees	\$	8,000.00
ORGANIZATIONAL ACTIVITIES		
STAKEHOLDER + VOLUNTEER APPRECIATION	\$	2,500.00
MEETINGS	\$	5,000.00
PROFESSIONAL DEVELOPMENT	\$	7,500.00
Total Organizational Activities	\$	15,000.00
EVENTS		
LIGHT UP YOUR HOLIDAYS		
LUYH GENERAL MARKETING	\$	5,000.00
TREE LIGHTING: MARKETING	\$	4,500.00
TREE LIGHTING: PERFORMERS	\$	2,500.00
TREE LIGHTING: SECURITY	\$	500.00

TREE LIGHTING: STAGE & SOUND	\$	3,500.00
TREE LIGHTING EVENT MANAGEMENT	\$	500.00
RETAIL EVENTS	\$	5,000.00
WAGON RIDES		
MERRY MADNESS: MARKETING	\$	2,000.00
MERRY MADNESS: EVENT	\$	12,000.00
MERRY MADNESS EVENTBRITE FEES	\$	3,250.00
MERRY MADNESS: EVENT MANAGEMENT	\$	1,500.00
TOY FUND DONATION		
Total Light Up Your Holidays	\$	40,250.00
POLICE AWARDS BREAKFAST	\$	4,500.00
DOWNTOWN WORKER APPRECIATION DAY	\$	4,000.00
MURAL		\$5,000.00
SUMMER KICK OFF WEEKEND		
SQUARE HOP ENTERTAINMENT	\$	3,000.00
SQUARE HOP MARKETING	\$	1,000.00
OPF MARKETING		
OPF PERMITS		
OPF SECURITY		
OPF ELECTRICIAN		
OPF EVENTBRITE FEES		
OPF EVENTS MANAGER		
OPF MISC (golf carts, etc)		
Total Summer Kick Off Weekend	\$	4,000.00
TOTAL EVENTS	\$	52,750.00
PARK AND WORK		
TOTAL EXPENSE	\$	1,115,341.00
NET INCOME (LOSS)	\$	909.00

**AGREEMENT BETWEEN
THE CITY OF PORTLAND
AND
DOWNTOWN IMPROVEMENT DISTRICT, INC.
d/b/a PORTLAND DOWNTOWN**

AGREEMENT made as of the 1st day of July, 2021, (the “Effective Date”) by and between the **CITY OF PORTLAND**, a municipal corporation of the State of Maine, (the “City”) and **DOWNTOWN IMPROVEMENT DISTRICT, INC., d/b/a PORTLAND DOWNTOWN**, a Maine non-profit corporation, having its office and place of business at Portland, Maine (“**Portland Downtown**” or “**PD**”).

WHEREAS, by Council Orders 306-91/92 dated March 16, 1992, 185-94/95 dated February 22, 1995, 158-03/04 dated March 1, 2004, and 242-18/19 dated June 18, 2018, the City has approved an economic development district designated as the “Downtown Improvement District” (hereinafter, the “District”), a description and map of which are attached hereto as Exhibits A and B respectively and incorporated herein; and

WHEREAS, in 1992 the private sector formed an independent, non-profit corporation that has since managed Portland Downtown in fulfilling its mission, which includes, in part, the administration of the provision of supplemental services to the District, as described herein; and

WHEREAS, Portland Downtown is in need of services within the District which supplement the baseline services provided by the City (“Supplemental Services”) and the City is willing to provide Supplemental Services pursuant to the terms and conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the covenants herein contained, the parties hereto mutually agree as follows:

ARTICLE I. Term

- a. The term of this Agreement shall commence on the Effective Date and expire on June 30, 2022 (the “Term”).

ARTICLE II. Financial Considerations

- a. The City will levy development district assessments (“Development District Assessments”) on property in the District as authorized by the City Council and permitted by law. City-owned property, as well as property which is tax exempt under Maine law, shall not be assessed by the City.

- b. For the period commencing on the Effective Date and ending June 30, 2022, the City will pay Portland Downtown in monthly installments, to reflect the Development District Assessments collected by the City net of the all-inclusive administrative fee defined below. Installment payments will be made on the 1st of each month beginning July 2021 through and including June 1, 2022. Portland Downtown agrees to an all-inclusive administrative fee, defined as direct and indirect costs, of Nine Thousand Six Hundred Fifty Dollars (\$9,650.00). In addition, the City is entitled to withhold an estimate of uncollected development district assessments from payment to Portland Downtown. The estimate will be provided to Portland Downtown by 2/15/2022. Any difference between estimated and actual uncollected Development District Assessments will be trued up in the next fiscal year pursuant to subsection c below.
- c. In addition to the foregoing, the City will pay in a lump sum, within thirty (30) days from the close of the fiscal year, any amount assessed in a prior year, but collected in a subsequent year. Said payment by City shall be in the amount of the net assessment collected as provided herein, less any amounts remaining to be reimbursed under a prior year Agreement with the City, and considering any prior payments made as per Section b. City will provide Portland Downtown with written detail as to any deductions taken from payments under this paragraph.
- d. Notwithstanding the foregoing, Portland Downtown agrees that it will neither encumber funds which it anticipates receiving from development district assessments nor incur expenditures in anticipation of receipt of such funds except in accord with the line items in the budget attached hereto as Exhibit C, or any subsequent amendments thereto approved by the City.
- e. Portland Downtown has approved Portland Downtown's budget and Development Program in Exhibit C, covering the period beginning on July 1, 2021, and ending on June 30, 2022, and the City Council has approved the special assessment mil rate that provides funding to support the Portland Downtown's budget and Development Program.
- f. Portland Downtown will provide the Director of Finance with an annual certified financial statement, including, but not limited to, a statement of its cash position. At a minimum, the statement shall list all income and expenses, and shall be provided to the Finance Director within six (6) months after the fiscal year ends.
- g. Portland Downtown shall have reasonable access to the City's assessment collection records, and the City shall have reasonable access to the Portland Downtown's books and records.

Article III. Baseline Services To be Provided By City

- a. The City will provide, at no expense to Portland Downtown, all of the services included on the list entitled Baseline City Services that is attached hereto as Exhibit D and made a part hereof (the “Baseline City Services”). The specific nature and amount of such Baseline City Services shall be determined in the City’s reasonable discretion.
- b. The City may reduce the Baseline City Services in its discretion at any time, but only as part of a City-wide reduction in such services.

Article IV. Supplemental Downtown District Services To Be Provided By City For A Fee

- a. The City will provide all of the services included on the list entitled Supplemental Downtown District Services that is attached hereto as Exhibit E and made a part hereof. In consideration of the City’s provision of the Supplemental Downtown District Services, Portland Downtown shall pay the City the total amount set forth in Exhibit F, Public Works Budget, in equal monthly installments during the term of this Agreement.
- b. The City shall endeavor to assign the following City staff (the “City Downtown Staff”) to perform the Supplemental Downtown District Services weekly during the term of this Agreement:

1 Public Works Supervisor – Daytime
1 Portland Downtown Steward – Daytime
4 Maintenance Workers – 3 Daytime and 1 Overnight
1 Seasonal Laborer, April 15 – October 31 - Days

The City Downtown Staff shall either be employees of or contractors for the City and shall not be considered to be employees of Portland Downtown. The City reserves the right to increase or decrease the number of City Downtown Staff and to change their hours and schedules if it determines that such increase or decrease is in the City’s best interests, provided that any decrease in such staff shall not result in a material decrease in the Supplemental Downtown District Services.

- c. The City’s Public Works Director and/or designee (the “City Director”) and Portland Downtown’s Executive Director and/or designee (the “PD Director”) agree to meet and communicate on a monthly basis with meeting agendas to ensure quality control in service delivery is meeting expectations and to share updated information on service activities, programs and projects.
- d. Portland Downtown and City Manager will meet annually to discuss prioritization of larger projects within the District generally included in baseline services or CIP and managed by other City teams or departments. These include, but are not limited to, major sidewalk repairs, tree well rehabilitation, landscape installations and other reconstruction projects.
- e. In the event Portland Downtown requests services from City in addition to those included herein, City shall have the option, in its sole discretion, to provide such services

with payment to be made by Portland Downtown for any such services on a time and materials basis, or such other basis as the parties may agree in writing. The budget for additional services must be agreed to in advance by the parties. "Time" as used herein shall mean all of the City's employee costs, i.e. hourly wages or salary, and "materials" as used herein shall mean the actual cost to the City of equipment, materials and/or supplies provided or used in connection with such services, with no additional markup. In such cases the City shall provide a detailed and itemized invoice of the individuals providing the service, the time spent by the individuals and the volume and unit cost of materials expended.

- f. It is understood and agreed by the parties that City will adopt an expenditure budget, Exhibit F, which shall be provided to Portland Downtown for preliminary review no later than March 20, 2022, and which will include the cost of the Supplemental Downtown District Services, and that the City will adopt a revenue budget that will provide for the reimbursement of such costs by Portland Downtown as provided hereunder. In the event that either Portland Downtown or the City anticipates that there will be insufficient revenues to pay for such Supplemental Downtown District Services, said party will notify the other party of the anticipated shortfall, and the parties agree to meet promptly and confer to modify the level of Supplemental Downtown District Services that the City is able to provide. It shall be the responsibility of PD to notify City as soon as reasonably possible if such Supplemental Downtown District Services need to be modified or adjusted for anticipated revenue shortfalls or modifications. In the event of a revenue shortfall, the City will have no obligation to provide Supplemental Downtown District Services in excess of PD funds available to reimburse City. The City will have the right, but not the obligation, to continue to provide such Supplemental Downtown District Services to the extent provided in the City budget even in the event of a revenue shortfall. The parties agree to memorialize in writing any changes in the monthly payments due under this Agreement.
- g. In addition to any required City work uniforms, City Downtown Staff will wear vests already purchased by the City, which include the Portland Downtown logo.
- h. Prior to any discussion of modifying, adjusting or terminating this Agreement, Portland Downtown shall invite the City Manager or his designee to a meeting of the Board to discuss such contemplated modification, adjustment or termination.

Article V. Services To Be Provided By Portland Downtown.

- a. Except for the Supplemental Services, which shall be provided by the City and paid for by Portland Downtown in accordance with Article IV, Portland Downtown, shall provide the services described in Exhibit C, Portland Downtown's Budget and Development Plan.
- b. In addition to the services described in Exhibit C, Portland Downtown may, at its own expense:
 - i. Provide staff and administrative services for supervision of the daily activities and public space management of the District.

- ii. Establish positions for administration and management of its programs; recruit, hire, and pay and otherwise supervise its work force necessary to implement this charge.
- iii. Establish a corporate Board of Directors whose members fairly represent a cross section of taxpayers in the District.
- iv. Establish a mechanism for resolving any dispute to the kind and level of services which may arise between Portland Downtown and persons subject to development district assessments regarding the kind and level of services provided by Portland Downtown. As such time, a dispute cannot be resolved the City Manager will be notified.
- v. Provide liaison between the City, the District, property owners, civic groups, interested persons, and other groups and individuals, as necessary to carry out the mission of the Portland Downtown.
- vi. Maintain all minutes and records of Portland Downtown proceedings as may be required.
- vii. Participate in decoration and beautification of public places in the District.
- viii. Sponsor and promote public events to take place on or in public places in the District, subject to the provisions in Exhibit E.
- ix. Provide advice or feedback to City staff about proposed events in public spaces within the District.
- x. Advertise and promote non-profit, cultural, educational and commercial business activities in the District.
- xi. Maintain existing pedestrian way finding signage for the District in accordance with applicable City codes and ordinances.
- xii. Conduct public relations, generating favorable publicity for, and enhancing economic growth in, the District.
- xiii. Manage Visitor Information Booth in Tommy's Park.
- xiv. Wash, maintain and relocate street furniture, trash cans, street lanterns, and undertake minor repairs to street furniture.
- xv. Engage in partnerships with other organizations to provide programs and services.
- xvi. Install pole banners in the District, provided that Portland Downtown shall obtain the consent of the City's Director of Parks, Recreation and Facilities, or his or her designee, prior to the installation of any banners.
- xvii. Monitor performance of City Downtown Staff through specific PD access to "See, Click, Fix" software. PD may also track and evaluate outcomes to ensure alignment with this Agreement. Data will be reported to the City's Director of Public Works by PD's staff during the monthly meeting as designated in Article IV, Section c.

Nothing in this Agreement is intended to or shall be construed to limit Portland Downtown's general powers, as set forth in the Maine Nonprofit Corporation Act, Title 13-B of the Maine Revised Statutes Annotated.

ARTICLE VI. Termination.

- a. This Agreement may be terminated by either party for good cause. Good cause shall be deemed to be found by the City at such time as Portland Downtown's performance under this Agreement has been determined in the exclusive judgment of the City Manager to be unsatisfactory, which determination shall not be unreasonable.
- b. If Portland Downtown should fail to perform any material covenant, obligation or agreement hereunder for a period of thirty (30) days after written notice from the City Manager specifying such failure, then, upon expiration of the thirty (30) day period, the City Manager may provide Portland Downtown with notice of his intention to terminate the Agreement as provided herein. Portland Downtown shall have a ninety (90) day period, computed from the date of receipt of the notice of intent to terminate, within which to provide satisfactory service. In the event the City Manager should determine, at the expiration of the ninety (90) day period, that Portland Downtown's performance is still unsatisfactory and declare that the Agreement is terminated, the City Manager shall provide Portland Downtown with a written notice of termination. Portland Downtown shall have the right to appeal his decision to the City Council. PD shall file such appeal with the City Manager within seven (7) business days from the date Portland Downtown receives the notice of termination. The terms and conditions of this Agreement shall remain in full force and effect and binding on both parties until the City Council has acted on the appeal.
- c. Portland Downtown shall be deemed to have good cause to terminate this Agreement if (i) the City, pursuant to the provisions of Article II, should reduce its anticipated payments by more than 20% of the amount it would otherwise have paid during the periods from the Effective Date to December 31, 2021, and January 1, 2022 to June 30, 2022; (ii) if the City should be more than 30 days in arrears in any payment due hereunder; or (iii) the City should fail to provide the Supplemental Downtown District Services in a material and substantial way. In the event Portland Downtown should have "good cause" to terminate this Agreement, its relief shall be limited solely to termination of this Agreement, and it shall not be entitled to damages of any kind nor to equitable relief.
- d. Nothing herein shall be construed as giving Portland Downtown the right to perform the work contemplated under this Agreement beyond the time when Portland Downtown's services become unsatisfactory as determined by the City Manager, following the ninety (90) day notice period, or, in the event of an appeal, beyond the time the City Council has affirmed the City Manager's decision. In case Portland Downtown should be discharged before all the services contemplated hereunder have been completed, or the services for any reason should be stopped, either because of the expiration of the term hereof or because of the inability of Portland Downtown to fulfill its obligations under this Agreement, Portland Downtown shall be reimbursed for all services satisfactorily

performed to the date of termination in accordance with Article II hereof. After notice of termination and completion of the appeal process, Portland Downtown shall:

1. With respect to existing activities, take only such actions as the City Manager shall direct;
 2. Upon City's request, assign to the City in the manner, at the times and only to the extent the City, acting by and through its City Manager, may direct it to do so, all the rights, title and interest of Portland Downtown in and to all existing orders and agreements.
 3. To the extent rights, title and interests of Portland Downtown in and to existing orders and agreements may be assigned to the City and accepted by it; obligations incurred on or after such assignment will be assumed by the City. Otherwise, Portland Downtown shall settle all outstanding liabilities and all claims arising out of any terminated orders or agreements.
 4. Deliver to the City, in the manner, at the times and to the extent directed by the City Manager, all documents and data produced by Portland Downtown as part of or in connection with the work.
- e. Either party may terminate or modify this Agreement in the event of a budget shortfall upon no less than Sixty (60) days prior written notice to the other party.
- f. In the event Supplemental Downtown District Services are terminated for any reason by either party, it shall be in City's discretion as to whether it will continue or resume providing such Supplemental Downtown District Services.

ARTICLE VII. Assignment

Portland Downtown covenants and agrees that it will neither assign nor transfer any rights hereunder, either in whole or in part, without first obtaining the prior written consent of the City.

ARTICLE VIII. Performance of Services

All services performed under this Agreement shall be performed in a good, workmanlike fashion.

ARTICLE IX. Compliance with Law

Portland Downtown will comply with all applicable provisions of Federal, State, and local law, including, but not limited to, the Civil Rights Act of 1964, in its performance under this Agreement. Portland Downtown shall include a similar provision in each of its subcontracts.

ARTICLE X. Indemnification

- a. Portland Downtown shall, at its own cost and expense, defend, indemnify, and hold harmless the City, its officers, agents, and employees, from and against the following:
 1. to the fullest extent permitted by law, Portland Downtown shall defend, indemnify and hold harmless the City, its officers and employees, from and against all claims, damages, losses, and expenses, just or unjust, including but not limited to costs of defense, including attorney's fees, arising out of or resulting from the performance of this Agreement, provided that any such claims, damage, loss or expense is (1) attributable to bodily injury, sickness, disease, or death, or injury to or destruction of tangible property, including the loss or use thereof; and (2) is caused in whole or in part by any negligent act or omission of Portland Downtown, anyone directly or indirectly employed by it, or anyone for whose act it may be liable;
 2. all claims and liens of Portland Downtown's consultants, subcontractors, and their laborers, mechanics, materialmen, and/or suppliers. Such obligation shall not be construed either to negate or abridge any other obligation of indemnification, and shall not be limited by any provision for insurance contained in this Agreement.
 3. Notwithstanding the foregoing, nothing herein shall be construed as waiving or otherwise voiding the City's right to all protections under the Maine Tort Claims Act, 14 M.R.S. §§ 8101 et. seq., as the same may be amended from time to time.

