



## HOUSING & ECONOMIC DEVELOPMENT COMMITTEE

**DATE: Tuesday, August 24, 2021**

**TIME: 5:30 PM**

**LOCATION: Via Zoom**

### 1. Zoom Public Meeting Information

- a. Please click the link below to join the webinar:

<https://us06web.zoom.us/j/93002473828?pwd=YVdmL1g4ZThhMS9Md3J2eHQzMzNBdz09>

Passcode: 295064

Or One tap mobile :

US: +16465588656,,93002473828# or +13017158592,,93002473828#

Or Telephone:

Dial(for higher quality, dial a number based on your current location):

US: +1 646 558 8656 or +1 301 715 8592 or +1 312 626 6799 or +1 720 707 2699 or +1 253 215 8782 or +1 346 248 7799

Webinar ID: 930 0247 3828

International numbers available: <https://us06web.zoom.us/j/93002473828?pwd=YVdmL1g4ZThhMS9Md3J2eHQzMzNBdz09>

### 2. Review and accept Minutes from July 20, 2021, Committee meeting.

- a. See attached draft Minutes.

### 3. Public hearing and vote on recommendation to the City Council to issue a Request for Proposal on the possible sale of a portion of City-owned Thames Street property – Greg Mitchell.

*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 possible negotiations.*

- a. See attached Memorandum and materials.

### 4. Public hearing and vote to recommend to the City Council additional funding for the 155 Danforth Street Affordable Housing Development Project - Mary Davis.

*NOTE: EXECUTIVE SESSION - Pursuant to 1 M.R.S.A. 405(6)(C), the Committee may go into executive session to provide staff direction on possible negotiations.*

- a. See attached Memorandum and materials.

### 5. Public hearing and vote to recommend to the City Council Re: Open Air Portland,

**Permanent Outdoor Dining Plan - Dena Libner.**

- a. See attached Memorandum and materials.

Next Meeting Date: September 7, 2021

Councilor Spencer Thibodeau/Chair

## **Minutes**

### **Remote Housing and Economic Development Committee**

**July 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, July 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 were Mayor Kate Snyder and Councilor April Fournier. Present from the City staff were Public Works Director Christopher Branch, Acting Director of Housing and Economic Development Mary Davis, Associate Corporation Counsel Michael Goldman, City Manager Jon Jennings, City Consultant Greg Mitchell, Principal Administrative Officer Lori Paulette, and Housing Program Manager Victoria Volent joining the meeting as noted herein.

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

#### **Item #2: Review and vote on June 15, 2021, draft meeting Minutes.**

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

#### **Item #3: Presentation and discussion regarding a possible Portland Tourism Improvement District – Lynn Tillotson of Visit Portland.**

Ms. Tillotson thanked the Committee for reviewing this item, and then she and her consultant Tiffany Gallagher of Civitas presented the attached PowerPoint Presentation, noting

trends in visitations to Greater Portland and challenges, and that Visit Portland has been the Designated Marketing Organization (DMO) for Greater Portland since 1982. Originally named the Convention and Visitors Bureau in 1982, it changed its name to Visit Portland (VP) in 2017, mirroring the names of such organizations across the country. The presentation noted targeted markets and the VP Budget of \$996K pre-COVID, and \$439K post-COVID. To keep Portland vibrant and on top of people's minds, Ms. Tillotson said that this is done through targeted marketing strategies, and she then described those strategies done year-round.

Ms. Gallagher then described Civitas, a legal consulting firm that focuses on assessment districts and her background in the hotel business. The proposal is for a Tourism Improvement District (TIF) in Portland to provide funding stability for VP. She then described how it works, similar to Portland Downtown Development District, except that assessment would be on lodging businesses that would in turn cover that cost through room rental fees. A new non-profit would execute the Development Plan for the TID. There are similar models spread through the United States, with Boston soon to be adopting a TID.

(Victoria Volent joined the meeting at this time.)

Councilor Chong asked about the return on investment, and Ms. Gallagher noted that it would depend on the Development Plan and funds to profit the stakeholders, i.e., lodging businesses. VP would then in turn have additional marketing funds to market Portland for those lodging businesses and the ripple effect to other Portland businesses.

Councilor Chong noted the Portland International Jetport is doing well, given the Pandemic, and asked VP if it works with the Jetport, and Ms. Tillotson said that it does regularly and described the work, as well as marketing efforts with the Press.

Councilor Zarro asked about the geography of the proposed District, and Ms. Gallagher noted that it is envisioned to encompass the entire city of Portland.



There was then discussion regarding Portland's stagnant population growth, marketing for non-peak seasons, possibly obtaining data on tourists who eventually moved here, and community outreach on the proposed TID, with Ms. Tillotson noting that VP has done community outreach with the lodging businesses and they do want to move forward.

Chair Thibodeau said that the next question is can the City of Portland legally do this, and Ms. Tillotson and Ms. Gallagher noted that they would work with Corporation Counsel on next steps and the process needed for City approval.

**Item #4: Review, discuss, and provide direction regarding an inquiry from the United Soccer League for possible City-owned locations for a stadium in Portland – USL Representatives. 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 noted that City staff have been working with the USL team as they evaluated various locations on the peninsula, which is the optimum location for transportation and people connections.

Gabe Hoffman-Johnson, representing USL League One for Portland, thanked the Committee for the opportunity to present their vision for a soccer club in Portland. He then discussed the benefits of such a league, noting that they have received official approval from USL for a possible soccer club in Portland (see attached presentation). USL League One is seeking guidance on how to proceed – noting the options evaluated at Preble Street Field – Option 1, Fitzpatrick Stadium – Option 2, Payson Park, and Dougherty Field as they are all walkable and near public transportation. Preble Street is the preferred option, while Fitzpatrick Stadium is the second option.

The Committee showed support, with Councilor Chong noting that safe bike paths would also be needed to the location, and Councilor Ali noted that the Preble Street location may have

deed restrictions that may prohibit such a use.

Councilor Zarro noted that this is the first he heard of this, and noted that some constituents are reluctant for the Preble Street location.

Mayor Snyder asked if any other sites have been considered or places outside of Portland, and Mr. Hoffman-Johnson indicated that they did look at other sites outside of Portland, but access is a major factor in selecting a location.

Chair Thibodeau noted that what he heard from today's discussion was more detail and data are needed on the sites, particularly Fitzpatrick Stadium, as well as information on any deed restrictions for the Preble Street location, as well as concerns about costs. He also noted for the public's benefit that no decision has been as more information is needed.

**Item #5: Public Hearing and Vote to Direct City Staff to Negotiate a Purchase and Sale Agreement related to Affordable Housing Development Seleciton re: 622 Auburn Street and 0 Gray Road property.**

**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 introduced this item by reminding the Committee the presentation they are about to received is meant to provide additional information as a follow-up from the HEDC's June 1 discussion regarding selection of the Affordable Housing Developer for the City-owned property located at 622 Auburn and 0 Gray Road.

Mary Davis noted the packet contains the information regarding the RPF details; a public notice was sent to the neighbors; and Great Fall Construction withdrew their proposal.

Tara Hill, the Executive Director of Habitat for Humanity for Greater Portland, provided an overview of their proposed twelve single-family homes development.

Liz Trice, of Maine Cooperative Development Partners, provided an overview of their

proposed cooperative housing development.

Chair Thibodeau opened the meeting for public comment.

Paul Lones – Newbury Street. Habitat for Humanity board member. Compelling issue for Habitat is community volunteers help build the homes. Homeowners learn how to maintain their homes, and the financial responsibilities of home ownership. This makes them better participants in the community and is quite unique. These factors are an important element in the mix of affordable housing in the City. Since 2000, the City has not funded a single-family home project. This is a great opportunity to provide affordable single-family homes.

Kate Sykes- 73 Alba Street – Supports low equity community housing; it is an important exercise in democracy where the people who own it control the economic decisions of the housing community. That model is lacking in Portland and could be a shining star to how we can solve some of the problems of rising rent and the commodification of housing; it provides an interesting entry point.

Seeing no further requests for comment, Chair Thibodeau closed the meeting to public comment.

Committee members asked clarifying questions of the developers regarding open space and home maintenance. Staff was asked about the scoring process, project timelines, and financial feasibility.

Council Chong thanked both development teams and indicated he is more inclined to support Maine Cooperative Development as the project will be completed sooner, provide more housing, and more open space.

Councilor Zarro thanked both development teams and indicated he is inclined to support Maine Cooperative Development due to the need to maximize housing units, the shorter construction timeline, and perpetual affordability.

