Minutes

Remote Housing and Economic Development Committee

May 18, 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, May 18, 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 Councilors Belinda Ray and April Fournier. Present from the City staff were Housing and Economic Development Director Greg Mitchell, Housing and Community Development Division Director Mary Davis, Associate Corporation Counsel Michael Goldman, Public Buildings and Waterfront Department representative David Onos, Director of Health and Human Services Kristen Dow, and Housing Program Manager Victoria Volent.

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

Item #2: Review and vote on May 4, 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: Public Hearing on Developer Proposals and vote to select the Developer to proceed with negotiations to enter into a public-private agreement to support construction of the proposed Homeless Service Center to be located on City-owned property at 654 Riverside Street

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.

Chair Thibodeau outlined the evening's proceedings regarding the item in front of the Committee.

Mr. Mitchell indicated the meeting is a public hearing in which the Committee would be given the opportunity to select a developer in order for staff to proceed with negotiations to form a public-private partnership that would include a land lease and a tenant lease arrangement in a privately owned, and privately constructed and managed homeless service center. The negotiated leases would come back to the HEDC for more discussion towards finalization.

Mr. Mitchell presented an overview of the three proposals for consideration. The Feugo Blue, LLC proposal was not scored as it provided an alternative to the RFP rather than respond to the RFP. The two proposals that were reviewed and scored were submitted by Developers Collaborative, and FD Stonewall. The Developers Collaborative proposal scored the highest due to extensive local experience with redevelopment, creative site design, and proven ability to navigate challenging neighborhood and publicly controversial development projects.

Chair Thibodeau thanked Mr. Mitchell for the overview. Committee members asked clarifying questions regarding the Developers Collaborative and FD Stonewall proposals.

Chair Thibodeau opened the meeting to public comment.

Joey Brunelle (61 Kellogg Street) noted the make-up of the Developers Collaborative team are "fifteen dudes" and that including gender diversity, as part of the planning team, would be an acknowledgement that gender issues are a function of the facility and should be taken into account. He asked what happens at the end of the twenty-five year land lease agreement?

Chair Thibodeau noted the city could sell the land and then lease it back with the building; the city could lease the land and lease it back with the building. The final outcome is for a future discussion.

Norm Maze (Shalom House Deputy Director/Board of Director for Amistad) voiced support from Shalom House to the Developers Collaborative proposal.

Cullen Ryan (Community Housing of Maine) supports the Developers Collaborative proposal and the City moving forward with the homeless service center.

Councilor Chong made a motion to proceed with negotiations and enter into a public-private agreement to support construction of the proposed Homeless Service Center with Developers Collaborative; Councilor Zarro seconded the motion.

Committee members held a brief discussion regarding the proposals during which Mr. Mitchell shared the staff scoring matrix, Kristen Dow noted Developers Collaborative's prior experience, and David Onos responded to a questions regarding flat roofs by noting they are a tried and true design, and they provide more room for solar panels in response to the Green Building Code.

Council members who are not on the HEDC joined the discussion and noted their support for the Developers Collaborative project. The proposed building materials, and track record and philosophy of the Developer Collaborative team were favorably highlighted. Developers Collaborative was encouraged to hear from other demographics for their unique perspective. Mayor Snyder thanked the Committee and City staff for their consideration and work, and thanked all the developers who submitted proposals. She urged the Committee to vote to move forward with the Developers Collaborative proposal.

Chair Thibodeau noted the vote in front of the Committee is a first step towards negotiations. Based on a request from the Committee, staff is directed to provide information to the HEDC regarding the impact of the referendum on the homeless center that was previously shared during the Health and Human Services Committee meeting.

Chair Thibodeau asked for a vote on the motion and it passed 4-0.

Item #4: Public Hearing and Vote to Recommend to the City Council the Proposed Land Exchange Agreement between the City of Portland and Maine Department of Transportation (MDOT)

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.

Mr. Mitchell provided an overview of the real estate exchange proposal process regarding the land parcels owned by the State of Maine and the City. Mr. Mitchell discussed each parcel and the financial side of the transactions.

Chair Thibodeau opened the meeting to public comment. Seeing no one, the public comment period was closed.

A motion was made by Councilor Zarro to recommend to the City Council approval of this request; Councilor Chong seconded the motion.

Council Zarro inquired into the cost savings to the City to convey the Cliff Island Wharf to the State. He also asked if the parking lot next to Miss Portland diner would ever be considered for housing or would it always be for transportation use (Mr. Mitchell noted it would be restricted for transportation use). And he asked about the process should any environmental materials be discovered on any of the parcels. Mr. Mitchell noted the City would conduct an investigation of the sites during the six month due diligence period from the effective date of the agreement.

Councilor Chong thanked staff for negotiating the deal and noted his support of the land exchange.

Councilor Ali is supportive of the proposal.

Chair Thibodeau asked if the air space above the parking lot adjacent to the Miss Portland Diner is restricted from residential use.

Michael Goldman indicated Section 6 of the Agreement allows for the parties to agree on any rights to be released in connection with the land exchange.

Chair Thibodeau thanked staff for their work and asked for a vote on the motion, and it passed 4-0.

A motion was made by Councilor Chong to adjourn the meeting, seconded by Councilor Zarro. Chair Thibodeau asked for a vote on the motion and it passed 4-0 at approximately 7:27 p.m.

Respectively submitted, Victoria Volent