ARTICLE XI. Insurance

- a. Neither Portland Downtown nor any of its subcontractors shall commence work under this Agreement until they have provided the insurance coverage required by this Agreement and such coverage has been approved by the City.
- b. Prior to the execution of this Agreement, Portland Downtown will procure and maintain occurrence-based Automobile Liability Insurance and Commercial General Liability Insurance coverage in amounts of not less than Four Hundred Thousand Dollars (\$400,000.00) per occurrence for bodily injury, death and property damage, naming the City as an additional insured thereon, and also Workers' Compensation Insurance coverage to the extent required by law. With respect to the Automobile and Commercial General Liability Insurance, Portland Downtown shall name the City as an additional insured for coverage only in those areas where government immunity has been expressly waived by 14 M.R.S. A. § 8104-A, as limited by § 8104-B, and § 8111. This provision shall not be deemed a waiver of any defenses, immunities or limitations of liability or damages available to the City under the Maine Tort Claims Act, other Maine statutory law, judicial precedent, common law, or any other defenses, immunities or limitations of liability available to the City. Prior to execution of this Agreement, Portland Downtown shall furnish the City and thereafter maintain certificates evidencing all such coverages, which

certificates shall guarantee thirty (30) days' notice to the City of termination of insurance from the insurance provider or agent. Portland Downtown shall also provide a copy of any endorsement naming the City as additional insured. A certificate that merely has a box checked under "Addl Insr," or the like, or that merely states the City of Portland is named as an Additional Insured, will not be acceptable. The Workers' Compensation insurance shall include an endorsement waiving all rights of subrogation against the City of Portland, its officers or employees. Upon City's request, Portland Downtown shall provide City with a complete copy of any of the above-referenced policies. Portland Downtown shall be responsible for any and all deductibles and/or self-insured retentions.

Article XII. No Joint Venture; Independent Contractors

- a. Nothing contained in this Agreement will constitute or be construed to be or create a partnership or joint venture between the parties or any of their respective officers, directors, employees, affiliates, successors or assigns. The parties understand and agree that this Agreement does not make either of them an agent or legal representative of the other for any purpose whatsoever. No party is granted, by this Agreement or otherwise, any right or authority to assume or create any obligation or responsibilities, express or implied, on behalf of or in the name of any other party, or to bind any other party in any manner whatsoever.
- b. Each party will secure, at its own expense, all personnel, materials, and equipment required to perform its obligations under this Agreement. Each party, in accordance with its status as an independent contractor, covenants and agrees that its employees shall be regarded for all legal and tax purposes as its own employees during the term of this Agreement, and each party shall govern and supervise the work of its own employees. Each party shall discharge all applicable obligations imposed upon employers under the law, including without limitation payment of wages, social security taxes, withholding taxes, unemployment taxes and worker's compensation. Both parties' employees shall not be considered employees of the other party for any purpose and shall not be entitled to any retirement benefits, social security benefits, unemployment benefits, group health or life insurance, vacation, personal, or sick leave, worker's compensation, or any other similar benefits ("Employment Benefits") from the other party. Each party further covenants and agrees that its employees will conduct themselves consistent with such status, that they will neither hold themselves out as, nor claim to be, officers or employees of the other party by reason of this Agreement, and that its employees will not, by reason of this Agreement, make any claim, demand or application to or for any right or privilege applicable to an officer or employee of the other party, including but not limited to the Employment Benefits.
- c. Nothing in this Agreement is intended to or does prohibit Portland Downtown or the City from entering into any other contractual relationship with each other or any third party.

Signature page follows.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the _____ day of _____, 2021.

WITNESS

CITY OF PORTLAND

By: _____

Jon P. Jennings
Its City Manager

WITNESS

**DOWNTOWN IMPROVEMENT
DISTRICT, INC.
d/b/a PORTLAND DOWNTOWN**

By: _____

David Packard
Its Board Chair

Approved as to Form:

City Corporation Counsel

Approved as to Funds:

City Finance Department

EXHIBIT A

(Insert Map of District)

**Portland
Downtown District
Boundary Map**

June 18, 2018

EXHIBIT A

Legend

Portland Downtown District also 7/1/2018



EXHIBIT B

(Insert Legal Description of District)

The following is a description of the boundary of Portland Downtown as of July 1, 2018:

Beginning at the intersection of the easterly side of State Street and the northerly side of Congress Street;

Thence easterly along the northerly side of Congress Street to the southwesterly side of High Street;

Thence northwesterly along the southwesterly side of High Street to the southerly side of Deering Street;

Thence northeasterly perpendicular to and crossing High Street to the northeasterly side of High Street;

Thence northwesterly along the northeasterly side of High Street to the southeasterly side of Cumberland Avenue;

Thence northeasterly along the southeasterly side of Cumberland Avenue to the southwesterly side of Franklin Street;

Thence southeasterly along the southwesterly side of Franklin Street to the northwesterly side of Commercial Street;

Thence easterly and diagonally across Commercial Street to the intersection of the southeasterly side of Commercial Street with the northeasterly boundary line of the Maine State Pier;

Thence southwesterly along the southeasterly side of Commercial Street to its intersection with the northeasterly side of the road to Wright's Wharf;

Thence northwesterly perpendicular to and crossing Commercial Street to the northwesterly side of Commercial Street;

Thence southwesterly along the northwesterly side of Commercial Street to the northeasterly side of High Street;

Thence northwesterly along the northeasterly side of High Street to the northwesterly side of Spring Street;

Thence southwesterly along the northwesterly side of Spring Street to the northeasterly side of Park Street;

Thence northwesterly along the northeasterly side of Park Street to the southerly side of Congress Street;

Thence westerly along the southerly side of Congress Street to the easterly side of State Street;

Thence northerly along the easterly side of State Street to the northerly side of Congress Street and the Point of Beginning.

Meaning and intending to include all parcels fronting on the streets and contained within the perimeter of the figure as described.

All as shown on a map dated 6/18/2018 entitled Portland Downtown District Boundary Map on file in the City of Portland's Assessor Office and the Economic Development Office. Any inconsistencies between this description and the boundary map shall be controlled by the boundary map.

EXHIBIT C

(Insert Portland Downtown Budget)

PORTLAND DOWNTOWN BUDGET FY22

Estimated valuation \$961,998,370

FY 22 Budget		
INCOME		
ASSESSMENT INCOME	\$	1,036,500.00
EVENT INCOME		
LIGHT UP YOUR HOLIDAYS		
TREE LIGHTING SPONSORSHIPS	\$	7,500.00
WINDOW DISPLAY CONTEST SPONSOR	\$	1,000.00
HORSE + WAGON RIDE SPONSORSHIPS	\$	
SHOP FOR A CAUSE SPONSORSHIP	\$	2,000.00
MERRY MADNESS TICKET SALES	\$	11,000.00
MERRY MADNESS SPONSORSHIP	\$	7,500.00
Total Light Up Your Holidays		
POLICE AWARDS BREAKFAST	\$	5,000.00
DOWNTOWN WORKER APPRECIATION DAY	\$	4,000.00
SUMMER KICK OFF WEEKEND		
SQUARE HOP SPONSORSHIP	\$	1,000.00
OPF SPONSORSHIPS		
OPF INCOME		
Total Summer Kick Off Weekend		
Total EVENT INCOME	\$	39,000.00
DIRECTORY PARTNERSHIP/CONTRIBUTION		0
GRANT INCOME	\$	1,000.00
CONTRIBUTIONS INCOME	\$	500.00
PARK & WORK INCOME	\$	250.00
Total Income	\$	1,116,250.00
Expense		
CLEAN INITIATIVES		
SUPPLEMENTAL SERVICES CONTRACT	\$	414,126.00
FIXED FEE FOR DID ADMIN	\$	9,650.00
ESTIMATED NONCOLLECTION	\$	10,365.00
REPAIRS & IMPROVEMENTS	\$	7,500.00

Total Clean Initiatives	\$	441,641.00
EMPLOYEE COSTS		
PAYROLL	\$	255,000.00
HEALTH & DENTAL		\$35,000.00
LIFE & DISABILITY INSURANCE	\$	3,750.00
PAYROLL PROCESSING FEE	\$	1,400.00
PAYROLL TAX EXPENSE	\$	18,000.00
EMPLOYEE PARKING & BUS	\$	5,000.00
UBIT (Federal Transportation Tax)		
SIMPLE IRA MATCH	\$	4,000.00
Total Employee Costs	\$	322,150.00
PROGRAMS & PARTNERSHIPS		
WINTER LIGHTS/PANDORA LACASSE	\$	62,000.00
VISITOR INFORMATION BOOTH/VISIT PORTAND	\$	10,000.00
POLICE CADET PROGRAM EXPENSE	\$	45,000.00
LEARNING WORKS	\$	20,000.00
MILESTONE HOMETEAM	\$	10,000.00
PEER OUTREACH WORKER PROGRAM	\$	6,000.00
Total Programs & Partnerships	\$	153,000.00
RENT & UTILITIES		
RENT	\$	21,000.00
CAM CHARGES	\$	11,000.00
TAXES- PERSONAL PROPERTY	\$	600.00
ELECTRIC	\$	1,700.00
GAS		
TELEPHONE & INTERNET	\$	3,800.00
Total Rent & Utilities	\$	38,100.00
OPERATIONS		
BANK SERVICE CHARGES	\$	100.00
CLEANING	\$	4,800.00
COPIER	\$	3,200.00
IT SUPPORT	\$	1,250.00
MEMBERSHIPS, DUES & SUBSCRIPTIONS	\$	4,500.00
EQUIPMENT EXPENSE	\$	2,000.00

POSTAGE	\$	3,500.00
SUPPLIES	\$	4,000.00
WEBSITE HOSTING + DEVELOPMENT	\$	1,500.00
SUBCONTRACTORS	\$	4,000.00
CONTINGENCY FUND	\$	5,000.00
RESERVE FUND	\$	20,000.00
Total Operations	\$	53,850.00
MARKETING		
GENERAL MARKETING	\$	15,000.00
DIRECTORY DISTRIBUTION		
SPONSORSHIPS/PARTNERSHIPS	\$	3,000.00
30 YEAR ANNIVERSARY BRAND UPGRADE	\$	5,000.00
Total Marketing	\$	23,000.00
INSURANCE		
DIRECTORS & OFFICERS	\$	650.00
GENERAL/EVENTS/LIQUOR	\$	6,000.00
WORKERS COMPENSATION	\$	1,200.00
Total Insurance	\$	7,850.00
PROFESSIONAL FEES		
ACCOUNTING	\$	3,500.00
ANNUAL ELECTIONS	\$	2,000.00
LEGAL	\$	2,500.00
Total Professional Fees	\$	8,000.00
ORGANIZATIONAL ACTIVITIES		
STAKEHOLDER + VOLUNTEER APPRECIATION	\$	2,500.00
MEETINGS	\$	5,000.00
PROFESSIONAL DEVELOPMENT	\$	7,500.00
Total Organizational Activities	\$	15,000.00
EVENTS		
LIGHT UP YOUR HOLIDAYS		
LUYH GENERAL MARKETING	\$	5,000.00
TREE LIGHTING: MARKETING	\$	4,500.00
TREE LIGHTING: PERFORMERS	\$	2,500.00
TREE LIGHTING: SECURITY	\$	500.00

TREE LIGHTING: STAGE & SOUND	\$	3,500.00
TREE LIGHTING EVENT MANAGEMENT	\$	500.00
RETAIL EVENTS	\$	5,000.00
WAGON RIDES		
MERRY MADNESS: MARKETING	\$	2,000.00
MERRY MADNESS: EVENT	\$	12,000.00
MERRY MADNESS EVENTBRITE FEES	\$	3,250.00
MERRY MADNESS: EVENT MANAGEMENT	\$	1,500.00
TOY FUND DONATION		
Total Light Up Your Holidays	\$	40,250.00
POLICE AWARDS BREAKFAST	\$	4,500.00
DOWNTOWN WORKER APPRECIATION DAY	\$	4,000.00
MURAL		\$5,000.00
SUMMER KICK OFF WEEKEND		
SQUARE HOP ENTERTAINMENT	\$	3,000.00
SQUARE HOP MARKETING	\$	1,000.00
OPF MARKETING		
OPF PERMITS		
OPF SECURITY		
OPF ELECTRICIAN		
OPF EVENTBRITE FEES		
OPF EVENTS MANAGER		
OPF MISC (golf carts, etc)		
Total Summer Kick Off Weekend	\$	4,000.00
TOTAL EVENTS	\$	52,750.00
PARK AND WORK		
TOTAL EXPENSE	\$	1,115,341.00
NET INCOME (LOSS)	\$	909.00

EXHIBIT D

BASELINE CITY SERVICES

(To be provided City-wide by the City at no cost to Portland Downtown)

Capital Improvements and Maintenance

- Streetscape Amenity Maintenance - The City will repair and correct any defects, deficiencies or problems in the district as necessary. Items of focus include light and utility poles, sidewalks, curbstones, trash cans, signs, crosswalk markings, traffic signals, tree wells, planters, benches, trees, kiosks, shelters, bollards, and any other amenity that is now or at some point in the future may be installed. All repairs, etc., will take place within a reasonable time after notice of need.
- Sidewalks - To the extent it is funded, the City will undertake an on-going sidewalk maintenance program to repair existing sidewalks and replace bituminous repairs with permanent repairs.
- Lighting, maintenance, and replacement of all street lights and traffic signals and payment for necessary electrical energy.
- Parks, playgrounds, and trails.

Beautification

- Horticulture and tree care in parks, squares and streets.
 - In all public areas, the City will maintain and improve the condition of flowerbeds, trees, tree wells, bushes, plantings and other like horticultural amenities. Such activities shall include the initial planting, timely and appropriate maintenance, preventative and otherwise, and expeditious replacement of any damaged, destroyed or diseased horticultural products, including grass, flowers, and trees.
- Green space maintenance.
 - The City shall maintain and mow all public grassed areas.
- Holiday Decorations. The City will install and remove downtown Holiday decorations throughout the District to include Christmas trees at Monument Square and City Hall Plaza, string lights on light poles, and common area trees such as Tommy's Park, and provide for electrical energy related costs. This paragraph does not include installation or removal of, or any costs associated with, any of Pandora Lacasse's Winter Lights, which shall be installed and removed at Portland Downtown's sole expense.

Cleanliness

- Street sweeping - All streets or parts thereof included in the downtown improvement district zone will be swept from curb line to curb line on an as needed basis.
- Trash removal – Daily and when necessary emptying of all trash and recycling receptacles in the downtown improvement district zone and disposal of resulting waste.

- Street snow plowing and removal - The City will plow and remove snow as necessary from all streets and parts thereof in the downtown improvement district zone.
- Graffiti removal on public property.
- Downtown Blitz - This is a two-week program for time duration. Each year the City shall undertake a dedicated effort to repair, repaint, replace and correct any defects, deficiencies or problems in the district. Items of focus shall include light and utility poles, sidewalks, curbstones, trash cans, benches, signs, crosswalk markings, traffic signals, tree wells, planters, benches, trees, kiosks, shelters, bollards, and any other amenity that is now or at some point in the future may be installed. This program will be undertaken as early as possible each Spring and conclude as rapidly as possible. Performance of some activities, i.e. painting, will take place annually as conditions permit. Major capital activity or the reconstruction and/or repair of significant infrastructure (street paving, sewer work, etc.) would not be considered part of this blitz program.

Safety

- Police protection.
 - A minimum of 4 uniformed patrol officers will intersect all or part of the downtown improvement district area. The actual number of officers will vary depending upon time of day and day of week. During periods when calls for service are typically at their peak, the number of officers assigned will increase significantly, for example during weekend evenings and the summer months. This increase will include foot and bicycle patrols. Officers will be supported with additional personnel (supervisors, detectives, evidence technicians) as necessary.
 - As long as the Community Policing Officer Program is in effect, at least one Community Police Officer will be assigned to the Downtown Improvement District area.
 - Holiday Patrol—from the Friday following Thanksgiving to New Year’s Day, patrol efforts will be supplemented by use of a foot patrol. The number of officers and hours of the assignment is dependent upon staffing levels.
- Fire protection.

EXHIBIT E

SUPPLEMENTAL DOWNTOWN DISTRICT SERVICES

(To be provided in the District by City at an annual fixed fee)

Cleanliness, Maintenance, Snow Removal

- Litter patrol, collection, and disposal on streets, sidewalks, tree wells and public areas within the District.
- Graffiti removal from City property within 5 days of notification.
- Removal of posters from PD poster boards.
- Check condition, catalogue, and if necessary paint or clean all public furniture and fixtures twice a year, at minimum. Furniture and fixtures shall include (but not be limited to) the following items:
 - Benches;
 - Trash/recycling receptacles;
 - Light pole bases; and,
 - Planters.
- Sidewalks will be cleaned on a daily basis, weather and season permitting.
- Sidewalk snow removal: All property owners in the District are responsible for maintaining their sidewalks and property in the winter pursuant to Portland City Code §§25-171 to 25-180. Following a snow storm, the City will provide a clear walkway no less than the width of a sidewalk tractor's capability. To the extent reasonable, the City will clear the sidewalk area, but it is not the intent of the parties that the City will clear the snow from the full width of the sidewalk area. The City will provide ice control to the extent possible. If weather conditions are so severe that the area cannot be plowed due to equipment capability, the City, in its discretion, may choose to delay clearing of the sidewalks but must complete the work within 24 hours of the storm being complete.
- Clean and maintain bathrooms located at Fore Street Parking Garage.
- Maintenance and cleaning of Visitor Information Booth in Tommy's Park at least once per month during season (May-October). "Quick response" repairs, such as missing bricks or landscaping damage shall be performed by City Downtown Staff as soon as possible.

Beautification

- In addition to horticultural obligations of the City under Exhibit D, the City shall plant flowers and other plants in all flower urns in the District, regularly remove weeds from tree wells, and improve and maintain the same. In performing such services, the City shall pay particular attention to Longfellow Square, Congress square, Monument Square, Tommy's Park, Post Office Park, Boothby Square, Lincoln Park, Pleasant Street Park, and Bell Buoy Park.

Events in the District

- Portland Downtown provides events as described in its Budget and Development Program attached as Exhibit C.
- In connection with these events, the City will provide, at no expense to Portland Downtown, the following:
 - Waived event permit fees.
 - “No Parking” signs, wooden barricades, recycling services.
 - Access to City electricity service in public spaces.
 - Police and Fire Department services for Portland Downtown’s annual Tree Lighting event.
- Notwithstanding the above, Portland Downtown shall be required to comply with all Public Assembly Facilities Division permit requirements and shall be responsible for the City’s costs of the following services at the City’s standard rates:
 - Street closure expenses, including threat prevention;
 - Event personnel, including staff and managers;
 - Police and Fire personnel directly related to an event.
- The City will invoice Portland Downtown for all such services at its then current rates, and Portland Downtown shall pay the City all amounts due within 30 days after receipt of such invoices. Portland Downtown shall also be responsible for paying the City’s Permitting and Inspections Department for any applicable fees associated with licenses required for its events, including, without limitation, licenses for temporary food service, street goods, and liquor.