Councilor Ali- thanked both organizations and noted he leans towards Maine Cooperative Development.

Chair Thibodeau- thanked both developers but due to concerns with lack of density he supports Maine Cooperative Development.

On motion made by Councilor Ali, seconded by Councilor Chong, the Committee voted 4-0 to direct City staff to negotiate a Purchase and Sale Agreement related to affordable housing development at 622 Auburn and 0 Gray Road with Maine Cooperative Development.

**Item #6: Public Hearing and Vote on Recommendation on the City Council to issue a Request for Proposal on the possible sale of City-Owned Thames Street Property**

**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.**

Consensus of the Committee was to postpone this item.

The Committee then confirmed moving the August 17 Committee to August 24.

On a motion was made by Councilor Chong, seconded by Councilor Zarro, the Committee voted unanimously (4-0) to adjourn the meeting at approximately 7:42 p.m.

Respectively submitted, Lori Paulette and Victoria Volent





VISIT  
**PORT  
LAND**  
MAINE

*Authentic By Nature*

WELCOME



# OUTLINE

## **PART 1** - Lynn Tillotson

- Introduction to Visit Portland
- Visitation trends
- Our challenges
- Current funding situation

## **PART 2** - Tiffany Gallagher, Civitas

- Introduction to a Tourism Improvement District
- Next Steps

## **Q&A**





# WHO WE ARE

- Since 1982 - **Official Destination Marketing Organization (DMO)** for the Greater Portland Region
- **ONLY Focus** is to generate economic vitality through visitation for Greater Portland!
- For 35 years we were known as the “Greater Portland Convention & Visitors Bureau” (CVB)
- In 2017, joined over 250 CVBs who have made the switch, now dba / **“Visit Portland”** - it’s a clear call to action



VISIT  
**PORT  
LAND**  
MAINE



**WE DO WHAT MOST PEOPLE THINK...JUST HAPPENS!**



# BUT IT DOESN'T JUST HAPPEN...

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## Target Markets:

- ▶ Leisure Travelers
- ▶ International Travelers
- ▶ Motorcoaches
- ▶ Meetings & Conferences
- ▶ Sporting Events
- ▶ Destination Weddings
- ▶ Media
- ▶ Cruise Ships

## Through Various Marketing Strategies:

- ▶ Digital Advertising
  - ▶ Brand Awareness
  - ▶ Retargeting
- ▶ Print Marketing & E-Marketing
- ▶ Social Media
- ▶ Web Development
- ▶ Tradeshows & Lead Generation
- ▶ Sales Missions
- ▶ and more...

*We must constantly  
be marketing to  
keep our  
destination viable  
and make it a great  
place to live and  
work.*





# MARKETING BUDGETS

## VISIT PORTLAND

*Not supported through lodging taxes  
100% Membership funded*



**\$996,000**  
*Pre Covid*



**\$439,000**  
**56% loss**  
*Post Covid*

## MAINE OFFICE OF TOURISM

*5% of the 8% Meals Tax  
5% of the 9% Lodging Tax*



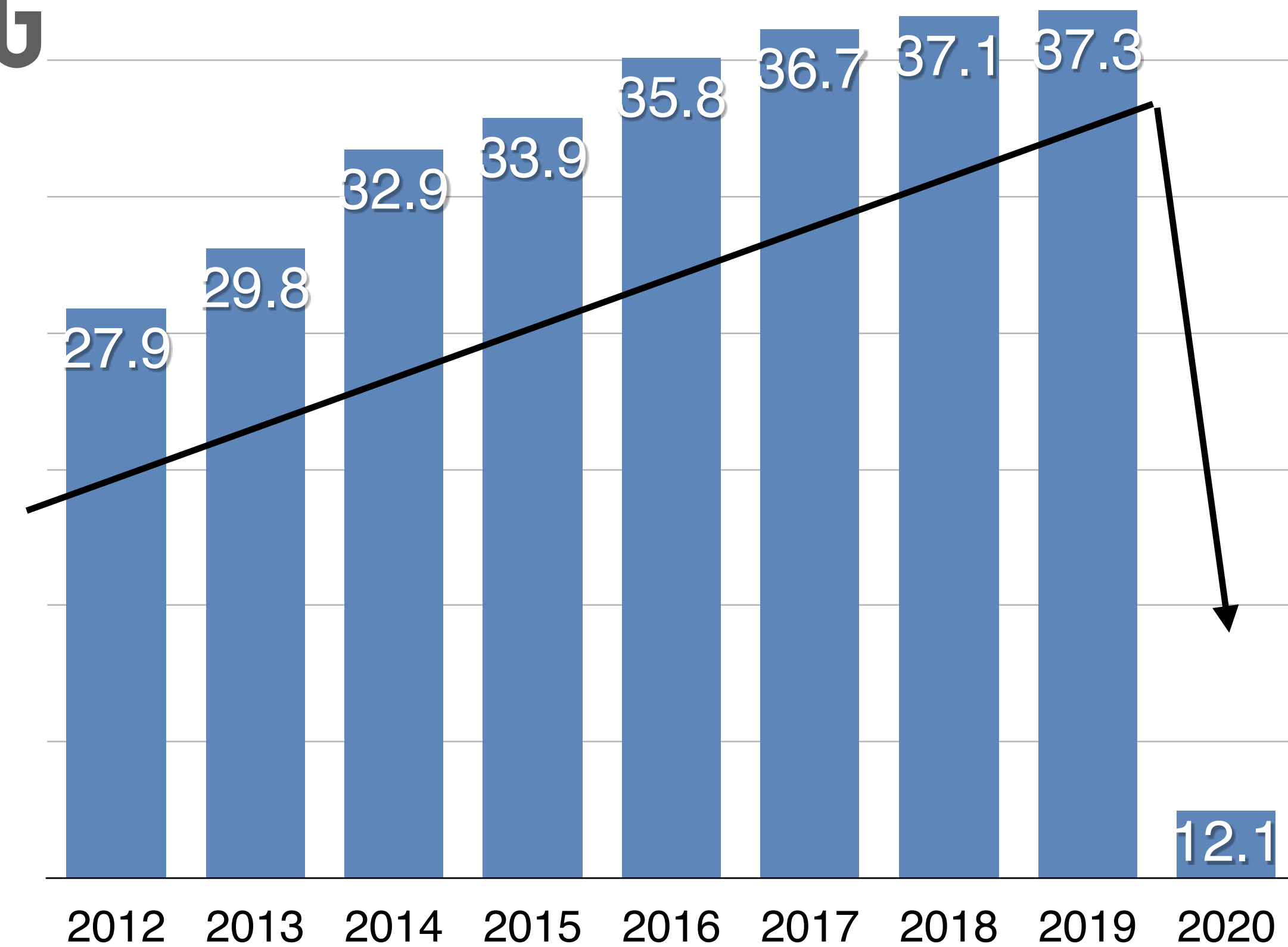
**= \$17 MILLION**  
*One of the lowest in the nation*