Exhibit F
Public Works Budget

**FY22 City Manager's Recommended Budget
Expenditure Budget Detail Report**

Account Desc	Line	Item Req \$	Qty	Detail Request	Line Total	Total
General Fund (100 & 107):						
Public Works	Portland Downtown District 10031205				Org Total:	<u>\$414,126.00</u>
10031205 400110	PDD Salaries & Wages					\$305,310.00
	10)	\$305,310	1.00	FY22 Salaries & Wages: (a) FY22 Request: \$305,310 (b) FY22 FTE: 6.0 FY22 Position Notes: 1) MW Position (1) Replaced MW I during FY21 .	\$305,310.00	
10031205 400130	PDD Temporary Help					\$16,200.00
	10)	\$15.00 HRS	1,080	SUMMER LITTER CLEANUP 1EE * 27WKS * 40HRS * \$15.00P/H (APR15 - OCT31)	\$16,200.00	
10031205 400140	PDD Overtime Payments					\$57,686.00
	10)	\$36.51 HR	96.00	VACATION COVERAGE 1EE * 12DAYS * 8HRS (AVERAGE RATE OF ALL 6 EMPLOYEES)	\$3,504.96	
	20)	\$36.51 HR	600	WINTER PDD 5EE * 8STORMS * 15HRS	\$21,906.00	
	30)	\$36.51 HR	640	WINTER BALLFIELDS 5EE * 8STORMS * 16HRS	\$23,366.39	
	40)	\$36.51 HR	64.00	HOLIDAY LIGHT DECORATIONS 2EE * 4DAYS * 8HRS	\$2,336.64	
	50)	\$36.51 HR	180	OTHER PDD FUNCTIONS 5EE * 6HRS * 6EVENTS	\$6,571.79	
	60)	\$0.22	1.00	Round (1/26/21 pmh)	\$0.22	
10031205 400271	PDD Wearing Apparel					\$2,850.00
	20)	\$375 EACH	6.00	UNIFORMS	\$2,250.00	
	30)	\$100 EACH	5.00	GLOVES/PER'L PROTECTIVE EQUIP	\$500.00	
	40)	\$100 EACH	1.00	TEMP UNIFORM	\$100.00	
10031205 400274	PDD Cellular Phones					\$600.00
	10)	\$50.00 YR	12.00	PDD SUPERVISOR (CN)	\$600.00	
10031205 402000	PDD Administrative Svcs					\$190.00
	10)	\$190	1.00	APWA (CN) Classification FY22 New Item	\$190.00	
10031205 403560	PDD Printing					\$50.00
	10)	\$50.00 YR	1.00	BUSINESS CARDS	\$50.00	
10031205 404010	PDD M&R Buildings					\$200.00
	10)	\$200 YR	1.00	STRUCTURAL STEEL: (TREE GUARDS - BENCHES)	\$200.00	
10031205 404030	PDD M&R Vehicles					\$300.00
	10)	\$300 YR	1.00	SMALL REPAIR PARTS FOR POWER TOOLS	\$300.00	
10031205 404530	PDD Office Equip Rental					\$360.00
	10)	\$30.00 MO	12.00	PHOTOCOPIER RENTAL	\$360.00	
10031205 405510	PDD Agricultural Supply					\$400.00

**FY22 City Manager's Recommended Budget
Expenditure Budget Detail Report**

Account Desc	Line	Item Req \$	Qty	Detail Request	Line Total	Total
	10)	\$400 YR	1.00	LOAM, SEED AND MULCH	\$400.00	
10031205 405520	PDD Supplies-All Other					\$9,100.00
	20)	\$600 YR	1.00	CHEMICAL SUPPLIES (DE-ICING/GRAFFITI REMOVAL)	\$600.00	
	30)	\$600 YR	1.00	REPAIR OF TRASH BARRELS	\$600.00	
	40)	\$1,600 EACH	4.00	REPLACEMENT BARRELS	\$6,400.00	
	50)	\$500 YR	1.00	MISC: OTHER SUPPLIES	\$500.00	
	60)	\$1,000 YR	1.00	PAINTING SUPPLIES BARRELS, BENCHES, POLES	\$1,000.00	
10031205 405530	PDD Construction Supply					\$1,000.00
	10)	\$1,000 YR	1.00	LUMBER FOR BENCH REPAIR, POSTER BOARDS	\$1,000.00	
10031205 405535	PDD Cleaning Supplies					\$1,000.00
	10)	\$1,000 YR	1.00	CLEANING SUPPLIES	\$1,000.00	
10031205 405550	PDD Medical Supplies					\$200.00
	10)	\$200 YR	1.00	MOBILE FIRST AID KITS	\$200.00	
10031205 405560	PDD Minor Equipment					\$2,400.00
	10)	\$800 YR	1.00	MISC HAND TOOLS (RAKES, SHOVELS ETC)	\$800.00	
	20)	\$1,600 YR	1.00	TRASH CAN LINERS 25 * 20GAL * \$30 = \$750.00 25 * 31GAL * \$34 = \$850.00	\$1,600.00	
10031205 405565	PDD Computers & Tech					\$1,310.00
	10)	\$1,310 EA	1.00	REPLACEMENT COMPUTER	\$1,310.00	
10031205 405570	PDD Office Supplies					\$600.00
	10)	\$600 YR	1.00	GENERAL OFFICE SUPPLIES	\$600.00	
10031205 405600	PDD Minor Capital Items					\$9,710.00
	10)	\$9,710 YR	1.00	AVANT SWEEPER ATTACHMENT	\$9,710.00	
10031205 406320	PDD Electricity					\$4,000.00
	10)	\$4,000 YR	1.00	CMP (3950-0003-015) 94 FREE STREET BUILDING (ELECTRIC HEAT) (PARKING GARAGE)	\$4,000.00	
10031205 406340	PDD Telephone					\$660.00
	10)	\$55.00 MO	12.00	PDD SHOP PHONE 775-4401	\$660.00	
* Portland Downtown District 10031205 Org Total:						\$414,126.00
** PW Operations 3120 Division Total:						\$414,126.00
*** Public Works 0100 31 Dept Total:						\$414,126.00
**** General Fund (0100):						\$414,126.00
***** GF Total (100 & 107):						\$414,126.00

**FY22 City Manager's Recommended Budget
Expenditure Budget Detail Report**

Account Desc	Line	Item Req	\$	Qty	Detail Request	Line Total	Total
Report Total:							\$414,126.00



CITY OF PORTLAND
Housing and Economic Development Department
Housing and Community Development Division

TO:	Councilor Spencer Thibodeau, Chair Members of the Housing and Economic Development Committee
FROM:	Mary Davis, Division Director Housing and Community Development Division
DATE:	April 30, 2021
SUBJECT:	Review of Funding Resources and a Progress Update on Development Projects Previously Awarded Funding

I. SUMMARY

Staff is providing the HEDC with an overview of available funding resources and an update on the progress of projects previously awarded funding in order to obtain direction from the HEDC regarding anticipated requests for additional funding.

II. BACKGROUND

The City Council approved the FY22 Housing Program Budget at the April 26 meeting. The budget included \$509,718 in HOME Funding along with \$1,455,975 in Housing Trust Funds (HTF). The HTF amount included the existing unencumbered balance in the fund as of February 2, 2021 when the Housing and Economic Development Committee reviewed the 2021 Housing Trust Fund Annual Plan. Since that time an additional \$198,928 has been deposited into the fund. The City Council has not authorized use of the additional funds. Generally the Annual Plan recommends that a \$500,000 minimum balance be maintained.

The 2021 Affordable Housing Development Application made available \$1,563,238 (\$607,263 HOME + \$955,975 HTF). Two new project funding applications were received in response to this solicitation and are submitted for HEDC consideration at this meeting. The new projects requested a total of \$600,000 which, if approved for funding, leaves an unallocated balance of \$963,238.

Six projects funded prior to 2021, as well as three projects on city-owned property have indicated that increases in construction costs, predominantly material costs, may result in project funding gaps. In some cases the developers have approached the City to see if additional funding might be available. In others, HCD staff reached out to the developer to inquire about the status of the project and learned that funding gaps may exist.

III. STAFF ANALYSIS AND BACKGROUND

As shown in the attached spreadsheet entitled "*Project Update and Funding Gap Spreadsheet*", the funding gap for projects in the pipeline is estimated to range from \$1,270,000 to \$2,010,000. Avesta Housing, the developer of the 200 Valley Street project, indicated they anticipate a funding gap, but are uncertain at this point of the amount. The projects in the Subsidized Housing Development table have all previously been allocated funding from the City.

Regarding the projects proposed for city-owned property at Randall, Douglass and Lambert Streets, the Randall Street developer has indicated a potential funding gap of as much as \$900,000. The Lambert Street development team does not currently anticipate a funding gap. The Douglass Street development team is hopeful that they will be able to proceed with Affordable Housing Tax Increment Financing assistance only. These projects have yet to apply for funding, including tax increment financing.

Developers are aware that the City does not have the resources available to fully fund this large gap and they will need to seek assistance from other sources. They are also aware that any additional funding provided by the City must be approved by the City Council.

For your information, on April 8 HUD announced the allocation of American Rescue Plan funding available through the HOME Program. These anticipated funds are available to assist individuals and households who are homeless, at risk of homelessness, and other vulnerable populations, by providing housing, rental assistance, supportive services, and non-congregate shelter, to reduce homelessness and increase housing stability. The April 8 announcement included a list of communities scheduled to receive funding. The Cumberland County HOME Consortium anticipates receiving \$3,594,143, which will be allocated between Portland and the other Cumberland County communities. HUD has not issued a formal award letter and has indicated that it expects to issue guidance in the Fall; at that point Portland and the Consortium will be expected to develop a plan for the use of the funds. Based on the current allocation share formula used by Consortium, staff estimates Portland's share of the program funds to be \$1,741,362. An additional \$539,121 may be used for administrative costs and the balance (\$1,313,659) would be available to projects outside of the City of Portland.

Lastly, the City Manager's FY2022 City Budget recommends an allocation of \$250,000 to the Jill C. Duson Housing Trust Fund.

IV. RECOMMENDATION

Staff is recommending that the two new projects be funded with available HOME funding. The two new projects are located at 73 and 91 Winter Street and they are presented for action at tonight's meeting.

Staff is also recommending that the request for additional funding for the Portland Housing Authority's Front Street Phase I project be approved. This project, which is scheduled for construction loan closing at the beginning of June, has a total funding gap of \$1.15 million. They have requested \$300,000 from the Housing Trust Fund, along with asking all their funding partners to contribute additional funds, including the Portland Housing Development Corporation. As directed by the HEDC, staff will present a formal request for funding at a future meeting.

Staff is seeking general HEDC direction on the use of the remaining funds.

V. LIST ATTACHMENTS

1. Housing Trust Fund Sources and Uses (as of 3.29.2021)
2. Project Update and Funding Gap Spreadsheet
3. 2021 Affordable Housing Development Funding Request Balance Sheet

Sources and Uses of Housing Trust Fund

YEAR	DEPOSITS	YEAR	EXPENDITURES
2002/03	Maine Medical Center HRO	2011	Avesta Oak Street Lofts
2002	Sportsman's Grill HRO	2014	Housing First Pre-Development RFP
2009	Berlin City Auto HRO	2015	65 Hanover & 52 Alder Sts Feasibility Study
2010	Stop n Shop HRO 2010	2017	65 Munjoy Street
2012	Rockbridge/Eastland Park HRO	2019	60 Parris Terr. Downpayment Assistance
2012	Riverwalk/Ocean Gateway HRO	2018	37 Front Street (not yet spent)
2012	118 Congress LLC Easement	2018	977 Brighton Avenue
2017	91 & 97 Belfort Street (sale of TAP)	2019	83 Middle Street (not yet spent)
2017	116 Upper A Street (sale of TAP)	2019	18 Luther Street (not yet spent)
2017	443 Congress Street IZ	2020	200 Valley Avenue (not yet spent)
2018	62 India Street IZ	2020	337 Cumberland Avenue (not yet spent)
2018	Short Term Rental Fee transfer	2020	Affordable Rental Housing Incentive Program
2018	0 Thames Street (WEX) sale		Total Expenditures
2019	20 Thames Street IZ & Easement		
2019	20 Thames Street (for balcony overhang)		
2019	Short Term Rental Penalties		
2019	Short Term Rental Fee transfer		
2019	56 Hampshire Street Easement fee		
2019	17 Sumac Street (sale of TAP)		
2019	121 Middle Street (HOTEL IZ)		
2020	99 Capisic Street (sale of TAP)		
2020	Short Term Rental Penalties		
2020	Short Term Rental Fee transfer		
2020	22 Bramhall (MMC overhang)		
2020	50 Monument Square		
2020	121 Middle Street (HOTEL IZ)		
2020	Order 89 20/21 Appropriation		
2021	56 Hampshire Street IZ		
	Previous INTEREST EARNED		
	Total Deposits		
		BALANCE	\$ 1,654,903.63

HRO - Housing Replacement Ordinance; IZ = Inclusionary Zoning Fee-in-lieu; TAP = Tax Acquired Property
as of 3-30-21

PROJECT UPDATE AND FUNDING GAP SPREADSHEET

Subsidized Housing Development								
Project Name	Date of Previous Allocation	Amount of Previous Allocation	AHTIF	Anticipated Construction Loan Closing Date	Anticipated Completion Date	Funding Gap	Source Requested	Amount
1a. Front Street Phase I	9/5/2018	\$861,104 **	YES	6/1/2021	12/15/2022	YES	HTF	\$300,000
1b. Front Street Phase II	9/5/2018	\$574,070	YES	6/1/2022	10/30/2023	YES	?	\$200,000 - \$400,000
2a. 66 State St. Lodging House	na	na	YES	Under renovation	Dec. 2021	YES	HTF	\$70,000 - \$110,000
2b. 66 State St. Apt. Building (aka 155 Danfort	9/4/2019	\$299,999	YES	Aug. 2021	Aug. 2022	YES	?	\$300,000
3. 83 Middle Street	9/4/2019	\$330,000 *	YES	6/30/2021	7/30/2022	NO	na	na
4. 200 Valley Ave	8/3/2020	\$497,455	YES	late Aug. 2021	early 2023	?	?	?
5. 337 Cumberland Ave	8/3/2020	\$500,000	YES	Early 2022		NO	na	na
6. Washington Gardens	9/21/2020	\$400,000 ***	YES	3/24/2021	Nov. 2022	NO	na	na
Sub-Total								a. \$870,000 - 1,110,000

* does not include \$200,000 of CDBG

** does not include \$250,000 of CDBG

*** does not include \$184,150 of CDBG

City-Owned Property				
Project Name	Funding Request Included in Proposal	Funding Application Received	Anticipated AHTIF	Anticipated Gap Funding Request Amount
21 Randall Street	\$400,000 (HTF)	No	No	\$400,000 to \$900,000
165 Lambert Street	\$200,000 (HTF)	No	Yes	na
43/91 Douglass Street	\$400,000 (HTF)*	No	Yes	?
Sub-Total				b. \$400,000 - 900,000

*When developer was selected by the council, they indicated the project could move forward without financial assistance from the City

TOTAL (a.+b.)	\$1,270,000 - 2,010,000
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as of 4-21-21

2021 AFFORDABLE HOUSING DEVELOPMENT FUNDING REQUESTS BALANCE SHEET

Funds Available

HOME Funds Available (FY22 \$509,718 + FY21 \$97,545)	\$ 607,263
Housing Trust Funds Available (\$1,455,975 - \$500,000 = \$955,975)	\$ 955,975
	\$ 1,563,238

NEW Funding Requests

73 Winter Street	\$ 400,000
91 Winter Street	\$ 200,000
	\$ 600,000

Funds Available - Funding Requests =	\$ 963,238
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HOME Funds Available	\$ 607,263
Staff Funding Recommendations	
73 Winter Street	\$ 400,000
91 Winter Street	\$ 200,000
	\$ 7,263
HOME Funds Available - HOME Funding Recommendations =	

Housing Trust Funds Available	\$ 955,975
Staff Funding Recommendations	
	\$ -
	\$ -
	\$ 955,975
HTF Available - HTF Funding Recommendations =	

FUNDING GAP RECOMMENDATIONS

Remaining Funds Available	\$ 963,238
Funding Gap Recommendations	
Front Street Phase I	\$ 300,000
	\$ 300,000

Funds Available - Funding Recommendations =	\$ 663,238
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CITY OF PORTLAND
Housing and Economic Development Department
Housing and Community Development Division

TO: Councilor Thibodeau, Chair
Members of the Housing and Economic Development Committee
FROM: Victoria Volent, Housing Program Manager
Housing and Community Development Division
DATE: April 23, 2021
SUBJECT: Affordable Housing and TIF Development Funding Requests

Introduction

On February 18, 2021, the *Affordable Housing Development and Tax Increment Financing Application* was released with a due date of April 30. In response to the request, two proposals were received. This memo introduces those proposals.

The two proposals are requesting a total of \$600,000 in HOME funding to assist in the creation of a total of 93 affordable rental units.

Affordable Housing Development and Tax Increment Financing (AHTIF) requests were received for review for the benefit of 73 Winter Street (the Equinox), and 91 Winter Street (Winter Landing). These parcels will be carved out of the larger site associated with the Mercy Hospital redevelopment located at 120 State Street. 120 State Street is in the Downtown TIF District. 73 Winter Street and 91 Winter Street would need to be moved out of the Downtown TIF district and into their own AHTIF districts should they be approved.

73 WINTER STREET (The Equinox)

Community Housing of Maine (CHOM), in partnership with Portland Housing Development Corporation (PHDC), is requesting \$400,000 in HOME funding to construct a new four story elevator-assisted building with 41 rental units for family housing on an empty surface parking lot on the Mercy Hospital State Street campus.

The building would be comprised of 2 studio apartments, 17 one-bedroom, 13 two-bedroom, and 9 three-bedroom apartments. Of the 41 units, 25 would be reserved for households earning at or below 50% AMI and 16 would be reserved for households earning at or below 60% AMI. The Equinox would feature a large community room with adjacent community kitchen and play space, secure indoor bike and stroller storage, two laundry rooms, office space, and trash/recycle room. PHDC would serve as the management agent to 73 Winter Street.