**We rely heavily on the State's  
Marketing Message**



Despite the state's small budget

# STATE VISITATION IS INCREASING



*Numbers Shown = Million*

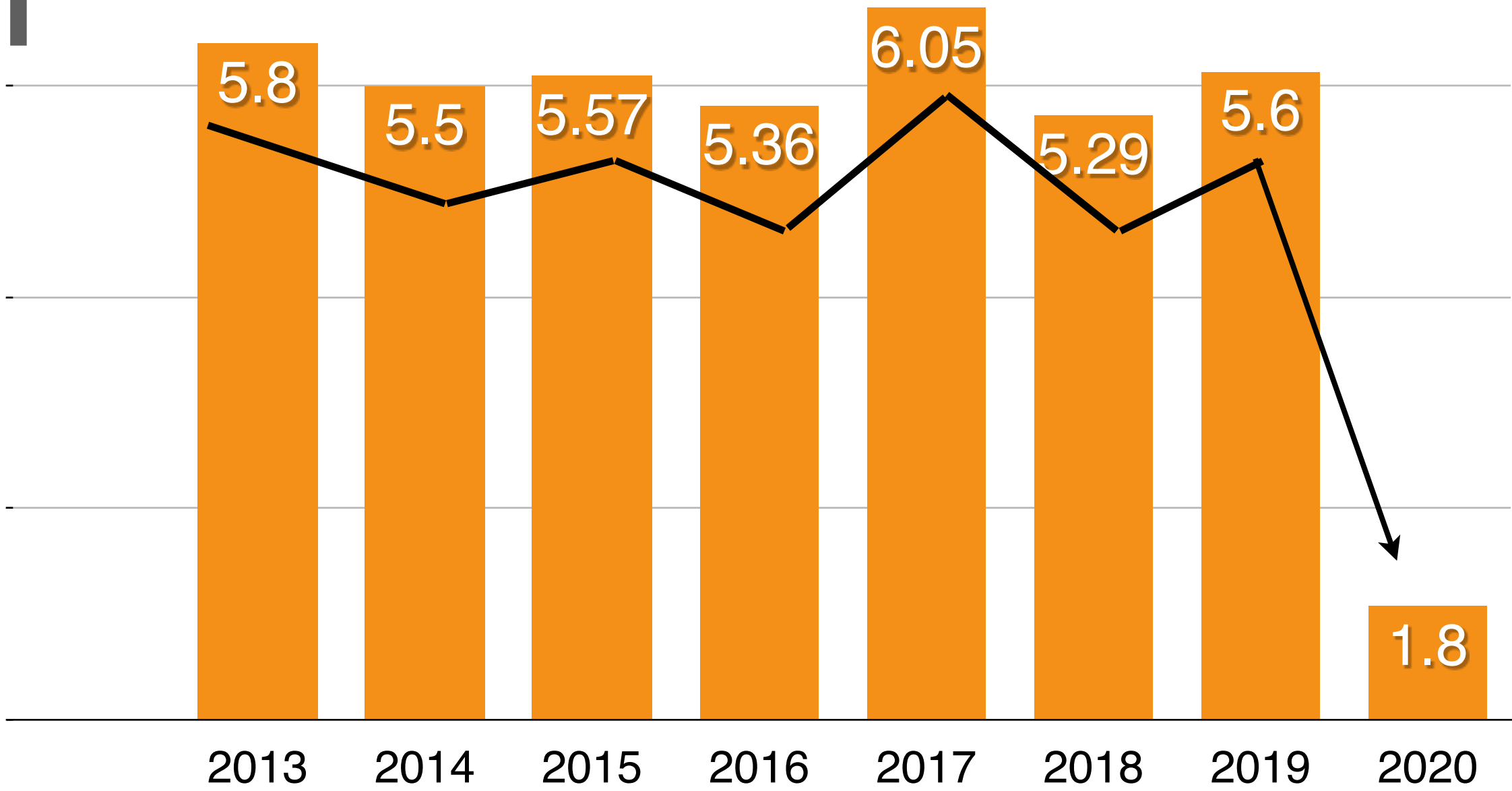
*Statistics provided by  
MOT and DPA*

# MAINE



However....

# GREATER PORTLAND VISITATION IS INCONSISTENT



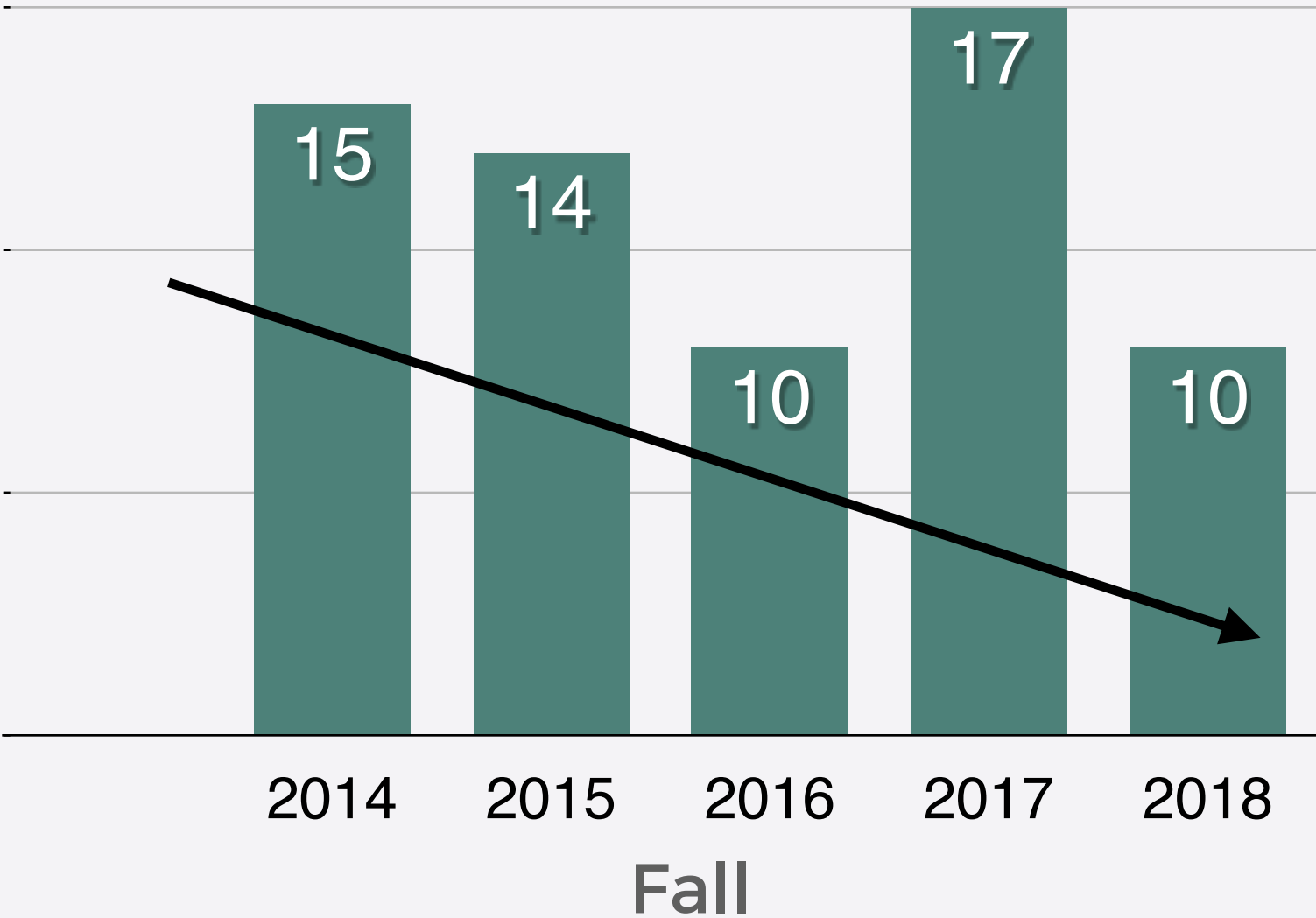
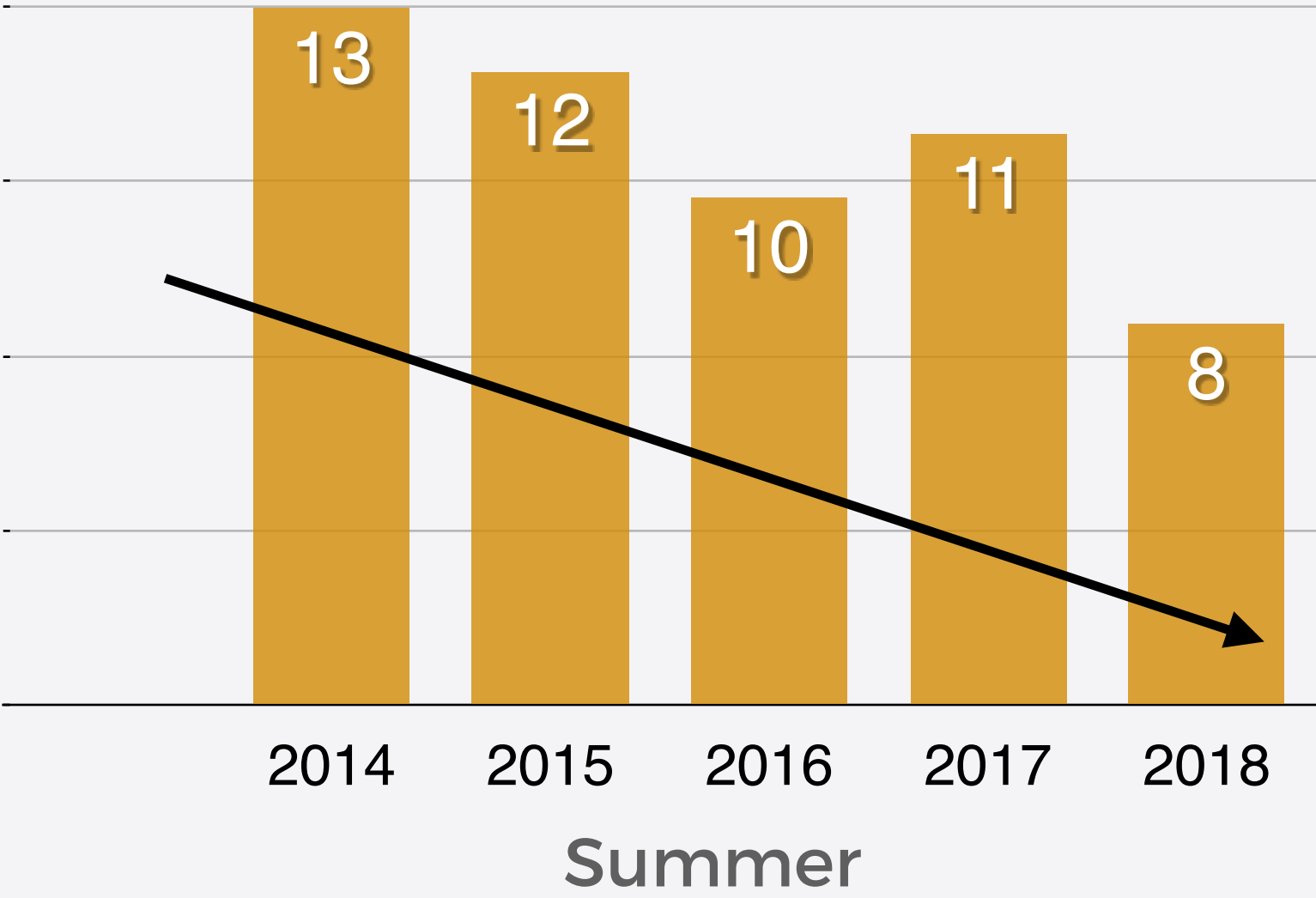
*Numbers Shown = Million*