The Equinox would be designed to meet Passive House Standards, and would meet or exceed Portland's Green Building Ordinance. Ten units would be set aside for women and families working on all aspects of recovery through Northern Light Mercy's McAuley program. CHOM and Northern Light Mercy currently partner on two existing McAuley Residences located in Portland and Bangor. The organizations now seek to create a third McAuley Residence program.

CHOM has requested two forms of financial assistance.

- (1) City Affordable Housing Development fund request: \$400,000 0% interest rate loan, deferred for 30 years.

City Affordable Housing Development funds of \$400,000/unit = \$9,756

- (2) Affordable Housing Tax Increment Financing request: If approved, the Affordable Housing TIF financing would be provided through a Credit Enhancement Agreement at 50% of the increased assessed value tax revenue, currently estimated at a 30-year annual average of \$62,981, with an estimated total of \$1,889,418 in captured increased assessed value tax revenue returned to the project/developer to off-set project operating costs. The proposed project will be taxable, with an estimated annual assessment of \$4,300,000 and estimated annual tax of \$71,000 at the current 21FY millage rate. The remaining increased taxable value, currently estimated at a 30-year annual average of \$62,981, with an estimated total of \$1,889,418, will be non-captured general fund revenue. TIF projections and proposed district map are included in the backup to this memo.

73 Winter Street		
Studio (2)	at or below 50% area median income	2
	at or below 60% area median income	0
One-bedroom (17)	at or below 50% area median income	12
	at or below 60% area median income	5
two-bedroom (13)	at or below 50% area median income	8
	at or below 60% area median income	5
three-bedroom (9)	at or below 50% area median income	3
	at or below 60% area median income	6
Total	at or below 50% area median income	25
Total	at or below 60% area median income	16
Total Units		41

According to the developer's application:

The proposed development helps Portland meet several policy goals related to sustainable development and housing outlined in its 2017 Comprehensive Plan. The Plan's Executive Summary emphasizes the need to "Reinforce the Center" through better housing and transportation. The Plan calls for a production of a variety of housing types, with a focus on key nodes and corridors. The site's location, right in the heart of downtown Portland, adjacent to one of the identified "priority corridors" (State Street), and less than one block from a METRO stop, is extremely well located for housing and promotes a healthy walkable city neighborhood. Further, the project's walkable location and Passive House design support the Plan's sustainability goals by reducing energy consumption and greenhouse gas emissions.

The Housing Policy Guide: A Livable City recognizes that the lack of sufficient housing supply and the affordability of that housing is an urgent challenge. It establishes a goal to increase the overall supply of housing, and to continue encouraging income-restricted affordable housing development. Finally, the guide establishes a goal to pursue housing that enables those who work in Portland to have the option to live in Portland. The Equinox will contribute 41 income-restricted units to the production of housing in downtown Portland, near employment opportunities, making this goal economically feasible for the families living there.

This project is seeking a 9% Low Income Housing Tax Credit and tax-exempt debt with Maine Housing

CHOM encumbered funding:

- \$193,266 HOME in 2019 (83 Middle Street)
- \$136,734 Housing Trust Funds in 2019 (83 Middle Street)
- \$200,000 CDBG in 2019 (83 Middle Street)
- \$1,559,287 AHTIF in 2019 (83 Middle Street)

The Planning Board conducted a site plan review workshop on April 27. The applicant is looking for final approval by the July 25th meeting of the Planning Board.

FINANCIAL IMPACT

When completed, this project's new total assessed value is estimated at \$4.3 million, which would yield \$71,000 in annual assessed property value at the current FY21 millage rate. Fifty (50%) percent of the increased assessed value tax revenue (approximately \$1,889,418 over the 30-year term) will be captured increased assessed value tax revenue returned to the project/developer. The remaining non-captured revenue from the increased assessed value of fifty (50%) percent (approximately \$1,889,418 over the 30-year term) will be general fund revenue.

A Credit Enhancement Agreement would return approximately \$1,889,418 in captured increased assessed value tax revenue to the project/developer (averaged at \$62,981 annually over thirty years) to off-set project operating costs.

Total development costs are estimated at \$12.8 million. Non-captured general fund revenues are estimated at \$1,889,418 (average at \$62,981 annually over thirty years).

With the tax sheltering benefits of TIF Districts, overall savings to the City during the term of the district averages an estimated annual amount of \$16,606+, or \$498,187 + over the life of the district.

	Captured Revenue to Developer (assumes 2% increase/year to mill rate) (Tax Dollars returned to the Developer's District Account)	Captured Revenue Returned to City (assumes 2% increase/year to mill rate) (Tax Dollars returned to the City's District Account)	Non -Captured General Fund Revenue (Tax Dollars in General Fund)
30 Year TIF Total	\$1,889,418	\$0	\$1,889,418
30 Year Average	\$62,981	\$0	\$62,981

	1. Sheltered Valuation (same as Captured Valuation)	2. Avoided Loss of State Aid for Education	3. Avoided Loss of State Municipal Revenue Sharing	4. Avoided Increase in County Tax	5. Total Avoided Impacts (2+3+4)
30 Year TIF Total	\$58,765,500	\$421,701	\$44,039	\$32,447	\$498,187
30 Year Average	\$1,958,850	\$14,057	\$1,468	\$1,082	\$16,606

Final loan terms would be determined based on the results of the underwriting, which is anticipated to be completed for any City Council action on this request.

91 WINTER STREET (Winter Landing)

Community Housing of Maine (CHOM), in partnership with Portland Housing Development Corporation (PHDC), is requesting \$200,000 in HOME funding to construct a new four story elevator assisted building with 52 rental units for adults aged 55 and over on an empty surface parking lot on the Mercy Hospital State Street campus (adjacent to 73 Winter Street).

The building would be comprised of 52 one-bedroom apartments. Of the 52 units, 32 would be reserved for households earning at or below 50% AMI, and 20 would be reserved for households earning at or below 60% AMI. 15 units would be set aside for homeless individuals with a focus on those individuals that have been staying at the City shelter for longer than 180 days. Winter Landing would feature a large community room, three laundry rooms, manager's office, tele-med capabilities, and outside gathering space. PHDC would serve as the management agent to 91 Winter Street. The building would be designed to meet Passive House Standards, and would meet or exceed Portland's Green Building Ordinance.

CHOM has requested two forms of financial assistance for the new building.

(1) Affordable Housing Development funds request: \$200,000, 0% interest rate loan, deferred for 30 years.

City Affordable Housing Development funds of \$200,000/unit = \$3,846.15

(2) Affordable Housing Tax Increment Financing request: If approved, the Affordable Housing TIF financing will be provided through a Credit Enhancement Agreement at 50% of the increased assessed value tax revenue, currently estimated at a 30-year annual average of \$69,602 with an estimated total of \$2,088,068 in captured increased assessed value tax revenue returned to the project/developer to off-set project operating costs. The proposed project will be taxable, with an estimated annual assessment of \$4,700,000 and estimated annual tax of \$78,000 at the current 21FY millage rate. The remaining increased taxable value, currently estimated at a 30-year annual average of \$69,602 with an estimated total of \$2,088,068, will be non-captured general fund revenue. TIF projections and proposed district map are included in the backup to this memo.

91 Winter Street		
One-bedroom	at or below 50% area median income	32
	at or below 60% area median income	20
Total Units		52

According to the developer's application:

The proposed development helps Portland meet several policy goals related to sustainable development and housing outlined in its 2017 Comprehensive Plan. The Plan's Executive Summary emphasizes the need to "Reinforce the Center" through better housing and transportation. The Plan calls for a production of a variety of housing types, with a focus on key nodes and corridors. The site's location, right in the heart of downtown Portland, adjacent to one of the identified "priority corridors" (State Street), and less than one block from a METRO stop, is extremely well located for housing and promotes a healthy walkable city neighborhood. Further, the project's walkable location and Passive House design support the Plan's sustainability goals by reducing energy consumption and greenhouse gas emissions.

The Housing Policy Guide: A Livable City recognizes that the lack of sufficient housing supply and the affordability of that housing is an urgent challenge. It establishes a goal to increase the overall supply of housing, and to continue encouraging income-restricted affordable housing development. Finally, the guide establishes a goal of providing an opportunity for residents to age in place, in housing that shows them the dignity and respect they deserve. Winter Landing will provide 52 income-restricted housing units targeted to adults over the age of 55, designed to the highest quality and efficiency measures.

This project is seeking a 9% Low Income Housing Tax Credit and tax-exempt debt with Maine Housing.

As noted above with 73 Winter Street, CHOM encumbered funding includes:

- \$193,266 HOME in 2019 (83 Middle Street)
- \$136,734 Housing Trust Funds in 2019 (83 Middle Street)
- \$200,000 CDBG in 2019 (83 Middle Street)
- \$1,559,287 AHTIF in 2019 (83 Middle Street)

The Planning Department conducted a site plan review workshop on April 27. The applicant is looking for final approval by the July 25th meeting of the Planning Board.

FINANCIAL IMPACT

When completed, this project's new total assessed value is estimated at \$4.7 million, which would yield \$78,000 in annual assessed property value at the current FY21 millage rate. Fifty (50%) percent of the increased assessed value tax revenue (approximately \$2,088,068 over the 30-year term) will be captured increased assessed value tax revenue returned to the project/developer. The remaining non-captured revenue from the increased assessed value of fifty (50%) percent (approximately \$2,088,068 over the 30-year term) will be general fund revenue.

A Credit Enhancement Agreement will return approximately \$2,088,068 in captured increased assessed value tax revenue to the project/developer (averaged at \$69,602 annually over thirty years) to off-set project operating costs.

Total development costs are estimated at \$8.8 million. Non-captured general fund revenues are estimated at \$2,088,068 (average at \$69,602 annually over thirty years).

With the tax sheltering benefits of TIF Districts, overall savings to the City during the term of the district averages an estimated annual amount of \$18,352+, or \$550,566 + over the life of the district.

	Captured Revenue to Developer (assumes 2% increase/year to mill rate) (Tax Dollars returned to the Developer's District Account)	Captured Revenue Returned to City (assumes 2% increase/year to mill rate) (Tax Dollars returned to the City's District Account)	Non -Captured General Fund Revenue (Tax Dollars in General Fund)
30 Year TIF Total	\$2,088,068	\$0	\$2,088,068
30 Year Average	\$69,602	\$0	\$69,602

	1. Sheltered Valuation (same as Captured Valuation)	2. Avoided Loss of State Aid for Education	3. Avoided Loss of State Municipal Revenue Sharing	4. Avoided Increase in County Tax	5. Total Avoided Impacts (2+3+4)
30 Year TIF Total	\$64,944,000	\$466,038	\$48,669	\$35,859	\$550,566
30 Year Average	\$2,164,800	\$15,535	\$1,622	\$1,195	\$18,352

Final loan terms would be determined based on the results of the underwriting, which is anticipated to be completed prior to any Council action on this request.

Attachments:

Affordable Housing Development Funding Request Spreadsheet
73 Winter Street Illustrations

73 Winter Street Project Summary
73 Winter Street Development Schedule
73 Winter Street Development Finances
73 Winter Street TIF Projection Table
73 Winter Street Tax Shifts- Avoided Formula Impacts
91 Winter Street Illustrations
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2021 Affordable Housing Development Funding Requests		
Project Address	73 Winter Street	91 Winter Street
Project Name	The Equinox	Winter Landing
Project Description	Construction of 41 units of affordable housing	Construction of 52 units of affordable housing
Developer	CHOM and PHDC	CHOM and PHDC
Type of Housing	Families	55+
Total Units	41	52
Affordable Units	41	52
Market Rate Units	0%	0
% of Affordable/Market rate units	100% affordable	100% affordable
no. of units affordable to < 50% AMI	25	32
no. of units affordable to < 60% AMI	16	20
homeless set aside	10 units	15 units
efficiency	0	0
one-bedroom	17	52
two-bedroom	15	0
three-bedroom	0	0
New units created	41	52
Rehabilitated units	n/a	n/a
FUNDING REQUEST	\$400,000	\$200,000
City Subsidy per New Affordable Unit	\$9,756	\$3,846
TIF Request	50% for 30 yrs	50% for 30 yrs
LIHTC	9%	9%
Other City Funding encumbered by Developer	see notes 1,2,3,4	see notes 1,2,3,4
Total Development Cost	\$12,847,270	\$8,821,062
Estimated Construction Start Date	6/1/2022	6/1/2022
Estimated Lease-up	7/1/2023	7/1/2023
1) Encumbered Funds: CHOM's 83 Middle Street has an outstanding commitment of \$193,266 in HOME, \$200,000 in CDBG, \$136,734 in Housing Trust funds, and \$1,559,287 in AH TIF.		
2) Encumbered Funds: PHDC 's Front Street project has an outstanding commitment of \$925,000 in Housing Trust funds, \$510,174 in HOME funding, \$250,000 in CDBG funds, and \$6,056,916 AHTIF.		
3) Encumbered Funds: PHDC 's 337 Cumberland Ave. project has an outstanding commitment of \$500,000 in Housing Trust funds, and \$2,722,057 in AH TIF.		
4) Encumbered Funds: PHDC's 577 Washington Ave (Washington Gardens) project has an outstanding commitment of \$400,000 in HOME, \$184,150 in CDBG, and \$2,749,457 in AH TIF.		

Mercy Hospital Redevelopment Project: 73 Winter Street and 91 Winter Street



CONCEPT SKETCH

05.10.2020 LEVEL B SITE PLAN

SHEET INDEX LANDSCAPE DRAWINGS

• L-0-00	COVER SHEET
• L-0-01	NOTES
• L-1-00	LAYOUT PLAN
• L-2-00	MATERIALS PLAN
• L-3-00	PLANTING PLAN
• L-4-00	DETAILS
• L-4-01	DETAILS
• L-4-02	DETAILS
• L-4-03	SITE FURNISHINGS
• L-4-04	SITE FURNISHINGS
• L-4-05	SITE FURNISHINGS

VICINITY MAP:



PROJECT LOCATION



ALA
ARCHITECTS
2011 2012 2013 2014 2015 2016 2017 2018 2019 2020

MERCY
144 STATE STREET
PORTLAND, ME

LEVEL B SITE PLAN
SEPTEMBER 10, 2020

COVER / SHEET INDEX

L 0-00

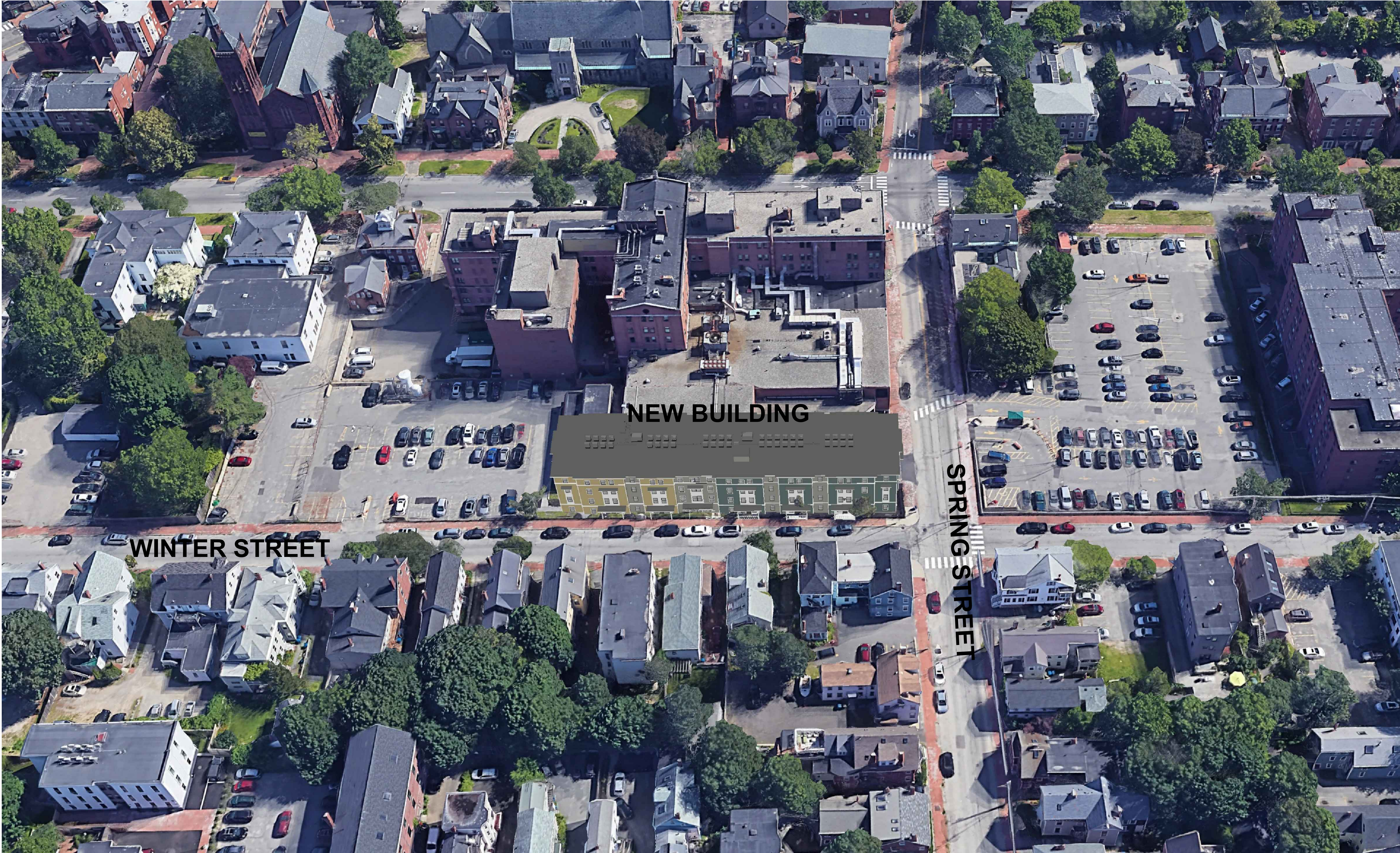
PERMIT LEVEL
NOT ISSUED FOR
CONSTRUCTION

FAMILY APARTMENTS

WINTER STREET, PORTLAND, MAINE

73 Winter Street - The Equinox

DECEMBER 02, 2020



1 VIEW FROM ABOVE
NTS

PROGRESS PRINT ONLY
Not for Construction

RYAN SENATORE ARCHITECTURE

FAMILY APARTMENTS

WINTER STREET, PORTLAND, MAINE

DECEMBER 02, 2020



1 VIEW LOOKING SOUTH ON SPRING STREET - EXISTING



PROGRESS PRINT ONLY
Not for Construction

RYAN SENATORE ARCHITECTURE

FAMILY APARTMENTS

WINTER STREET, PORTLAND, MAINE

DECEMBER 02, 2020



1 VIEW LOOKING SOUTH ON SPRING STREET - PROPOSED



PROGRESS PRINT ONLY
Not for Construction

RYAN SENATORE **ARCHITECTURE**

FAMILY APARTMENTS

WINTER STREET, PORTLAND, MAINE

DECEMBER 02, 2020



1 VIEW LOOKING NORTH ON SPRING STREET - EXISTING



PROGRESS PRINT ONLY
Not for Construction

RYAN SENATORE ARCHITECTURE

FAMILY APARTMENTS

WINTER STREET, PORTLAND, MAINE

DECEMBER 02, 2020



1 VIEW LOOKING NORTH ON SPRING STREET - PROPOSED



PROGRESS PRINT ONLY
Not for Construction

RYAN SENATORE ARCHITECTURE

FAMILY APARTMENTS

WINTER STREET, PORTLAND, MAINE

DECEMBER 02, 2020



1 VIEW LOOKING WEST ON WINTER STREET - EXISTING
NTS



PROGRESS PRINT ONLY
Not for Construction

RYAN SENATORE ARCHITECTURE

FAMILY APARTMENTS

WINTER STREET, PORTLAND, MAINE

DECEMBER 02, 2020



1 VIEW LOOKING WEST ON WINTER STREET - PROPOSED
NTS



PROGRESS PRINT ONLY
Not for Construction

RYAN SENATORE **ARCHITECTURE**

FAMILY APARTMENTS

WINTER STREET, PORTLAND, MAINE

DECEMBER 02, 2020



1 VIEW LOOKING EAST ON WINTER STREET - EXISTING
NTS



PROGRESS PRINT ONLY
Not for Construction

RYAN SENATORE ARCHITECTURE

FAMILY APARTMENTS

WINTER STREET, PORTLAND, MAINE

DECEMBER 02, 2020



1 VIEW LOOKING EAST ON WINTER STREET - PROPOSED
NTS



PROGRESS PRINT ONLY
Not for Construction

RYAN SENATORE **ARCHITECTURE**

FAMILY APARTMENTS

WINTER STREET, PORTLAND, MAINE

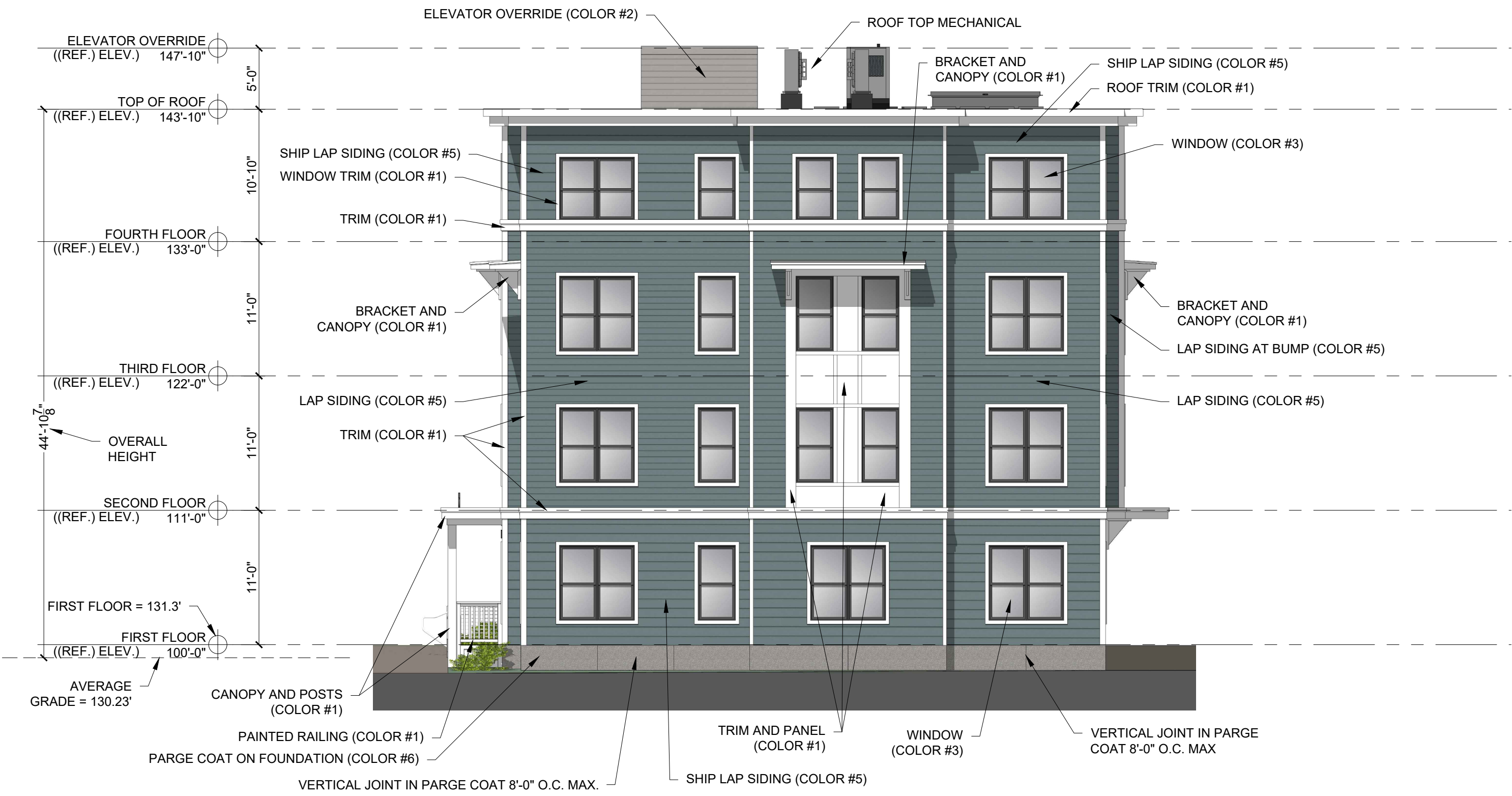
73 Winter Street: the Equinox

DECEMBER 02, 2020



1 SOUTH ELEVATION
1/8" = 1'-0"

ITEM	INFORMATION	COLOR
TRIM - COLOR #1	PVC	WHITE
SHIPLAP SIDING - COLOR #2	FIBERCEMENT - ARTISAN SQUARE CHANNEL - 9" EXPOSURE - SMOOTH	PEARL GRAY
WINDOW - COLOR #3		BLACK
SHIPLAP SIDING - COLOR #4	FIBERCEMENT - ARTISAN SQUARE CHANNEL - 9" EXPOSURE - SMOOTH	EMBELLISHED CREAM
SHIPLAP SIDING - COLOR #5	FIBERCEMENT - ARTISAN SQUARE CHANNEL - 9" EXPOSURE - SMOOTH	BOOTHBAY BLUE
PARGE COAT - COLOR #6		MEDIUM GRAY
LAP SIDING - COLOR #2	FIBERCEMENT 6" EXPOSURE - SMOOTH FINISH	PEARL GRAY
LAP SIDING - COLOR #4	FIBERCEMENT 6" EXPOSURE - SMOOTH FINISH	EMBELLISHED CREAM
LAP SIDING - COLOR #5	FIBERCEMENT 6" EXPOSURE - SMOOTH FINISH	BOOTHBAY BLUE
MATERIALS NOTE: 1.) ALL DIS-SIMILAR METALS TO BE ISOLATED FROM ONE ANOTHER WITH ADHERED STRIPS OR SEALANTS TO PREVENT GALVANIC ACTION		



1 EAST ELEVATION
1/8" = 1'-0"



RYAN SENATORE ARCHITECTURE

PROGRESS PRINT ONLY
Not for Construction

The Equinox – 73 Winter Street

A. Project Summary

Project Overview

Community Housing of Maine (CHOM) in partnership with Portland Housing Development Corporation (PHDC), through a jointly owned subsidiary Winter Street Development GP LLC, propose to convert the surface parking lot at 73 Winter Street on the Mercy Hospital State Street campus into 41 units of affordable rental housing for families. Located in the heart of Portland's West End, the development will provide much needed high quality, permanent, affordable rental housing to individuals earning less than 50% and 60% of Area Median Income.

The Equinox will include a 10-unit set-aside for women and families working on recovery through the expansion of Northern Light Mercy's successful McAuley program. Referrals into the program will predominantly come from the City of Portland family shelter and other community agencies. CHOM and Northern Light Mercy currently partner at the two existing McAuley Residences located in Portland and Bangor, providing stability for 25 families between the two sites. The McAuley program is designed to promote positive, lasting changes to break the cycle of unhealthy dependencies and encourage healthy independence through a holistic approach covering all aspects of recovery, including spirituality, parenting, physical and emotional wellness, career and education, financial responsibility, and time management. The program receives inquiries from nearly 150 women every month, desperately seeking access to the program. The critical need, coupled with the effectiveness of Mercy's program, is prompting the expansion of the McAuley Residence outcome-based model to The Equinox in Portland.

CHOM, a Community Housing Development Organization, will serve as principal developer taking responsibility for all of the customary responsibilities in a development project of this type, including, but not limited to, obtaining site control, environmental and market studies, all necessary permits, financing, regulatory approval, syndication of tax credits, hiring and supervision of design professionals, and construction management. Through Winter Street Development GP LLC, CHOM and PHDC will continue to have control and supervise the on-going management of the project.

Portland Housing Authority will serve as the management agent. PHA provides long term affordable rental housing and rental assistance to more than 2,700 low-income families, seniors and disabled individuals through its Low-Income Public Housing (LIPH), Housing Choice Voucher (HCV) and Low-Income Housing Tax Credit (LIHTC) Programs. This includes management of just over 1,000 LIPH, LIHTC and market-rate units and administration of 1,800 housing vouchers. PHA houses over 6,500 residents, close to 10% of the City's population. PHA believes that providing safe, quality, affordable housing offers its residents the stability they need and the opportunity for success they deserve.

The project site is one of 3 proposed subdivided lots on the existing Chart 45, Block C, Lot 6001 (148 State Street), a 2.35 acres parcel that is improved by the historic Mercy Hospital building and associated parking. A Levell III site plan was submitted by the campus owner, NewHeight Redfern LLC on September 15, 2020. CHOM also has site control for a second parcel on Lot 6001, where it will build a 52-unit affordable housing project serving older adults aged 55 and over. The two Winter Street affordable housing projects are part of the larger effort to reimagine the 3.51 acres historic hospital campus and convert it into a mixed-use mixed-income residential development.

The proposed development complies with the current B-3 zoning which allows for residential uses. This section of Winter Street has a Downtown Height Overlay of 35' maximum, however the project is eligible for an affordable housing height density bonus of an additional 25'. The proposed project is 45' and falls within the current zoning height requirements. The proposed lot (Lot A-2) is 0.39 acres. CHOM commissioned a Phase 1 Environmental Site Assessment, and no issues were identified that will remain upon acquisition of the site.

Portland's Comprehensive Plan

The proposed development helps Portland meet several policy goals related to sustainable development and housing outlined in its 2017 Comprehensive Plan. The Plan's Executive Summary emphasizes the need to "Reinforce the Center" through better housing and transportation. The Plan calls for a production of a variety of housing types, with a focus on key nodes and corridors. The site's location, right in the heart of downtown Portland, adjacent to one of the identified "priority corridors" (State Street), and less than one block from a METRO stop, is extremely well located for housing and promotes a healthy walkable city neighborhood. Further, the project's walkable location and Passive House design support the Plan's sustainability goals by reducing energy consumption and greenhouse gas emissions.

The *Housing Policy Guide: A Livable City* recognizes that the lack of sufficient housing supply and the affordability of that housing is an urgent challenge. It establishes a goal to increase the overall supply of housing, and to continue encouraging income-restricted affordable housing development. Finally, the guide establishes a goal to pursue housing that enables those who work in Portland to have the option to live in Portland. The Equinox will contribute 41 income-restricted units to the production of housing in downtown Portland, near employment opportunities, making this goal economically feasible for the families living there.

The Scope, Site and Building Design

The scope of work for the 41-unit Equinox includes construction of 17 one-bedroom, 15 two-bedroom, and 9 three-bedroom rental units in a 41,437 square foot new construction 4-story elevator assisted building. Twenty five units (two studio, twelve 1BR, eight 2BR, and three 3BR) at the Equinox will be made available to residents with Very Low Incomes (50% of Area Median Income or less) and the remaining 16 units (five 1BR, five 2BR, and six 3BR) will be made available to Low Income residents (60% AMI or less).

The development will have many on-site tenant amenities, including a community room, community kitchen, two laundry rooms, indoor bike & stroller room, manager's office, resident services office, broadband and tele-med capabilities, outside gathering space, and limited onsite parking. In addition, public transportation, a medical clinic, elementary school, grocery market, open public green space, and myriad other commercial and cultural activities are all located within walking distance of the project.

The building will have its main entrance on Winter Street, with a secondary common entrance in back leading to a Woonerf street situated between the building and the historic hospital building. Apartments along Winter Street will also have their own individual entrances, creating front porches and garden areas. The concept design has taken great care to break-up the massing of the building and to complement the historic architecture of the neighborhood. The landscape plan calls for year-round horticulture, street trees, seat walls and benches, and a pedestrian green "alley way" between the two CHOM/PHDC buildings which is also designed to accommodate emergency vehicles.

The building will be designed to meet Passive House Standards, the industry standard for sustainable building construction, and will meet or exceed Portland's Green Building Ordinance. CHOM and PHDC are committed to green building design and construction for energy efficiency and durability, which translates into lower operating costs, as well as improved indoor air quality and natural lighting, which residents appreciate. The green design also supports the Comprehensive Plan's goal to encourage quality, sustainable design in new housing development.

Housing Need

According to Ribbon Demographics, the estimated population of Portland in 2019 was 67,313 and is expected to increase to 67,956 by 2024. Approximately 54.1% of the population in 2019 was between the ages of 18 and 55, with a median age of 38.1 years, and average household size of 2.03 persons per household. Some 55.7% of housing units in Portland are renter-occupied, with approximately 43.7% of the renter households paying more than 30% of their household income on housing costs. This demonstrates a clear need for affordable rental units in the area. In fact, according to the National Low-Income Housing Coalition, the wage needed to support a two-bedroom apartment in Portland is \$29.15, one of the highest in the nation, while the mean renter wage was only \$14.83 an hour.

CHOM commissioned a market study by The Signal Group (TSG), an affiliate of the National Housing & Rehabilitation Association, to determine the market need, occupancy, turnover and absorption data for the Portland Metro Area. The study found that there is a significant shortfall in the number of affordable units with demand currently exceeding supply by 1,126 housing units. Predictions show that demand will continue to grow and will exceed supply by 1,168 by 2024. The TSG study surveyed 26 Tax Credit developments in the Portland Metro Area, consisting of 1,038 units, and found a 100% occupancy rate. Reported waitlists are up to 5 years for LIHTC properties. TSG's study of the market showed an absorption period of four months, by leasing units at a rate of 10 per month. This rate is consistent with CHOM's experience at other affordable rental properties it owns in the Portland area.

The Equinox will provide 41 new rent restricted units for families in downtown Portland near public transportation and employment opportunities. It will contribute to the City's goal outlined in the Comprehensive plan to produce 2,557 new housing units by 2027, and it will help reduce the severe shortfall in the number of affordable units currently available.

Community Housing of Maine and Portland Housing Development Corporation: Mission & Experience

CHOM is an independent 501(c)(3) non-profit organization that develops, owns, and maintains quality, affordable housing for people with low incomes and special needs. Founded in 1993, CHOM owns and operates 80 housing sites in 31 communities, creating more than 783 units of affordable housing. In the City of Portland alone, CHOM has more than 250 units of affordable and supportive housing under its charge. Nearly 1/3 of CHOM's tenants (346) were homeless at entry, of which 145 were homeless Long Term Stayers.

PHDC is a 501(c)(4) non-profit organization that provides real estate development services for the preservation and expansion of affordable housing opportunities in Portland, Maine. Established in 1983, PHDC is the real estate development arm of the Portland Housing Authority (PHA). PHDC staff have over 20 years of experience in real estate development, sustainable design, community planning, finance and construction. They have

collectively developed nearly 2,000 affordable homes in their careers. PHDC creates permanently affordable housing for households in need and ensures the agency's portfolio remains viable for the long-term.

The experienced, highly professional staff of our two organizations have the demonstrated ability to successfully develop, own and operate complex LIHTC projects such as The Equinox. CHOM and PHDC work closely with municipal officials, planners, architects, service providers, and community members to thoughtfully design buildings that function efficiently and blend seamlessly into neighborhoods. With the confidence and support of funding institutions including MaineHousing, the Federal Home Loan Bank of Boston, the Genesis Community Loan Fund, HUD, cities such as Portland and Bangor, banks and private lending institutions, CHOM and PHDC consistently deliver excellence in housing that communicates dignity and respect to individuals served.

Affordable Housing Development and Tax Increment Financing Request

CHOM and PHDC will apply for Low-Income Housing Tax Credits (LIHTC) through MaineHousing's 2022 QAP for the Equinox development. CHOM and PHDC are requesting \$400,000 in Affordable Housing Development Funding (\$9,756 per unit) to leverage an additional \$12.45 Million in State and Federal Funds that would be received if awarded a LIHTC allocation.

The rent restrictions that are a part of the LIHTC program reduce the income available to pay the expenses of the project, resulting in a tight operating budget for all projects of this type. The two single largest operating costs are energy and taxes. CHOM and PHDC strongly believe in making the upfront investment in high quality materials and energy-efficient construction standards to help control energy costs over the long-run. CHOM and PHDC are requesting a TIF Agreement to fix the tax burden at a level the project can support, thereby helping to ensure that adequate funds are available for the on-going management, maintenance, and service coordination. Maintaining the building and grounds properly is critical to communicating dignity and respect to our tenants, to our neighbors, and to the community at large. CHOM and PHDC are requesting that the City of Portland agree to return to the project any required property taxes above 50% of the annual assessment for a period of 30 years, beginning at the time the building is completed and the project is occupied.