*Statistics provided by  
MOT and DPA*

GREATER  
PORTLAND



# GP SHARE OF THE STATE'S VISITATION IS DECREASING



## 8 TOURISM REGIONS IN MAINE

Tasked with marketing the largest New England state on a very limited budget, and working to improve economies statewide, the Maine Office of Tourism’s marketing focus has been geared more towards promoting rural Maine than Greater Portland.



*We must begin to control our own destiny!*



# TOURISM IS AN ECONOMIC DEVELOPMENT GENERATOR & WORKFORCE ATTRACTOR

*“We made the decision to move WEX’s global headquarters... to downtown Portland to be near the working waterfront that has a lively and vibrant cultural, retail, and restaurant scene. This plays an important role in helping us to attract and retain the talented employees from around the world who are key to the success of our business. Tourism plays a critical role in allowing these “scenes” to thrive, and has fueled the size and scale of our offerings. It should go without saying that tourism is an enormously important part of the Greater Portland economy.”*

Melissa Smith

CEO & Chair

Wex





OUR REGION IS  
GROWING...AND ALL  
OF THE DEVELOPMENTS  
INCLUDE HOTEL  
PROJECTS

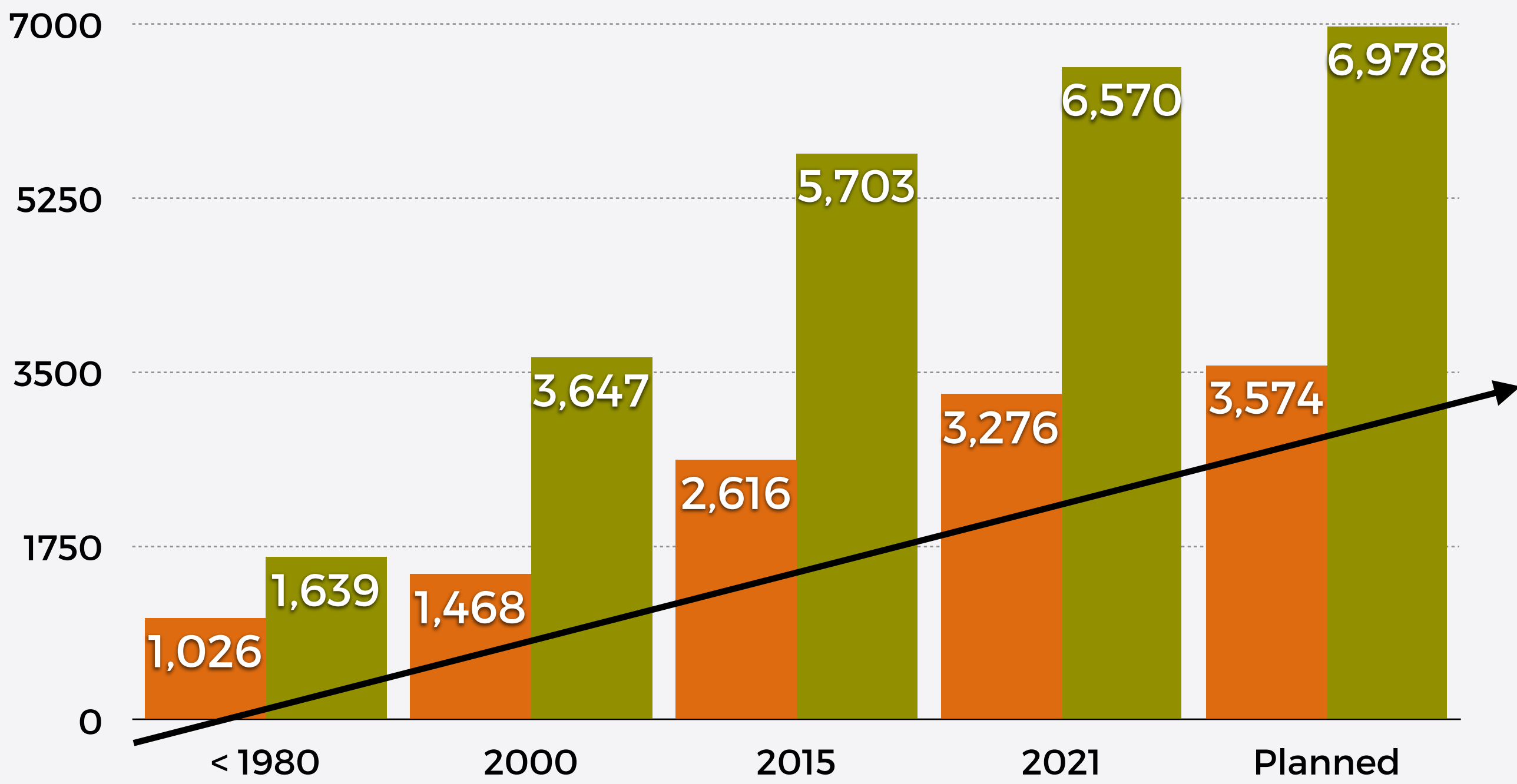






# NEED TO MEET HOTEL GROWTH AND EXPAND YEAR-ROUND VISITATION

319% INCREASE IN THE CITY OF PORTLAND  
426% INCREASE IN GREATER PORTLAND



314 Additional Rooms from Properties Under 20  
(Not shown in Graph)



**REQUIRES SCALE TO REACH POTENTIAL VISITORS**



# YOUR DMO IS SIGNIFICANTLY UNDERFUNDED

The region needs a stable source of funding to withstand economic challenges like Covid-19 and prepare us for meeting the demands of future growth.

| CITY            | BUDGET    | # OF ROOMS | MKTG. BUDGET PER ROOM   |
|-----------------|-----------|------------|-------------------------|
| Visit Portland  | \$996,000 | 6,978 RMS  | \$164 per avail. room   |
| Asheville, NC   | \$20M     | 7,965 RMS  | \$2,511 per avail. room |
| Charleston, SC  | \$17.4M   | 6,408 RMS  | \$2,715 per avail. room |
| Bradenton, FL   | \$14.2M   | 4,000 RMS  | \$3,550 per avail. room |
| Galveston, TX   | \$17M     | 5,100 RMS  | \$1,373 per avail. room |
| Spokane, WA     | \$6.5M    | 6,607 RMS  | \$984 per avail. room   |
| Sioux Falls, SD | \$4.4M    | 4,000 RMS  | \$1,100 per avail. room |
| Providence, RI  | \$4.2M    | 5,500 RMS  | \$764 per avail. room   |
| Newport, RI     | \$4.1M    | 4,100 RMS  | \$1,000 per avail. room |
| Newark, NJ      | \$2.3M    | 4,000 RMS  | \$575 per avail. room   |

*Budgets pre-covid*





**“MOST DANGEROUS PHRASE IN OUR LANGUAGE IS  
“WE’VE ALWAYS DONE IT THIS WAY””**

**REAR ADMIRAL GRACE HOPPER**





# **TOURISM IMPROVEMENT DISTRICT**

## **AN EFFECTIVE & PROVEN SOLUTION FOR TOURISM MARKETING FUNDING**



DESTINATIONS FORMING TIDS ALL AROUND US!