Affordable Housing Development funding in the amount of \$400,000, plus an adjustment of the real estate taxes to a level that the project can afford, is necessary for the project to be financially feasible. In addition, approval of this request by the City of Portland in advance of August 26th would also allow The Equinox to receive additional points on the upcoming LIHTC application, increasing its competitiveness and, therefore, the likelihood of a tax credit allocation.

CHOM and PHDC would be delighted to partner with the City of Portland to bring much needed affordable housing to our community. Thank you for your kind consideration of this request.

<u>Activity</u>	<u>Completion Date</u>
Site Control	7/28/2020
Conceptual Design	10/30/2020
Conceptual Estimate	11/20/2020
Phase 1 Environmental Survey	3/30/2021
Mercy Campus Site Plan/Subdivision Approval (NewHeight Redfern)	5/11/2021
Historic Review Board Approval (app submitted 12/1/2020)	4/21/2021
Site Plan Approval (app submitted 12/7/2020)	5/25/2021
Financing Application to MaineHousing	8/26/2021
LIHTC Awards announced	10/15/2021
Construction Loan Closing	6/1/2022
Construction Start	6/1/2022
Construction Complete	7/1/2023
Full Occupancy Achieved	12/1/2023

73 Winter Street: Development Finances

SOURCES & USES	
MH Subsidy	820,000
MH Interest-Only Loan	3,730,000
Conventional Mortgage	0
City HOME	400,000
City HTF	0
AHP Subsidized Advance	0
AHP Direct Subsidy	600,000
LIHTC Equity	7,297,270
State LIHTC Equity	0
Total Sources	12,847,270
Construction Costs	9,416,967
Soft Costs	858,795
Finance Costs	322,983
Miscellaneous	147,500
Acquisition	950,000
Reserves	401,025
Development Fee	750,000
Total Uses	12,847,270

DEVELOPMENT BUDGET			
	Residential	Per Unit	Total
Site Improvements	0	0	0
Construction	8,274,917	201,827	8,274,917
Demolition	0	0	0
Builder General Conditions	0	0	0
Builder Overhead and Profit	0	0	0
Bond Premium	0	0	0
Other Construction Costs	710,000	17,317	710,000
Construction Contingency	432,050	10,538	432,050
Subtotal Construction Costs	9,416,967	229,682	9,416,967
Permits & Impact Fees	128,224	3,127	128,224
Survey & Engineering	55,391	1,351	55,391
Architectural & Design	480,000	11,707	480,000
Legal	70,000	1,707	70,000
Title & Recording	14,000	341	14,000
Accounting	12,000	293	12,000
Construction Period Tax	34,180	834	34,180
Insurance	35,000	854	35,000
Soft Cost Contingency	30,000	732	30,000
Subtotal Soft Costs	858,795	20,946	858,795
Construction Loan Costs	246,383	6,009	246,383
Permanent Loan Costs	76,600	1,868	76,600
Subtotal Finance Costs	322,983	7,878	322,983
Market Study	6,000	146	6,000
Appraisal	7,000	171	7,000
Environmental	2,500	61	2,500
LIHTC Process & Monitoring Fees	107,000	2,610	107,000
Relocation	0	0	0
FF&E	25,000	610	25,000
Other Misc Costs	0	0	0
Subtotal Miscellaneous	147,500	3,598	147,500
Acquisition: Buildings	0	0	0
Acquisition: Land	950,000	23,171	950,000
Acquisition: Carrying Costs	0	0	0
Subtotal Acquisition	950,000	23,171	950,000
Operating Deficit Escrow (ODE)	262,643	6,406	262,643
Replacement Reserve (IDRR)	82,749	2,018	82,749
Tax & Insurance Reserve (T&I)	55,633	1,357	55,633
Rent Up & Marketing/Working Capital	0	0	0
Other Reserves	0	0	0
Subtotal Reserves	401,025	9,781	401,025
Developer Overhead	650,000	15,854	650,000
Developer Profit	100,000	2,439	100,000
Consultant Fee	0	0	0
Other Fees	0	0	0
Subtotal Development Fee	750,000	18,293	750,000
Total Project Costs	12,847,270	313,348	12,847,270
Total Development Costs (TDC Cost Index Adjustment)		260,655	

RENT SCHEDULE								
Type	AMI	# of Units	Max Program Rents	Less Utility Allow.	Max Gross Rent	Contract Rent	Market Rent	Annual Rent
Studio	30% LIHTC	0						
	50% LIHTC	2	35	842	843	20,232	0	
	50% LIHTC (PBV)	0						
	60% LIHTC	0						
	60% LIHTC (PBV)	0						
	80% LIHTC	0						
	Market	0						
2	30% LIHTC	0						
	50% LIHTC	12	46	894	895	128,880	0	
	50% LIHTC (PBV)	0						
	60% LIHTC	5	46	1,082	1,083	64,980	0	
	60% LIHTC (PBV)	0						
	80% LIHTC	0						
	Market	0						
1BR	30% LIHTC	0						
	50% LIHTC	8	60	1,068	1,068	102,528	0	
	50% LIHTC (PBV)	0						
	60% LIHTC	5	60	1,294	1,294	77,640	0	
	60% LIHTC (PBV)	0						
	80% LIHTC	0						
	Market	0						
17	30% LIHTC	0						
	50% LIHTC	3	75	1,228	1,229	44,244	0	
	50% LIHTC (PBV)	0						
	60% LIHTC	6	75	1,489	1,490	107,280	0	
	60% LIHTC (PBV)	0						
	80% LIHTC	0						
	Market	0						
13	30% LIHTC	0						
	50% LIHTC	0						
	50% LIHTC (PBV)	0						
	60% LIHTC	0						
	60% LIHTC (PBV)	0						
	80% LIHTC	0						
	Market	0						
9	30% LIHTC	0						
	50% LIHTC	0						
	50% LIHTC (PBV)	0						
	60% LIHTC	0						
	60% LIHTC (PBV)	0						
	80% LIHTC	0						
	Market	0						
4BR	30% LIHTC	0						
	50% LIHTC	0						
	50% LIHTC (PBV)	0						
	60% LIHTC	0						
	60% LIHTC (PBV)	0						
	80% LIHTC	0						
	Market	0						
0	30% LIHTC	0						
	50% LIHTC	0						
	50% LIHTC (PBV)	0						
	60% LIHTC	0						
	60% LIHTC (PBV)	0						
	80% LIHTC	0						
	Market	0						
5BR	30% LIHTC	0						
	50% LIHTC	0						
	50% LIHTC (PBV)	0						
	60% LIHTC	0						
	60% LIHTC (PBV)	0						
	80% LIHTC	0						
	Market	0						
0	30% LIHTC	0						
	50% LIHTC	0						
	50% LIHTC (PBV)	0						
	60% LIHTC	0						
	60% LIHTC (PBV)	0						
	80% LIHTC	0						
	Market	0						
6BR	30% LIHTC	0						
	50% LIHTC	0						
	50% LIHTC (PBV)	0						
	60% LIHTC	0						
	60% LIHTC (PBV)	0						
	80% LIHTC	0						
	Market	0						
0	30% LIHTC	0						
	50% LIHTC	0						
	50% LIHTC (PBV)	0						
	60% LIHTC	0						
	60% LIHTC (PBV)	0						
	80% LIHTC	0						
	Market	0						
Total Units	41		Annual Gross Rental Revenue			545,784		
Total Bedrooms	72		Operating Subsidy:			PBV HAP Differential		
			Other Income:			0		
			Other Income:			0		
			Other Income:			0		
			Other Income:			0		
			Other Income:			0		
			Vacancy Rate			5% (27,289)		
			Tax Increment Financing			36,500		
			Commercial Rental Income			0		
			Effective Gross Income			554,995		

OPERATING EXPENSES		
Expense	Annual Total	Annual Per Unit
<u>Management Expenses</u>		
Management Fees	31,110	759
Management Charges	30,000	732
Marketing	0	0
Legal Expenses	2,000	49
Auditing Expenses	7,000	171
Other Admin	0	0
Total Administrative Expenses	70,110	1,710
<u>Utility Expenses</u>		
Gas	4,000	98
Electricity	30,000	732
Water/Sewer	10,000	244
Other Utility Expenses	1,000	24
Total Utility Expenses	45,000	1,098
<u>Maintenance Expenses</u>		
Janitorial Payroll	0	0
Janitorial Supplies and Eqmt	0	0
Janitorial Contractual Services	5,000	122
Garbage Removal	2,900	71
Vehicle and Equipment	0	0
Grounds Maintenance Payroll	0	0
Grounds Tools and Supplies	0	0
Grounds Contractual Services	8,000	195
Miscellaneous Ground Maintenance	0	0
Building Maintenance Payroll	32,000	780
Building Tools and Supplies	3,000	73
Building Contractual Services	10,000	244
Building Systems Maintenance	10,000	244
Tenant Damage Charges	0	0
Other Maint.	0	0
Total Maintenance Expenses	70,900	1,729
<u>General Expenses</u>		
Property Taxes	73,000	1,780
Property and Liability Insurance	16,400	400
Other Financial Expenses	0	0
Resident Services	11,275	275
Other General	15,000	366
Total General Expenses	115,675	2,821
Total Housing Expenses	301,685	7,358
<u>Commercial Expenses</u>		
Admin Expenses	0	0
Operating Expenses	0	0
Maintenance Expenses	0	0
General Expenses	0	0
Other Comm.	0	0
Total Commercial Expenses	0	0
Total Budgeted Expenses	301,685	7,358
Replacement Reserves	18,450	450
Total Opex + Reserves	320,135	7,808

				LIHTC Basis			T-E Bonds	HTC Basis		
Line Item		Total	Per Unit	NC/R Basis	Acq Basis	Non-Deprec.	50% Test	QRE	Non-QRE	Allocable
RESERVES										
Operating Deficit Escrow (ODE)	6 mo.	262,643	6,406			262,643			262,643	
Replacement Reserve (IDRR)		82,749	2,018			82,749			82,749	
Tax & Insurance Reserve (T&I)		55,633	1,357			55,633			55,633	
Rent Up & Marketing/Working Capital			0			0			0	
Other			0			0			0	
TOTAL RESERVES		401,025	9,781	0	0	401,025	0	0	401,025	0

OPERATING EXPENSES

Expense	Annual Total	Annual Per Unit
Total Housing Expenses	301,685	7,358
Commercial Expenses		
Admin Expenses	0	0
Operating Expenses	0	0
Maintenance Expenses	0	0
General Expenses	0	0
Other Comm.	0	0
Total Commercial Expenses	0	0
Total Budgeted Expenses	301,685	7,358
Replacement Reserves	18,450	450
Total Opex + Reserves	320,135	7,808

PROJECT: Equinox
LOCATION: 73 Winter Street, Portland, Maine 04102

DEVELOPMENT ASSUMPTIONS					
Total Units		41	Inflation Adjustments	Yr 1-5	Yr. 6-15
# @ 30% AMI	0.0%	0	Rent	2.00%	2.00%
# @ 50% AMI	61.0%	25	Operating Expense	3.00%	3.00%
# @ 60% AMI	39.0%	16	Other Income	2.00%	2.00%
# @ 80% AMI	0.0%	0	Vacancy	5.0%	
# @ Market	0.0%	0	Debt Coverage Ratio	1.15	

PROFORMA OPERATING INCOME AND EXPENSE STATEMENT												
Year:	Yr 0	Yr 1	Yr 2	Yr 3	Yr 4	Yr 5	Yr 6	Yr 7	Yr 8	Yr 9	Yr 10	
Months:	1	13	25	37	49	61	73	85	97	109	121	
Date:	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	
Effective Gross Income	46,250	566,095	577,417	588,965	600,744	612,759	625,014	637,515	650,265	663,270	676,536	
Less Operating Expense	26,678	329,739	339,631	349,820	360,315	371,124	382,258	393,726	405,537	417,704	430,235	
Net Operating Income	19,572	236,356	237,785	239,145	240,429	241,635	242,756	243,789	244,727	245,567	246,301	
Less RLP Repay	17,096	205,150	205,150	205,150	205,150	205,150	205,150	205,150	205,150	205,150	205,150	
Less Other Repay	0	0	0	0	0	0	0	0	0	0	0	
Cash Flow	2,476	31,206	32,635	33,995	35,279	36,485	37,606	38,639	39,577	40,417	41,151	
Cash Flow per Unit	0	761	796	829	860	890	917	942	965	986	1,004	
Debt Coverage Ratio (RLP)	1.14	1.15	1.16	1.17	1.17	1.18	1.18	1.19	1.19	1.20	1.20	
Operating Reserve Balance	262,643	275,775	289,564	304,042	319,244	335,206	351,967	369,565	388,043	407,445	427,818	

Year:	Yr 11	Yr 12	Yr 13	Yr 14	Yr 15	Yr 16	Yr 17	Yr 18	Yr 19	Yr 20	
Months:	133	145	157	169	181	193	205	217	229	241	
Date:	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	
Effective Gross Income	690,066	703,868	717,945	732,304	746,950	761,889	777,127	792,669	808,523	824,693	
Less Operating Expense	443,142	456,436	470,129	484,233	498,760	513,723	529,134	545,008	561,359	578,199	
Net Operating Income	246,925	247,432	247,816	248,071	248,190	248,166	247,992	247,661	247,164	246,494	
Less RLP Repay	205,150	205,150	205,150	205,150	205,150	205,150	205,150	205,150	205,150	205,150	
Less Other Repay	0	0	0	0	0	0	0	0	0	0	
Cash Flow	41,775	42,282	42,666	42,921	43,040	43,016	42,842	42,511	42,014	41,344	
Cash Flow per Unit	1,019	1,031	1,041	1,047	1,050	1,049	1,045	1,037	1,025	1,008	
Debt Coverage Ratio (RLP)	1.20	1.21	1.21	1.21	1.21	1.21	1.21	1.21	1.20	1.20	
Operating Reserve Balance	449,209	471,669	495,253	520,015	546,016	573,317	601,983	632,082	663,686	696,870	

City of Portland - TIF Model
73 Winter Street AHTIF
OAV: \$382,300 3/31/2021
4/23/2021

73 Winter Street TIF Projection Table									
TIF Year	Tax Year- April 1	Increased Assessed Value Real Prop.	% of Value Captured	Captured Valuation	Projected Mill Rate	Total Projected New Taxes Captured	Captured Revenue to Business Project Account	Captured Revenue to Municipal Project Account	City Non- Captured General Fund Revenues
1	2021	\$3,917,700	50.00%	\$1,958,850	23.78	\$46,574	\$46,574	\$0	\$46,574
2	2022	\$3,917,700	50.00%	\$1,958,850	24.25	\$47,505	\$47,505	\$0	\$47,505
3	2023	\$3,917,700	50.00%	\$1,958,850	24.74	\$48,456	\$48,456	\$0	\$48,456
4	2024	\$3,917,700	50.00%	\$1,958,850	25.23	\$49,425	\$49,425	\$0	\$49,425
5	2025	\$3,917,700	50.00%	\$1,958,850	25.74	\$50,413	\$50,413	\$0	\$50,413
6	2026	\$3,917,700	50.00%	\$1,958,850	26.25	\$51,421	\$51,421	\$0	\$51,421
7	2027	\$3,917,700	50.00%	\$1,958,850	26.78	\$52,450	\$52,450	\$0	\$52,450
8	2028	\$3,917,700	50.00%	\$1,958,850	27.31	\$53,499	\$53,499	\$0	\$53,499
9	2029	\$3,917,700	50.00%	\$1,958,850	27.86	\$54,569	\$54,569	\$0	\$54,569
10	2030	\$3,917,700	50.00%	\$1,958,850	28.41	\$55,660	\$55,660	\$0	\$55,660
11	2031	\$3,917,700	50.00%	\$1,958,850	28.98	\$56,773	\$56,773	\$0	\$56,773
12	2032	\$3,917,700	50.00%	\$1,958,850	29.56	\$57,909	\$57,909	\$0	\$57,909
13	2033	\$3,917,700	50.00%	\$1,958,850	30.15	\$59,067	\$59,067	\$0	\$59,067
14	2034	\$3,917,700	50.00%	\$1,958,850	30.76	\$60,248	\$60,248	\$0	\$60,248
15	2035	\$3,917,700	50.00%	\$1,958,850	31.37	\$61,453	\$61,453	\$0	\$61,453
16	2036	\$3,917,700	50.00%	\$1,958,850	32.00	\$62,682	\$62,682	\$0	\$62,682
17	2037	\$3,917,700	50.00%	\$1,958,850	32.64	\$63,936	\$63,936	\$0	\$63,936
18	2038	\$3,917,700	50.00%	\$1,958,850	33.29	\$65,215	\$65,215	\$0	\$65,215
19	2039	\$3,917,700	50.00%	\$1,958,850	33.96	\$66,519	\$66,519	\$0	\$66,519
20	2040	\$3,917,700	50.00%	\$1,958,850	34.64	\$67,850	\$67,850	\$0	\$67,850
21	2041	\$3,917,700	50.00%	\$1,958,850	35.33	\$69,207	\$69,207	\$0	\$69,207
22	2042	\$3,917,700	50.00%	\$1,958,850	36.04	\$70,591	\$70,591	\$0	\$70,591
23	2043	\$3,917,700	50.00%	\$1,958,850	36.76	\$72,002	\$72,002	\$0	\$72,002
24	2044	\$3,917,700	50.00%	\$1,958,850	37.49	\$73,443	\$73,443	\$0	\$73,443
25	2045	\$3,917,700	50.00%	\$1,958,850	38.24	\$74,911	\$74,911	\$0	\$74,911
26	2046	\$3,917,700	50.00%	\$1,958,850	39.01	\$76,410	\$76,410	\$0	\$76,410
27	2047	\$3,917,700	50.00%	\$1,958,850	39.79	\$77,938	\$77,938	\$0	\$77,938
28	2048	\$3,917,700	50.00%	\$1,958,850	40.58	\$79,497	\$79,497	\$0	\$79,497
29	2049	\$3,917,700	50.00%	\$1,958,850	41.39	\$81,086	\$81,086	\$0	\$81,086
30	2050	\$3,917,700	50.00%	\$1,958,850	42.22	\$82,708	\$82,708	\$0	\$82,708
30 Year TIF Total		\$117,531,000		\$58,765,500		\$1,889,418	\$1,889,418	\$0	\$1,889,418
30 Year TIF Average		\$3,917,700		\$1,958,850		\$62,981	\$62,981		\$62,981

Tax Shifts-Avoided Formula Impacts from Sheltering of Valuation: 73 Winter Street AH TIF Model							
50% Sheltered - 30 years to Developer Project Account; 50% to City General Fund							
TIF Year	Tax Year- April 1	Total Added Valuation	Sheltered Valuation	Avoided Formula Impacts from Sheltering of Valuation			
				Avoided Loss of State Aid to for Education	Avoided Loss of State Municipal Revenue Sharing	Avoided Increase in County Tax	Total Avoided Impacts
1	2021	\$3,917,700	\$1,958,850	\$0	\$1,468	\$1,082	\$2,550
2	2022	\$3,917,700	\$1,958,850	\$0	\$1,468	\$1,082	\$2,550
3	2023	\$3,917,700	\$1,958,850	\$0	\$1,468	\$1,082	\$2,550
4	2024	\$3,917,700	\$1,958,850	\$5,406	\$1,468	\$1,082	\$7,956
5	2025	\$3,917,700	\$1,958,850	\$10,813	\$1,468	\$1,082	\$13,362
6	2026	\$3,917,700	\$1,958,850	\$16,219	\$1,468	\$1,082	\$18,769
7	2027	\$3,917,700	\$1,958,850	\$16,219	\$1,468	\$1,082	\$18,769
8	2028	\$3,917,700	\$1,958,850	\$16,219	\$1,468	\$1,082	\$18,769
9	2029	\$3,917,700	\$1,958,850	\$16,219	\$1,468	\$1,082	\$18,769
10	2030	\$3,917,700	\$1,958,850	\$16,219	\$1,468	\$1,082	\$18,769
11	2031	\$3,917,700	\$1,958,850	\$16,219	\$1,468	\$1,082	\$18,769
12	2032	\$3,917,700	\$1,958,850	\$16,219	\$1,468	\$1,082	\$18,769
13	2033	\$3,917,700	\$1,958,850	\$16,219	\$1,468	\$1,082	\$18,769
14	2034	\$3,917,700	\$1,958,850	\$16,219	\$1,468	\$1,082	\$18,769
15	2035	\$3,917,700	\$1,958,850	\$16,219	\$1,468	\$1,082	\$18,769
16	2036	\$3,917,700	\$1,958,850	\$16,219	\$1,468	\$1,082	\$18,769
17	2037	\$3,917,700	\$1,958,850	\$16,219	\$1,468	\$1,082	\$18,769
18	2038	\$3,917,700	\$1,958,850	\$16,219	\$1,468	\$1,082	\$18,769
19	2039	\$3,917,700	\$1,958,850	\$16,219	\$1,468	\$1,082	\$18,769
20	2040	\$3,917,700	\$1,958,850	\$16,219	\$1,468	\$1,082	\$18,769
21	2041	\$3,917,700	\$1,958,850	\$16,219	\$1,468	\$1,082	\$18,769
22	2042	\$3,917,700	\$1,958,850	\$16,219	\$1,468	\$1,082	\$18,769
23	2043	\$3,917,700	\$1,958,850	\$16,219	\$1,468	\$1,082	\$18,769
24	2044	\$3,917,700	\$1,958,850	\$16,219	\$1,468	\$1,082	\$18,769
25	2045	\$3,917,700	\$1,958,850	\$16,219	\$1,468	\$1,082	\$18,769
26	2046	\$3,917,700	\$1,958,850	\$16,219	\$1,468	\$1,082	\$18,769
27	2047	\$3,917,700	\$1,958,850	\$16,219	\$1,468	\$1,082	\$18,769
28	2048	\$3,917,700	\$1,958,850	\$16,219	\$1,468	\$1,082	\$18,769
29	2049	\$3,917,700	\$1,958,850	\$16,219	\$1,468	\$1,082	\$18,769
30	2050	\$3,917,700	\$1,958,850	\$16,219	\$1,468	\$1,082	\$18,769
30 Year TIF Total		\$117,531,000	\$58,765,500	\$421,701	\$44,039	\$32,447	\$498,187
30 Year TIF Avg.		\$3,917,700	\$1,958,850	\$14,057	\$1,468	\$1,082	\$16,606

PROPOSED WINTER STREET SENIOR APARTMENTS

91 Winter Street- Winter Landing

WINTER STREET PERSPECTIVE



PROPOSED WINTER STREET SENIOR APARTMENTS

WINTER STREET PERSPECTIVE



PROPOSED WINTER STREET SENIOR APARTMENTS

ELEVATIONS

91 Winter Street: Winter Landing



WINTER STREET ELEVATION



COURTYARD ELEVATION

Project Summary

Winter Landing – 91 Winter Street

Project Overview

Community Housing of Maine (CHOM) in partnership with Portland Housing Development Corporation (PHDC), through a jointly owned subsidiary Winter Street Development GP LLC, propose to convert the surface parking lot at 91 Winter Street on the Mercy Hospital State Street campus into 52 units of affordable rental housing for adults aged 55 and over. Located in the heart of Portland's West End, the development will provide much needed high quality, permanent, affordable rental housing to individuals earning less than 50% and 60% of Area Median Income.

15 Units will be set aside for homeless individuals as verified by the City of Portland. The City will refer individuals staying at their shelters, with a focus on those individuals that have been staying at the shelter for longer than 180 days. All referred Long Term Shelter Stayers (LTS) will meet applicable eligibility criteria of both the homeless set aside agreement, and the Low-Income Housing Tax Credit program. The 15 units will be memorialized in the Homeless Set Aside Agreement between the City of Portland and Winter Landing Housing Partners. Each unit will be provided services from the City of Portland, to help these households remain stably housed. In FY 2020 there was an overall decrease in the numbers of LTS in Maine. However, the decline is thought to be related to the Covid-19 pandemic causing data entry delays and the seeking of alternative non-congregate shelter. Emergency shelters are working to remedy data entry of persons experiencing homelessness, and staying in alternative locations such as wellness shelters or hotels.

CHOM, a Community Housing Development Organization, will serve as principal developer taking responsibility for all of the customary responsibilities in a development project of this type, including, but not limited to, obtaining site control, environmental and market studies, all necessary permits, financing, regulatory approval, syndication of tax credits, hiring and supervision of design professionals, and construction management. Through Winter Street Development GP LLC, CHOM and PHDC will continue to have control and supervise the on-going management of the project. Portland Housing Authority (PHA) will serve as the management agent. PHA provides long term affordable rental housing and rental assistance to more than 2,700 low-income families, seniors and disabled individuals through its Low-Income Public Housing (LIPH), Housing Choice Voucher (HCV) and Low-Income Housing Tax Credit (LIHTC) Programs. This includes management of just over 1,000 LIPH, LIHTC and market-rate units and administration of 1,800 housing vouchers. PHA houses over 6,500 residents, close to 10% of the City's population. PHA believes that providing safe, quality, affordable housing offers its residents the stability they need and the opportunity for success they deserve.

The project site is one of 3 proposed subdivided lots on the existing Chart 45, Block C, Lot 6001 (148 State Street), a 2.35 acres parcel that is improved by the historic Mercy Hospital building and associated parking. A Levell III site plan was submitted by the campus owner, NewHeight Redfern LLC on September 15, 2020. CHOM also has site control for a second parcel on Lot 6001, where it will build a 41-unit affordable housing project serving families. The two Winter Street affordable housing projects are part of the larger effort to reimagine the 3.51 acres historic hospital campus and convert it into a mixed-use mixed-income residential development.

The proposed development complies with the current B-3 zoning which allows for residential uses. This section of Winter Street has a Downtown Height Overlay of 35' maximum, however the project is

eligible for an affordable housing height density bonus of an additional 25'. The proposed project is 45' and falls within the current zoning height requirements. The proposed lot (Lot A-1) is 0.35 acres. CHOM has conducted a Phase 1 Environmental, and no significant issues have been identified.

Portland's Comprehensive Plan

The proposed development helps Portland meet several policy goals related to sustainable development and housing outlined in its 2017 Comprehensive Plan. The Plan's Executive Summary emphasizes the need to "Reinforce the Center" through better housing and transportation. The Plan calls for a production of a variety of housing types, with a focus on key nodes and corridors. The site's location, right in the heart of downtown Portland, adjacent to one of the identified "priority corridors" (State Street), and less than one block from a METRO stop, is extremely well located for housing and promotes a healthy walkable city neighborhood. Further, the project's walkable location and Passive House design support the Plan's sustainability goals by reducing energy consumption and greenhouse gas emissions.

The *Housing Policy Guide: A Livable City* recognizes that the lack of sufficient housing supply and the affordability of that housing is an urgent challenge. It establishes a goal to increase the overall supply of housing, and to continue encouraging income-restricted affordable housing development. Finally, the guide establishes a goal of providing an opportunity for residents to age in place, in housing that shows them the dignity and respect they deserve. Winter Landing will provide 52 income-restricted housing units targeted to adults over the age of 55, designed to the highest quality and efficiency measures.

The Scope, Site and Building Design:

The scope of work for the 52-unit Winter Landing includes construction of one-bedroom units in a 40,630 square foot new construction 4-story elevator assisted building. Thirty two of the units will be made available to residents with Very Low Incomes (50% of Area Median Income, or less) and the remaining 20 units will be made available to Low Income residents (60% AMI or less).

The development will have many on-site tenant amenities, including a community lounge, 3 laundry rooms, manager's office, broadband and tele-med capabilities, outside gathering space, and limited onsite parking. In addition, public transportation, a medical clinic, elementary school, grocery market, open public green space, and myriad other commercial and cultural activities are all located within walking distance of the project.

The building will have its main entrance on Winter Street, with a secondary common entrance in back leading to a Woonerf street situated between the building and the historic hospital building. 4 apartments along Winter Street will also have their own individual entrances, creating front stoops. The main entrance also has a large stoop area where benches or chairs could be placed. The concept design has taken great care to break-up the massing of the building and to complement the historic architecture of the neighborhood. The landscape plan calls for year-round horticulture, street trees, seat walls and benches, and a pedestrian green "alley way" between the two CHOM/PHDC buildings which is also designed to accommodate emergency vehicles.

The building will be designed to meet Passive House Standards, the industry standard for sustainable building construction, and will meet or exceed Portland's Green Building Ordinance. CHOM and PHDC are committed to green building design and construction for energy efficiency and durability, which translates into lower operating costs, as well as improved indoor air quality and natural lighting, which residents appreciate. The green design also supports the Comprehensive Plan's goal to encourage quality, sustainable design in new housing development.

Market Demand

According to Ribbon Demographics, the estimated population of Portland in 2019 was 67,313 and is expected to increase to 67,956 by 2024. The most significant population growth is occurring for age 65-74. Some 55.7% of housing units in Portland are renter-occupied, with approximately 43.7% of the renter households paying more than 30% of their household income on housing costs. Affordable housing projects like Winter Landing have a need in the market now more than ever. In fact, according to the National Low-Income Housing Coalition, the wage needed to support a two-bedroom apartment in Portland is \$29.15, one of the highest in the nation, while the mean renter wage was only \$14.83 an hour.

CHOM commissioned a market study by The Signal Group (TSG), an affiliate of the National Housing & Rehabilitation Association, to determine the market need, occupancy, turnover and absorption data for the Portland Metro Area. The study found that there is a significant shortfall in the number of affordable units with demand currently exceeding supply by 1,126 housing units. Predictions show that demand will continue to grow and will exceed supply by 1,168 by 2024. The TSG study surveyed 26 Tax Credit developments in the Portland Metro Area, consisting of 1,038 units, and found a 100% occupancy rate. Reported waitlists are up to 5 years for LIHTC properties. TSG's study of the market showed an absorption period of four months, by leasing units at a rate of 10 per month. This rate is consistent with CHOM's experience at other affordable rental properties it owns in the Portland area.

Throughout State Fiscal Year 2020 (ending 6/30/20), 5,178 people experienced homelessness in Maine. Of this group, 110 people were Long Term Stayers (LTS), or people who have experienced 180 days or more of homelessness in that twelve-month time period (66 of whom were single adults, and 44 of whom were members of families). Though we have made significant progress housing the longest stayers in homelessness – our Long Term Stayers – emergency shelters across Maine continue to be full or overflowing. And, FY 20 data is incomplete due to the pandemic. The number of people experiencing homelessness in FY 20 is known to be higher related to the pandemic causing data entry delays and the seeking of alternative non-congregate shelter (wellness shelters, hotels, etc.).

Community Housing of Maine and Portland Housing Development Corporation: Mission & Experience

CHOM is an independent 501(c)(3) non-profit organization that develops, owns, and maintains quality, affordable housing for people with low incomes and special needs. Founded in 1993, CHOM owns and

operates 80 housing sites in 31 communities, creating more than 783 units of affordable housing. In the City of Portland alone, CHOM has more than 250 units of affordable and supportive housing under its charge. Nearly 1/3 of CHOM's tenants (346) were homeless at entry, of which 145 were homeless Long-Term Stayers.

PHDC is a 501(c)(4) non-profit organization that provides real estate development services for the preservation and expansion of affordable housing opportunities in Portland, Maine. Established in 1983, PHDC is the real estate development arm of the Portland Housing Authority (PHA). PHDC staff have over 20 years of experience in real estate development, sustainable design, community planning, finance and construction. They have collectively developed nearly 2,000 affordable homes in their careers. PHDC creates permanently affordable housing for households in need and ensures the agency's portfolio remains viable for the long-term.

The experienced, highly professional staff of our two organizations have the demonstrated ability to successfully develop, own and operate complex LIHTC projects such as Winter Landing. CHOM and PHDC work closely with municipal officials, planners, architects, service providers, and community members to thoughtfully design buildings that function efficiently and blend seamlessly into neighborhoods. With the confidence and support of funding institutions including MaineHousing, the Federal Home Loan Bank of Boston, the Genesis Community Loan Fund, HUD, cities such as Portland and Bangor, banks and private lending institutions, CHOM and PHDC consistently deliver excellence in housing that communicates dignity and respect to individuals served.

Affordable Housing Development and Tax Increment Financing Request

CHOM and PHDC will apply for Low-Income Housing Tax Credits (LIHTC) through MaineHousing's 2022 QAP for the proposed Winter Landing development. CHOM and PHDC are requesting \$200,000 in funds (\$3,846 per unit) to leverage an additional \$13 Million in State and Federal funds that would be received if awarded a LIHTC allocation. The \$200,000 will help fill a budgeting gap that currently exists and create a more competitive application through the Qualified Allocation Process (QAP), the process by which the LIHTC are scored and awarded.

The rent restrictions that are a part of the LIHTC program reduce the income available to pay the expenses of the project, resulting in a tight operating budget for all projects of this type. The two single largest operating costs are energy and taxes. CHOM and PHDC strongly believe in making the upfront investment in high quality materials and energy-efficient construction standards to help control energy costs over the long-run. CHOM and PHDC are requesting a TIF Agreement to fix the tax burden at a level the project can support, thereby helping to ensure that adequate funds are available for the on-going management, maintenance, and service coordination. Maintaining the building and grounds properly is critical to communicating dignity and respect to our tenants, to our neighbors, and to the community at large. CHOM and PHDC are requesting that the City of Portland agree to return to the project any required property taxes above 50% of the annual assessment for a period of 30 years, beginning at the time the building is completed and the project is occupied.

Affordable Housing Development funding in the amount of \$200,000, plus an adjustment of the real estate taxes to a level that the project can afford, is necessary for the project to be financially feasible. In addition, approval of this request by the City of Portland in advance of August 26th would also allow Winter Landing to receive additional points on the upcoming LIHTC application, increasing its competitiveness and, therefore, the likelihood of a tax credit allocation.

CHOM and PHDC would be delighted to partner with the City of Portland to bring much needed affordable housing to our community. Thank you for your kind consideration of this request.

<u>Activity</u>	<u>Completion Date</u>
Site Control	7/28/2020
Conceptual Design	10/30/2020
Conceptual Estimate	11/20/2020
Phase 1 Environmental Survey	3/30/2021
Mercy Campus Site Plan/Subdivision Approval (NewHeight Redfern)	5/11/2021
Historic Review Board Approval (app submitted 12/1/2020)	4/21/2021
Site Plan Approval (app submitted 12/7/2020)	5/25/2021
Financing Application to MaineHousing	8/26/2021
LIHTC Awards announced	10/15/2021
Construction Loan Closing	6/1/2022
Construction Start	6/1/2022
Construction Complete	7/1/2023
Full Occupancy Achieved	12/1/2023

91 Winter Street: Development Finances

SOURCES & USES	
MH Subsidy	1,040,000
MH Interest-Only Loan	3,423,000
Conventional Mortgage	0
City HOME	200,000
City HTF	0
AHP Subsidized Advance	0
AHP Direct Subsidy	0
Seller Note	0
Sponsor Loan	0
Deferred Developer Fee	0
-	0
-	0
LIHTC Equity	8,543,146
Fed HTC Equity	0
State HTC Equity	0
State LIHTC Equity	0
Capital Funds	0
Existing Operating Reserves	0
Interim Income	0
Total Sources	13,206,146
Construction Costs	9,266,979
Soft Costs	985,439
Finance Costs	314,823
Miscellaneous	138,500
Acquisition	1,300,000
Reserves	450,405
Development Fee	750,000
Total Uses	13,206,146

DEVELOPMENT BUDGET				
	Residential	Per Unit	Commercial	Total
Site Improvements	0	0		0
Construction	7,708,334	148,237	0	7,708,334
Demolition	0	0		0
Builder General Conditions	0	0		0
Builder Overhead and Profit	337,649	6,493		337,649
Bond Premium	65,079	1,252		65,079
Other Construction Costs	735,000	14,135		735,000
Construction Contingency	420,917	8,095		420,917
Subtotal Construction Costs	9,266,979	178,211	0	9,266,979
Permits & Impact Fees	114,219	2,197		114,219
Survey & Engineering	64,000	1,231		64,000
Architectural & Design	600,000	11,538		600,000
Legal	71,500	1,375		71,500
Title & Recording	14,000	269		14,000
Accounting	15,000	288		15,000
Construction Period Tax	35,720	687		35,720
Insurance	45,820	881		45,820
Soft Cost Contingency	25,180	484		25,180
Subtotal Soft Costs	985,439	18,951	0	985,439
Construction Loan Costs	241,863	4,651		241,863
Permanent Loan Costs	72,960	1,403		72,960
Subtotal Finance Costs	314,823	6,054	0	314,823
Market Study	3,000	58		3,000
Appraisal	7,000	135		7,000
Environmental	2,500	48		2,500
LIHTC Process & Monitoring Fees	126,000	2,423		126,000
Relocation	0	0		0
FF&E	0	0		0
Other Misc Costs	0	0		0
Subtotal Miscellaneous	138,500	2,663	0	138,500
Acquisition: Buildings	0	0		0
Acquisition: Land	1,300,000	25,000		1,300,000
Acquisition: Carrying Costs	0	0		0
Subtotal Acquisition	1,300,000	25,000	0	1,300,000
Operating Deficit Escrow (ODE)	262,643	5,051		262,643
Replacement Reserve (IDRR)	82,749	1,591		82,749
Tax & Insurance Reserve (T&I)	55,633	1,070		55,633
Rent Up & Marketing/Working Capital	7,037	135		7,037
Other Reserves	42,343	814		42,343
Subtotal Reserves	450,405	8,662	0	450,405
Developer Overhead	650,000	12,500		650,000
Developer Profit	100,000	1,923		100,000
Consultant Fee	0	0		0
Other Fees	0	0		0
Subtotal Development Fee	750,000	14,423	0	750,000
Total Project Costs	13,206,146	253,964	0	13,206,146
Total Development Costs (TDC Cost Index Adjustment)		246,490		