# TIFFANY GALLAGHER

Branch Manager  
East Coast Division  
Civitas Advisors





# Funding Sufficiency vs. Funding Stability

## Sufficiency

Do you have enough to adequately market your destination?

## Stability

How reliable are your funding streams? Can they be diverted?



# Tourism Districts

Stable funding sources for marketing efforts designed to increase occupancy and room rates for lodging businesses. TIDs are established with approval of payors, not electorates, and excess revenues can be used for promotions. Services include marketing, sales, promotions, website and Internet presence, group sales, and other projects designed to make the destination more appealing to visitors.



**Hotel guest pays an  
assessment**



**Collected by the  
local government**



**And managed by  
the DMO**



- Nation's leading firm in developing long term funding solutions for Destination Marketing Organizations and downtown improvements
- Completed over 125 BID & TMD formation projects throughout the world and drafted legislation in 17 states.



# Evolution of Tourism Industry Funding

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## Membership Models and Bed Tax

- Taxes Government managed and imposed
- No requirement of benefitting the paying businesses
- Bed Taxes are frequently diverted at the local and state level
- Annual request for maintaining funds
- Inability to create long-term planning.
- No defined term



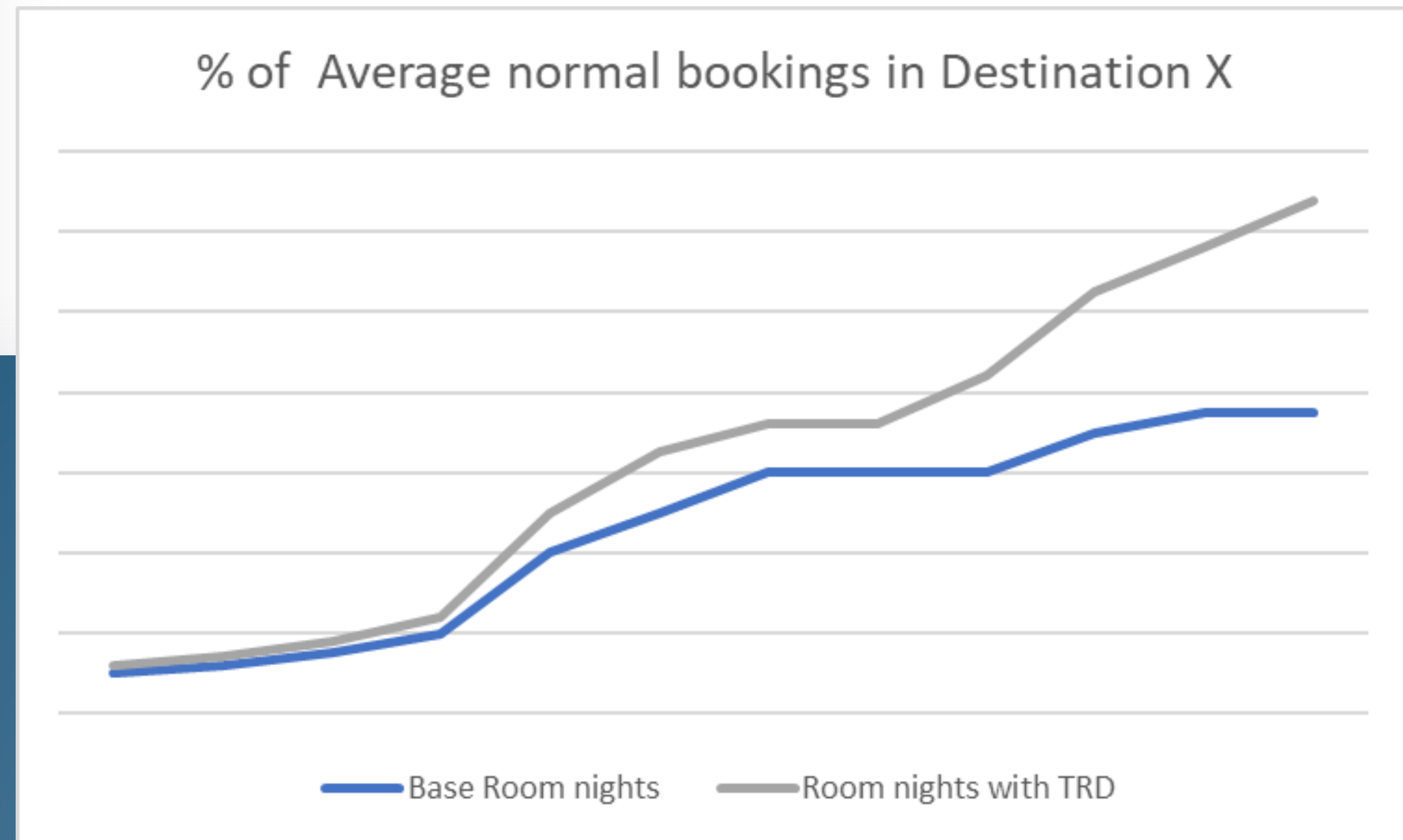
## TIDs

- Managed and approved by those paying the assessment
- Legal accountability to the district plan
- Based on benefit to tourism businesses
- TID funds cannot be diverted
- Legal protection and political protection
- Procedures in place to dissolve the District



# Be Ready

- \* The future of funding destination marketing efforts in the US is uncertain.
- \* There is data to support; there is a direct relationship between moving quickly, being prepared, lining up your resources and destination recovery.
- \* We know that well-resourced forward-thinking destinations recover faster and retain more market share.





**So, what happened when 29 cities with TIDs were compared to 71 cities *without* TIDs?**

| TID sample      |  | State | Year established |
|-----------------|--|-------|------------------|
| City            |  |       |                  |
| 1 Mobile        |  | AL    | 2020             |
| 2 Sacramento    |  | CA    | 2019             |
| 3 Los Angeles   |  | CA    | 2011             |
| 4 Anaheim       |  | CA    | 2010             |
| 5 Napa          |  | CA    | 2010             |
| 6 Palm Springs  |  | CA    | 2008             |
| 7 San Francisco |  | CA    | 2008             |
| 8 San Diego     |  | CA    | 2007             |
| 9 Monterey      |  | CA    | 2006             |
| 10 San Jose     |  | CA    | 2006             |
| 11 Denver       |  | CO    | 2017             |
| 12 Tampa        |  | FL    | 2020             |
| 13 Wichita      |  | KS    | 2014             |
| 14 New Orleans  |  | LA    | 2014             |
| 15 Baltimore    |  | MD    | 2019             |
| 16 Billings     |  | MT    | 2007             |
| 17 Newark       |  | NJ    | 2013             |
| 18 Tulsa        |  | OK    | 2019             |
| 19 Portland     |  | OR    | 2012             |
| 20 Philadelphia |  | PA    | 2017             |
| 21 Newport      |  | RI    | 2017             |
| 22 Sioux Falls  |  | SD    | 2011             |
| 23 Memphis      |  | TN    | 2015             |
| 24 San Antonio  |  | TX    | 2018             |
| 25 Fort Worth   |  | TX    | 2017             |
| 26 Arlington    |  | TX    | 2016             |
| 27 Dallas       |  | TX    | 2012             |
| 28 Seattle      |  | WA    | 2012             |
| 29 Spokane      |  | WA    | 2003             |





## KEY INSIGHTS



# Destinations with TIDs outperform others.

- ▶ On average, TIDs produce a **2.1% lift in hotel room demand.**
- ▶ On average, TIDs produce a **4.5% lift in hotel room revenue.**
- ▶ TIDs drive **economic impact.**

Session: The Economic Case for Tourism Improvement Districts to Drive the Recovery, presented by STR  
Speaker: Adam Sacks, Tourism Economics



AN OXFORD ECONOMICS COMPANY



# Global TID Statistics

189 TIDs

Most Recent: North Lake Tahoe  
(March 2021)

56%

Gross  
Revenue %



44%

Fixed \$  
Amount

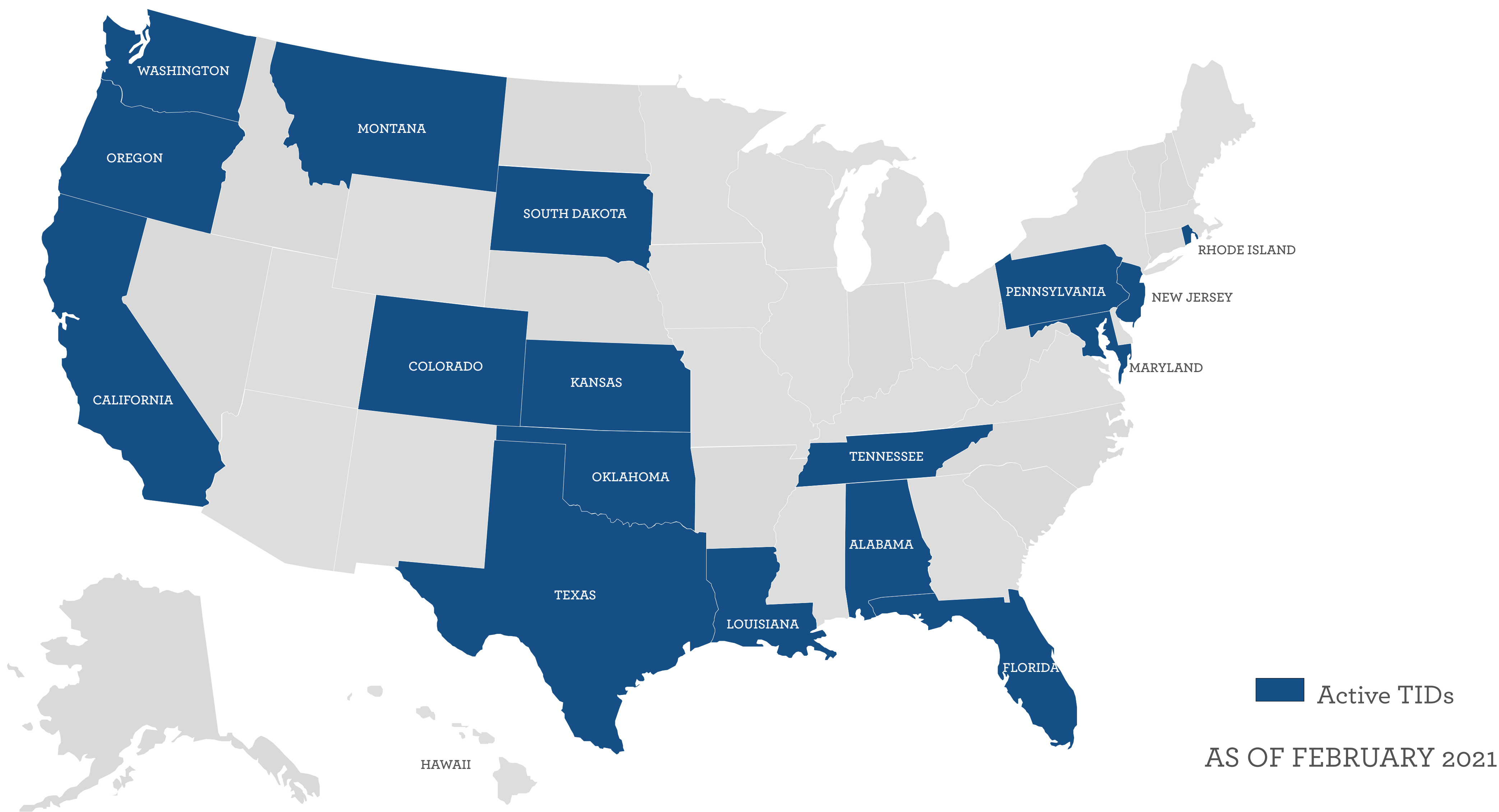
## AMOUNT RAISED

|        |               |
|--------|---------------|
| Low    | \$10,000      |
| Median | \$787,000     |
| High   | \$120,000,000 |
| Total  | \$568,563,513 |

17 STATES

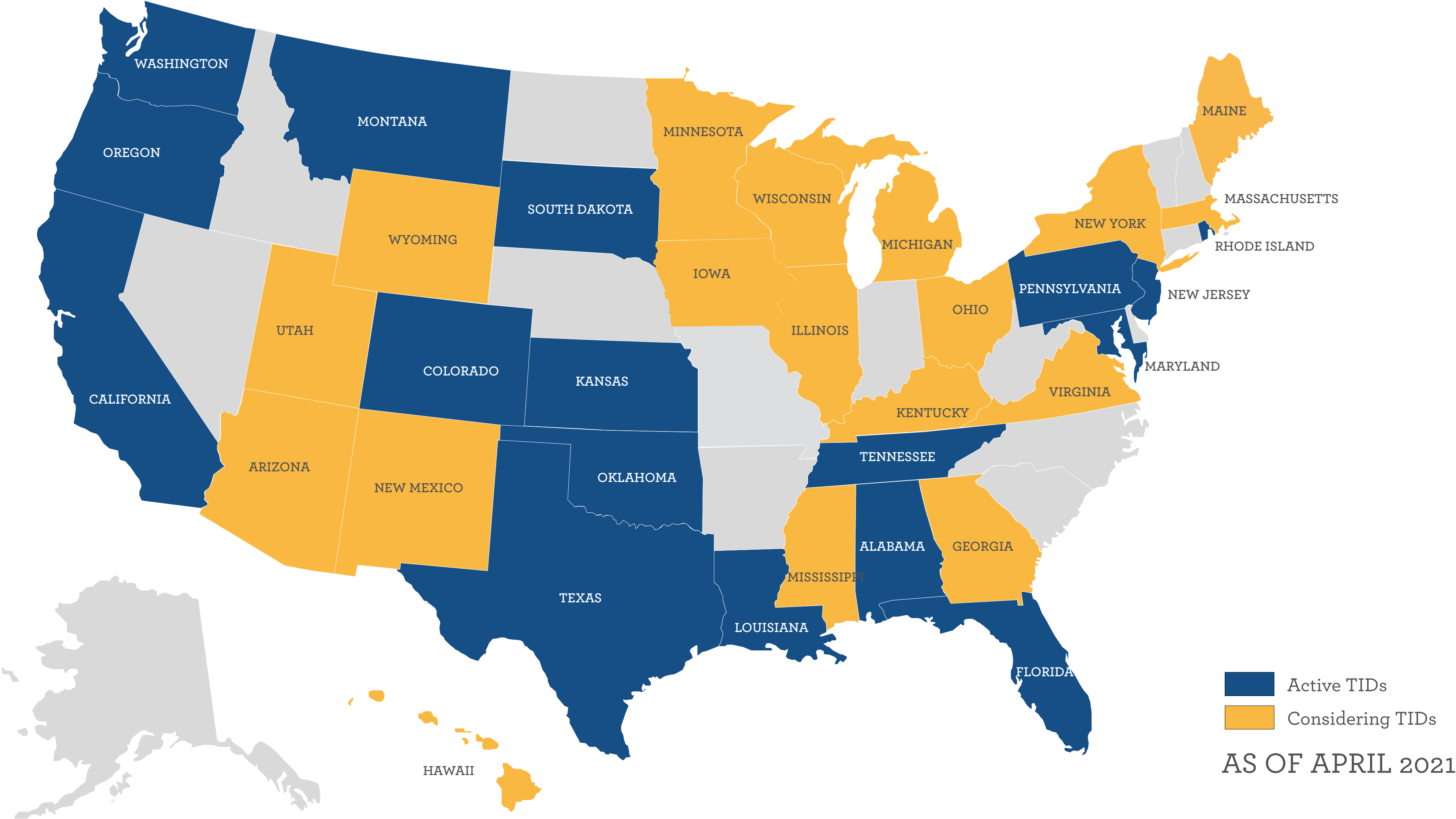


# Tourism Improvement Districts - 17 States Active





# Tourism Improvement Districts - Add'l 18 States Forming





# Case Study: Newport, Rhode Island



## Investments Year in Review

### LEISURE



**3.1K** ROOM NIGHTS BOOKED **\$830K** REVENUE GENERATED  
SEPT - DEC 2019 \$45,000 INVESTMENT

**2.5K** ROOM NIGHTS BOOKED **\$947K** REVENUE GENERATED  
FEB - APRIL, JUNE - AUGUST 2020 \$50,000 INVESTMENT

**1,200** HOURS AUDIENCE VIEWED **96%** VIEWED DIGITAL VIDEO IN FULL  
DEC - APRIL, JUNE - AUG \$75,000 INVESTMENT



# Case Study: Newport, Rhode Island



**13,232** WEBSITE  
PAGE  
VIEWS  
**7,679** VIEWED  
DEALS  
PAGE

**1.54** AVERAGE  
MINUTES  
ON SITE

**16** EACH PROPERTY'S  
FEATURED LISTING  
ON WEBSITE  
\$52,500 INVESTMENT



**16** PROPERTY VIDEO  
AND PHOTOGRAPHY  
SESSIONS  
COLLECTIVE THOUGHT MEDIA  
\$5,250 INVESTMENT



**3,913,210** IMPRESSIONS  
DELIVERED  
**20K** ADDRESSES  
GARNERED  
FROM EBLASTS

**9.8%** EMAIL  
OPEN  
RATE

JAN, FEB, MARCH, JUNE \$10,000 INVESTMENT



**99** MEETING  
PLANNER  
CONTACTS



**587** ADDRESSES  
FROM  
WEBINAR



# Next Steps For Implementing TID



- ✓ Secure legal authority
- ✓ Hotel & local government outreach
- ✓ Stakeholders determine parameters and service plan
- 4) Plan prepared, stakeholders approve
- 5) City Committees and Public Hearing
- 6) Local government approval process
- 7) Levy imposed, District Plan execution