		RENT SCHEDULE						
Type	AMI	# of Units	Max Program Rents	Less Utility Allow.	Max Gross Rent	Contract Rent	Market Rent	Annual Rent
Studio	30% LIHTC	0						
	50% LIHTC	0						
	50% LIHTC (PBV)	0						
	60% LIHTC	0						
	60% LIHTC (PBV)	0						
	80% LIHTC	0						
	Market	0						
1BR	30% LIHTC	0						
	50% LIHTC	32	46	894	895	343,680	1,054	
	50% LIHTC (PBV)	0						
	60% LIHTC	20	46	1,082	1,083	259,920	1,054	
	60% LIHTC (PBV)	0						
	80% LIHTC	0						
	Market	0						
2BR	30% LIHTC	0						
	50% LIHTC	0						
	50% LIHTC (PBV)	0						
	60% LIHTC	0						
	60% LIHTC (PBV)	0						
	80% LIHTC	0						
	Market	0						
3BR	30% LIHTC	0						
	50% LIHTC	0						
	50% LIHTC (PBV)	0						
	60% LIHTC	0						
	60% LIHTC (PBV)	0						
	80% LIHTC	0						
	Market	0						
4BR	30% LIHTC	0						
	50% LIHTC	0						
	50% LIHTC (PBV)	0						
	60% LIHTC	0						
	60% LIHTC (PBV)	0						
	80% LIHTC	0						
	Market	0						
5BR	30% LIHTC	0						
	50% LIHTC	0						
	50% LIHTC (PBV)	0						
	60% LIHTC	0						
	60% LIHTC (PBV)	0						
	80% LIHTC	0						
	Market	0						
6BR	30% LIHTC	0						
	50% LIHTC	0						
	50% LIHTC (PBV)	0						
	60% LIHTC	0						
	60% LIHTC (PBV)	0						
	80% LIHTC	0						
	Market	0						
Total Units	52		Annual Gross Rental Revenue					603,600
Total Bedrooms	52		Operating Subsidy:					
			PBV HAP Differential					0
			Other Income:					0
			Other Income:					0
			Other Income:					0
			Other Income:					0
			Vacancy Rate					5%
			Tax Increment Financing					(30,180)
			Commercial Rental Income					41,600
			Effective Gross Income					0
								615,020

OPERATING EXPENSES		
Expense	Annual Total	Annual Per Unit
<u>Management Expenses</u>		
Management Fees	34,405	662
Management Charges	43,336	833
Marketing	0	0
Legal Expenses	2,000	38
Auditing Expenses	7,000	135
Other Admin	2,500	48
Total Administrative Expenses	89,241	1,716
<u>Utility Expenses</u>		
Gas	0	0
Electricity	50,400	969
Water/Sewer	20,000	385
Other Utility Expenses	5,000	96
Total Utility Expenses	75,400	1,450
<u>Maintenance Expenses</u>		
Janitorial Payroll	0	0
Janitorial Supplies and Eqmt	4,464	86
Janitorial Contractual Services	0	0
Garbage Removal	7,500	144
Vehicle and Equipment	0	0
Grounds Maintenance Payroll	0	0
Grounds Tools and Supplies	0	0
Grounds Contractual Services	2,500	48
Miscellaneous Ground Maintenance	0	0
Building Maintenance Payroll	40,000	769
Building Tools and Supplies	2,000	38
Building Contractual Services	0	0
Building Systems Maintenance	10,600	204
Tenant Damage Charges	0	0
Other Maint.	0	0
Total Maintenance Expenses	67,064	1,290
<u>General Expenses</u>		
Property Taxes	83,200	1,600
Property and Liability Insurance	20,800	400
Other Financial Expenses	0	0
Resident Services	18,200	350
Other General	15,000	288
Total General Expenses	137,200	2,638
Total Housing Expenses	368,905	7,094
<u>Commercial Expenses</u>		
Admin Expenses	0	0
Operating Expenses	0	0
Maintenance Expenses	0	0
General Expenses	0	0
Other Comm.	0	0
Total Commercial Expenses	0	0
Total Budgeted Expenses	368,905	7,094
Replacement Reserves	23,400	450
Total Opex + Reserves	392,305	7,544

Line Item		Total	Per Unit	LIHTC Basis			T-E Bonds	HTC Basis		
				NC/R Basis	Acq Basis	Non-Deprec.	50% Test	QRE	Non-QRE	Allocable
RESERVES										
Operating Deficit Escrow (ODE)		6 mo.	262,643	5,051		262,643			262,643	
Replacement Reserve (IDRR)			82,749	1,591		82,749			82,749	
Tax & Insurance Reserve (T&I)			55,633	1,070		55,633			55,633	
Rent Up & Marketing/Working Capital			49,380	950		49,380			49,380	
Other			0	0		0			0	
TOTAL RESERVES			450,405	8,662	0	0	450,405	0	0	450,405

OPERATING EXPENSES

Expense		Annual Total	Annual Per Unit
Total Housing Expenses		368,905	7,094
Commercial Expenses			
Admin Expenses		0	0
Operating Expenses		0	0
Maintenance Expenses		0	0
General Expenses		0	0
Other Comm.		0	0
Total Commercial Expenses		0	0
Total Budgeted Expenses		368,905	7,094
Replacement Reserves		23,400	450
Total Opex + Reserves		392,305	7,544

Uses

PROJECT: Winter Landing
LOCATION: 91 Winter Street, Portland, Maine 04102

DEVELOPMENT ASSUMPTIONS						
Total Units		52	Inflation Adjustments	Yr 1-5	Yr. 6-15	Yr. 16-30
# @ 30% AMI	0.0%	0	Rent	2.00%	2.00%	2.00%
# @ 50% AMI	61.5%	32	Operating Expense	3.00%	3.00%	3.00%
# @ 60% AMI	38.5%	20	Other Income	2.00%	2.00%	2.00%
# @ 80% AMI	0.0%	0	Vacancy	5.0%		
# @ Market	0.0%	0	Debt Coverage Ratio	1.15		

PROFORMA OPERATING INCOME AND EXPENSE STATEMENT												
	Year: Months: Date:	Yr 0 1 2023	Yr 1 13 2024	Yr 2 25 2025	Yr 3 37 2026	Yr 4 49 2027	Yr 5 61 2028	Yr 6 73 2029	Yr 7 85 2030	Yr 8 97 2031	Yr 9 109 2032	Yr 10 121 2033
Effective Gross Income		51,252	627,320	639,867	652,664	665,717	679,032	692,612	706,465	720,594	735,006	749,706
Less Operating Expense		32,692	404,074	416,196	428,682	441,543	454,789	468,433	482,486	496,960	511,869	527,225
Net Operating Income		18,560	223,246	223,670	223,982	224,175	224,243	224,180	223,979	223,634	223,137	222,481
Less RLP Repay		15,689	188,265	188,265	188,265	188,265	188,265	188,265	188,265	188,265	188,265	188,265
Less Other Repay		0	0	0	0	0	0	0	0	0	0	0
Cash Flow		2,871	34,981	35,405	35,717	35,910	35,978	35,915	35,714	35,369	34,872	34,216
Cash Flow per Unit		0	673	681	687	691	692	691	687	680	671	658
Debt Coverage Ratio (RLP)		1.18	1.19	1.19	1.19	1.19	1.19	1.19	1.19	1.19	1.19	1.18
Operating Reserve Balance		262,643	275,775	289,564	304,042	319,244	335,206	351,967	369,565	388,043	407,445	427,818

	Year: Months: Date:	Yr 11 133 2034	Yr 12 145 2035	Yr 13 157 2036	Yr 14 169 2037	Yr 15 181 2038	Yr 16 193 2039	Yr 17 205 2040	Yr 18 217 2041	Yr 19 229 2042	Yr 20 241 2043
Effective Gross Income		764,700	779,994	795,594	811,506	827,736	844,291	861,176	878,400	895,968	913,887
Less Operating Expense		543,042	559,333	576,113	593,397	611,198	629,534	648,420	667,873	687,909	708,546
Net Operating Income		221,658	220,661	219,481	218,109	216,538	214,756	212,756	210,527	208,059	205,341
Less RLP Repay		188,265	188,265	188,265	188,265	188,265	188,265	188,265	188,265	188,265	188,265
Less Other Repay		0	0	0	0	0	0	0	0	0	0
Cash Flow		33,393	32,396	31,216	29,844	28,273	26,491	24,491	22,262	19,794	17,076
Cash Flow per Unit		642	623	600	574	544	509	471	428	381	328
Debt Coverage Ratio (RLP)		1.18	1.17	1.17	1.16	1.15	1.14	1.13	1.12	1.11	1.09
Operating Reserve Balance		449,209	471,669	495,253	520,015	546,016	573,317	601,983	632,082	663,686	696,870

Tax Shifts-Avoided Formula Impacts from Sheltering of Valuation: 91 Winter Street AHTIF Model							
50% Sheltered - 30 years to Developer Project Account; 50% to City General Fund							
TIF Year	Tax Year- April 1	Total Added Valuation	Sheltered Valuation	Avoided Formula Impacts from Sheltering of Valuation			
				Avoided Loss of State Aid to for Education	Avoided Loss of State Municipal Revenue Sharing	Avoided Increase in County Tax	Total Avoided Impacts
1	2021	\$4,329,600	\$2,164,800	\$0	\$1,622	\$1,195	\$2,818
2	2022	\$4,329,600	\$2,164,800	\$0	\$1,622	\$1,195	\$2,818
3	2023	\$4,329,600	\$2,164,800	\$0	\$1,622	\$1,195	\$2,818
4	2024	\$4,329,600	\$2,164,800	\$5,975	\$1,622	\$1,195	\$8,792
5	2025	\$4,329,600	\$2,164,800	\$11,950	\$1,622	\$1,195	\$14,767
6	2026	\$4,329,600	\$2,164,800	\$17,925	\$1,622	\$1,195	\$20,742
7	2027	\$4,329,600	\$2,164,800	\$17,925	\$1,622	\$1,195	\$20,742
8	2028	\$4,329,600	\$2,164,800	\$17,925	\$1,622	\$1,195	\$20,742
9	2029	\$4,329,600	\$2,164,800	\$17,925	\$1,622	\$1,195	\$20,742
10	2030	\$4,329,600	\$2,164,800	\$17,925	\$1,622	\$1,195	\$20,742
11	2031	\$4,329,600	\$2,164,800	\$17,925	\$1,622	\$1,195	\$20,742
12	2032	\$4,329,600	\$2,164,800	\$17,925	\$1,622	\$1,195	\$20,742
13	2033	\$4,329,600	\$2,164,800	\$17,925	\$1,622	\$1,195	\$20,742
14	2034	\$4,329,600	\$2,164,800	\$17,925	\$1,622	\$1,195	\$20,742
15	2035	\$4,329,600	\$2,164,800	\$17,925	\$1,622	\$1,195	\$20,742
16	2036	\$4,329,600	\$2,164,800	\$17,925	\$1,622	\$1,195	\$20,742
17	2037	\$4,329,600	\$2,164,800	\$17,925	\$1,622	\$1,195	\$20,742
18	2038	\$4,329,600	\$2,164,800	\$17,925	\$1,622	\$1,195	\$20,742
19	2039	\$4,329,600	\$2,164,800	\$17,925	\$1,622	\$1,195	\$20,742
20	2040	\$4,329,600	\$2,164,800	\$17,925	\$1,622	\$1,195	\$20,742
21	2041	\$4,329,600	\$2,164,800	\$17,925	\$1,622	\$1,195	\$20,742
22	2042	\$4,329,600	\$2,164,800	\$17,925	\$1,622	\$1,195	\$20,742
23	2043	\$4,329,600	\$2,164,800	\$17,925	\$1,622	\$1,195	\$20,742
24	2044	\$4,329,600	\$2,164,800	\$17,925	\$1,622	\$1,195	\$20,742
25	2045	\$4,329,600	\$2,164,800	\$17,925	\$1,622	\$1,195	\$20,742
26	2046	\$4,329,600	\$2,164,800	\$17,925	\$1,622	\$1,195	\$20,742
27	2047	\$4,329,600	\$2,164,800	\$17,925	\$1,622	\$1,195	\$20,742
28	2048	\$4,329,600	\$2,164,800	\$17,925	\$1,622	\$1,195	\$20,742
29	2049	\$4,329,600	\$2,164,800	\$17,925	\$1,622	\$1,195	\$20,742
30	2050	\$4,329,600	\$2,164,800	\$17,925	\$1,622	\$1,195	\$20,742
30 Year TIF Total		\$129,888,000	\$64,944,000	\$466,038	\$48,669	\$35,859	\$550,566
30 Year TIF Avg.		\$4,329,600	\$2,164,800	\$15,535	\$1,622	\$1,195	\$18,352

City of Portland - TIF Model
 91 Winter Street AHTIF
[OAV: \\$370,400 3/31/2021](#)
 4/23/2021

91 Winter Street AHTIF Projection Table									
TIF Year	Tax Year- April 1	Increased Assessed Value Real Prop.	% of Value Captured	Captured Valuation	Projected Mill Rate	Total Projected New Taxes Captured	Captured Revenue to Business Project Account	Captured Revenue to Municipal Project Account	City Non- Captured General Fund Revenues
1	2021	\$4,329,600	50.00%	\$2,164,800	23.78	\$51,471	\$51,471	\$0	\$51,471
2	2022	\$4,329,600	50.00%	\$2,164,800	24.25	\$52,500	\$52,500	\$0	\$52,500
3	2023	\$4,329,600	50.00%	\$2,164,800	24.74	\$53,550	\$53,550	\$0	\$53,550
4	2024	\$4,329,600	50.00%	\$2,164,800	25.23	\$54,621	\$54,621	\$0	\$54,621
5	2025	\$4,329,600	50.00%	\$2,164,800	25.74	\$55,714	\$55,714	\$0	\$55,714
6	2026	\$4,329,600	50.00%	\$2,164,800	26.25	\$56,828	\$56,828	\$0	\$56,828
7	2027	\$4,329,600	50.00%	\$2,164,800	26.78	\$57,964	\$57,964	\$0	\$57,964
8	2028	\$4,329,600	50.00%	\$2,164,800	27.31	\$59,124	\$59,124	\$0	\$59,124
9	2029	\$4,329,600	50.00%	\$2,164,800	27.86	\$60,306	\$60,306	\$0	\$60,306
10	2030	\$4,329,600	50.00%	\$2,164,800	28.41	\$61,512	\$61,512	\$0	\$61,512
11	2031	\$4,329,600	50.00%	\$2,164,800	28.98	\$62,743	\$62,743	\$0	\$62,743
12	2032	\$4,329,600	50.00%	\$2,164,800	29.56	\$63,997	\$63,997	\$0	\$63,997
13	2033	\$4,329,600	50.00%	\$2,164,800	30.15	\$65,277	\$65,277	\$0	\$65,277
14	2034	\$4,329,600	50.00%	\$2,164,800	30.76	\$66,583	\$66,583	\$0	\$66,583
15	2035	\$4,329,600	50.00%	\$2,164,800	31.37	\$67,915	\$67,915	\$0	\$67,915
16	2036	\$4,329,600	50.00%	\$2,164,800	32.00	\$69,273	\$69,273	\$0	\$69,273
17	2037	\$4,329,600	50.00%	\$2,164,800	32.64	\$70,658	\$70,658	\$0	\$70,658
18	2038	\$4,329,600	50.00%	\$2,164,800	33.29	\$72,071	\$72,071	\$0	\$72,071
19	2039	\$4,329,600	50.00%	\$2,164,800	33.96	\$73,513	\$73,513	\$0	\$73,513
20	2040	\$4,329,600	50.00%	\$2,164,800	34.64	\$74,983	\$74,983	\$0	\$74,983
21	2041	\$4,329,600	50.00%	\$2,164,800	35.33	\$76,483	\$76,483	\$0	\$76,483
22	2042	\$4,329,600	50.00%	\$2,164,800	36.04	\$78,012	\$78,012	\$0	\$78,012
23	2043	\$4,329,600	50.00%	\$2,164,800	36.76	\$79,573	\$79,573	\$0	\$79,573
24	2044	\$4,329,600	50.00%	\$2,164,800	37.49	\$81,164	\$81,164	\$0	\$81,164
25	2045	\$4,329,600	50.00%	\$2,164,800	38.24	\$82,787	\$82,787	\$0	\$82,787
26	2046	\$4,329,600	50.00%	\$2,164,800	39.01	\$84,443	\$84,443	\$0	\$84,443
27	2047	\$4,329,600	50.00%	\$2,164,800	39.79	\$86,132	\$86,132	\$0	\$86,132
28	2048	\$4,329,600	50.00%	\$2,164,800	40.58	\$87,855	\$87,855	\$0	\$87,855
29	2049	\$4,329,600	50.00%	\$2,164,800	41.39	\$89,612	\$89,612	\$0	\$89,612
30	2050	\$4,329,600	50.00%	\$2,164,800	42.22	\$91,404	\$91,404	\$0	\$91,404
30 Year TIF Total		\$129,888,000		\$64,944,000		\$2,088,068	\$2,088,068	\$0	\$2,088,068
30 Year TIF Average		\$4,329,600		\$2,164,800		\$69,602	\$69,602		\$69,602