# TID Timeline

| Action                                                                                                                                                                                                              | Date                    |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|
| Portland Tourism Development District (PTDD) Project Kick Off                                                                                                                                                       | December 2020           |
| Stakeholder outreach program developed                                                                                                                                                                              | December 2020- May 2021 |
| Legal and Municipal; Draft Development Program and PTDD formation ordinance                                                                                                                                         | March-June 2021         |
| Submit draft Development Program and Ordinance to Portland City Council                                                                                                                                             | July 2021               |
| Draft PTDD Notice of Public Hearing                                                                                                                                                                                 | August 2021             |
| Final PTDD Development Program, Ordinance, and Notice approved by City staff                                                                                                                                        | August 2021             |
| Publish - Notice of Public Hearing <ul style="list-style-type: none"> <li>Must be published in a local newspaper at least ten (10) days before the date of the public hearing.</li> </ul>                           | September 2021          |
| City Council – Public Hearing                                                                                                                                                                                       | September 2021          |
| City Council votes to approve PTDD Development Program and Ordinance to Establish the PTDD <ul style="list-style-type: none"> <li>The PTDD is effective upon adoption by the municipal legislative body.</li> </ul> | September 2021          |
| PTDD begins collecting assessment                                                                                                                                                                                   | October 1, 2021         |





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(800) 999-7781 or (916) 437-4300





# PROFESSIONAL SOCCER IN PORTLAND





# PURPOSE

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*Introduction*

*Opportunity Summary*

*Community and Cultural Benefit*

*Social, Environmental, and Sustainability Initiatives*

*Economic Impact*

*Stadium Development Details and Diligence*

*Community Outreach and Support*



# INTRODUCTION

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## WHO WE ARE

*Local investors, and future team ownership group led by Portland resident Gabe Hoffman-Johnson (Founder, President), Jonathan & Catherine Culley (Founding Investors), and additional local investors, dedicated to bringing professional soccer to Portland competing in USL League One.*

## GABE HOFFMAN-JOHNSON

- Former 2x Maine State Player of the Year & All-American (Falmouth High School)
- Former Captain & Division 1 player (Dartmouth College)
- Former Professional player (United Soccer League, St. Louis FC)
- Founder & President of 'USL to Portland'



## COMMUNITY 'MOVEMENT'

More than just us, this is a highly supported soccer 'movement'

- 4,100+ followers across all platforms
- Independent 'Supporters Group', Dirigo Union, formed organically of passionate community members

## MOVEMENT FOLLOWING & SUPPORT

*The @USLtoPortland movement has already attracted thousands of followers*



1,541 followers



1,007 followers



667 followers



508 followers



411 subscribers



# U.S. PROFESSIONAL SOCCER LANDSCAPE



The U.S. Soccer Federation sanctions three divisions of professional soccer in the United States. The divisions are separated by standards that include market size and stadium size.



| LEAGUE              | STADIUM STANDARD             | MARKET POPULATION STANDARD |
|---------------------|------------------------------|----------------------------|
| MAJOR LEAGUE SOCCER | Seating Capacity:<br>15,000+ | Min. 1,000,000             |
| USL CHAMPIONSHIP    | Seating Capacity:<br>5,000+  | Min. 750,000               |
| USL LEAGUE ONE      | Seating Capacity:<br>3,500+  | Min. 150,000               |



# OPPORTUNITY SUMMARY

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*The **United Soccer League (USL)** is the fastest growing professional sports league in the United States, and soccer is attracting a younger and more diverse fanbase than other sports.*

The ownership group behind USL to Portland has **received official approval as an expansion market by the USL**, which is contingent upon proposed stadium development.

## ORGANIZATION OBJECTIVES

We intend for this club to become a unifying force for Portland, and see this opportunity as an **investment in the economic, community, and cultural vitality of the city**. The addition of a soccer stadium and professional club will:

- Connect people and communities, and celebrate diversity and inclusion
- Elevate sporting, recreational, and community gathering infrastructure
- Drive immediate economic impact; direct and indirect spending
- Drive workforce development
- Enhance civic pride
- Promote the Portland brand, and attract new visitors, residents, and businesses

## COMMUNITY THROUGH SOCCER

Our mission is to create an elite professional club that reflects the character of the City of Portland, State of Maine, and all of its communities. Uplifting and building community through the beautiful game.



# CULTURAL AND COMMUNITY BENEFIT

## A CLUB BUILT 'BY' AND 'FOR' THE COMMUNITY

*This soccer team will inevitably feed our community, serving up inclusive camaraderie, entertainment, elevate the status of our city, and provide a platform for long lasting community impact.*

## SUPPORT EXISTING PROGRAMS

This soccer team will support existing Portland programs, **in sport, in experiential culture,** and in **community grassroots reinvention.**

## CREATE A SENSE OF BELONGING

Whether you're a brewer, business person, lifelong resident, from away, or New Mainer, this team will unite and amplify a sense of attachment to Portland.

## BUILD TOWARDS A BRIGHTER FUTURE

We are committed to making our community a better place to live, work, and play.



Portland Area Youth Soccer Association



Community Champions League



Soccer watch party (Bissell Brothers)



Kennedy Park Football Club



# COMMUNITY INITIATIVES

## USING THE BEAUTIFUL GAME FOR GOOD

### MADE THE 'COMMON GOAL' PLEDGE

*USL to Portland has joined this global soccer charitable group, pledging 1% of specified revenues to allocate towards local high-impact organizations harnessing the power of soccer to advance the United Nations Global Goals. We're all in!*

- *Other members include: ADIDAS Global Football, Professional Teams (MLS, USL) and Players*



### COMMUNITY PARTNERSHIPS

#### **Diversity & Inclusion**

Greater Portland Immigrant Welcoming Center, City of Portland Office of Economic Opportunity

- *Accessible tickets, internship opportunities, and other inclusion programs*



#### **Youth Impact Programming**

Kennedy Park FC, The Community Champions League, Portland Schools, Portland Area Youth Soccer Association (PAYSA)

- *Local soccer organizations already leading the way for equitable access to the beautiful game*



#### **Environment & Sustainability**

Natural Resources Council of Maine, Maine Brewshed Alliance, Sebago Clean Waters

- *Recipric: A Positive Change Agency*





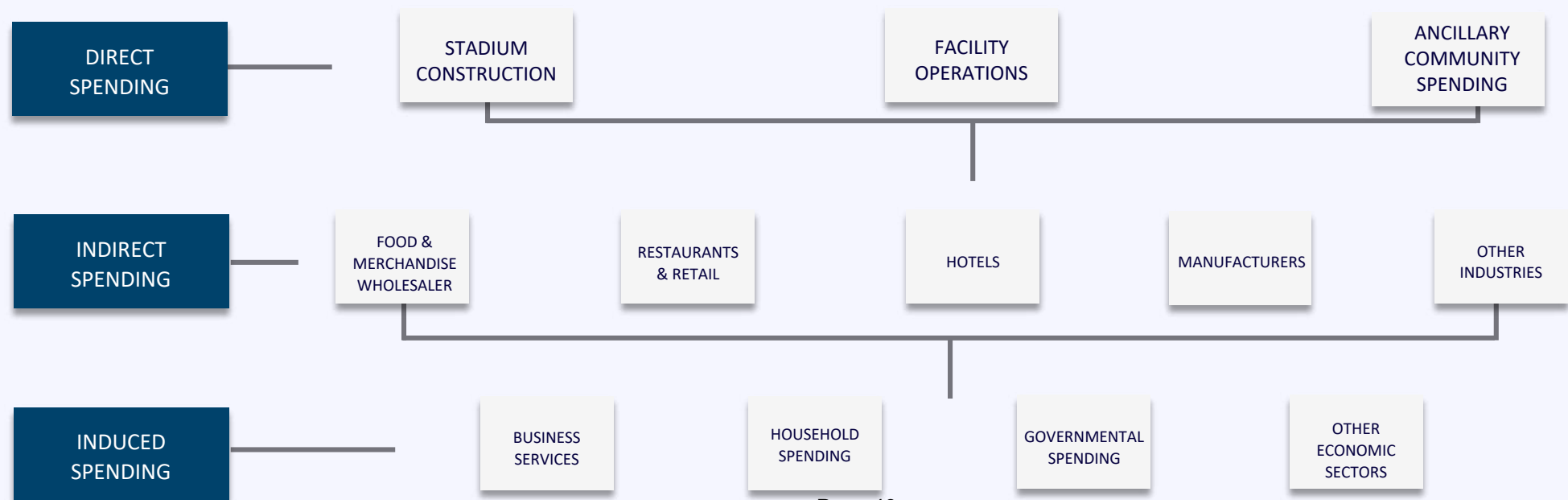
# ECONOMIC IMPACT

## COMPARABLE ANALYSIS

*Fiscal impact projections are ongoing for USL to Portland’s economic contribution, but comparable analysis of recent expansion teams predicts the following:*

- Job Creation: 20 front office employees, and 24 professional players
  - Over \$1.5mm Income Tax generated in years 1-20
- \$6mm Admissions Tax generated in years 1-20
- \$1mm Hotel Tax generated in years 1-20

*The addition of professional soccer will drive direct, indirect, and induced spending through sports tourism.*





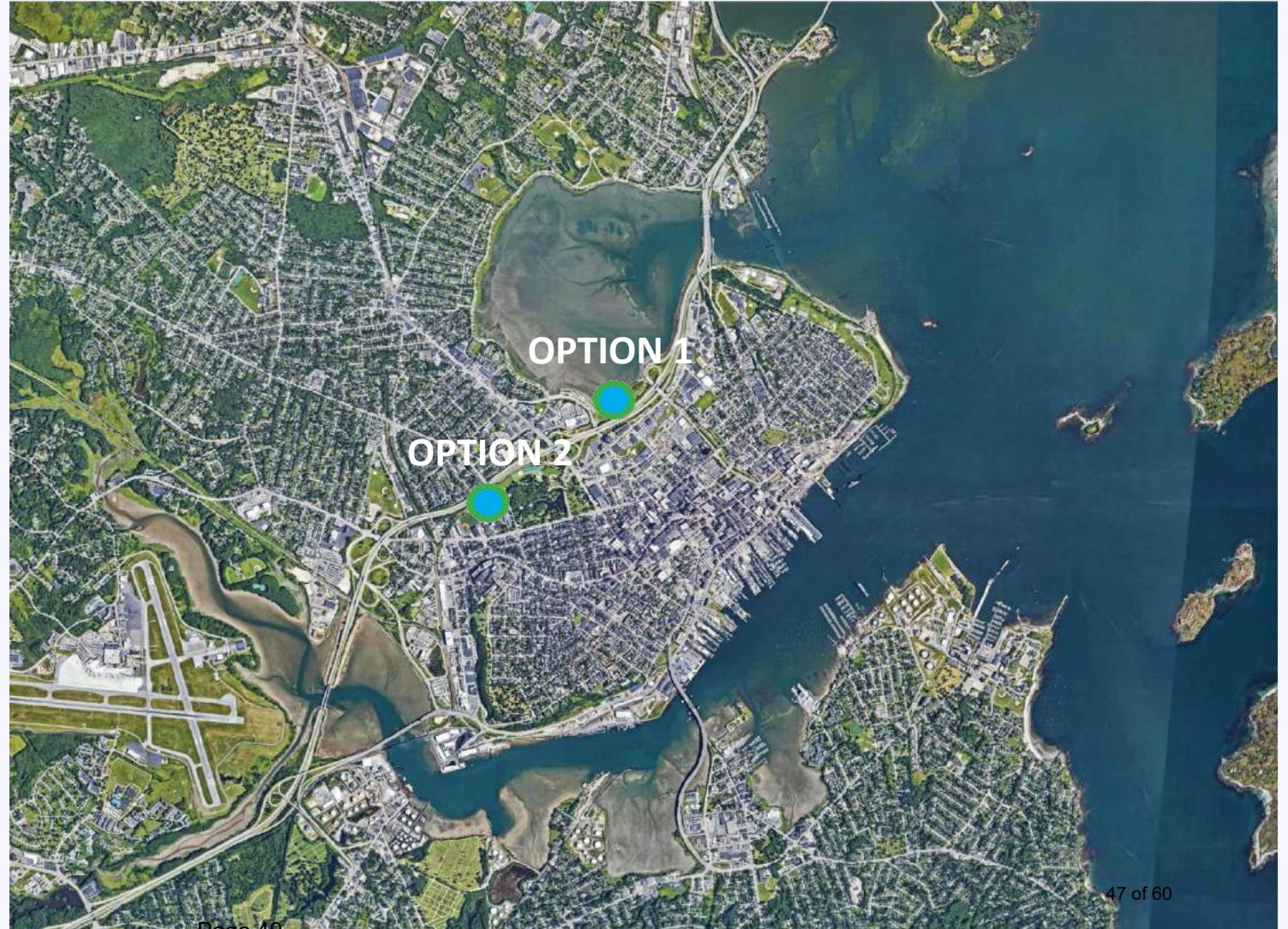
# SOCCKER STADIUM DEVELOPMENT

## SITE LOCATION DUE DILIGENCE

Underwent lengthy analysis of potential stadium locations, and consulted with professional sports franchises to determine key considerations. It became apparent that a downtown stadium is critical to both community impact and commercial viability. Preble Street Field and Fitzpatrick Stadium identified as viable locations.

## KEY CONSIDERATIONS

- Downtown Urban Location
- Adequate Land Area
- Accessibility
- Visibility
- Walkability
- Sufficient Parking
- USL Requirements
- Municipal Zoning and Environmental Standards
- Adjacency to Thriving Neighborhoods and Local Businesses





# OPTION 1: PREBLE STREET FIELD

## PREBLE STREET FIELD STADIUM DEVELOPMENT

Interested in pursuing low-cost land lease with the City of Portland. The project would convert the existing Preble Street field into a professional quality facility.

### ADDITIONAL USES

- Club Soccer, High School Athletics, Adult Recreation Programs
- Portland Rising (Professional Womxn's Ultimate Frisbee)
- Concerts, Beer Festivals, Outdoor Hockey (Mariners, Casco Bay, High Schools)
- State Championships, Collegiate Athletics, Community Access etc.

### SITE LOCATION





# PREBLE STREET DEVELOPMENT DILIGENCE

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## SITE LOCATION ANALYSIS: CHALLENGES & BENEFITS

**Compliance with Back Cove South Storage Facility (BCSSF):** Completed three technical feasibility studies to determine location viability; Acorn Engineering, Woodard & Curran, Sebago Technics - AECOM - S. W. Cole Engineering

- Feasibility studies show, while challenging, site location is suitable with coordinated effort between City and Soccer development team

**Compliance with City Land Use Code and Zoning:** Analyzed legal compliance with city code, zoning, environmental and land ordinances; BCM Environmental & Land Law

- Permitted use per Recreation and Open Space Zone with text amendment for capacity under 6,000 seats
- Stadium design amenable to Space and Bulk Requirements (Setbacks and Building Height), Shoreland Regulations, DEP

**Compliance with Land Bank Commission:** Legal interpretation of 'change of use' for privatization of public land, and potential requirement of release from land bank

**Key Benefits:** Professional quality, multi-use sporting facility, raising city profile and driving important Economic, Community, and Cultural impact

- Improve Infrastructure; Community Benefit
- Economic Impact; Job Creation, Tax Revenue
- Increase Public and Community Access to much needed recreation space
- Additional Uses: Attract high profile sporting use, festivals and events



# PREBLE STREET STADIUM RENDERING





# PREBLE STREET ENVIRONMENTAL CONSIDERATIONS





# OPTION 2: FITZPATRICK STADIUM

## FITZPATRICK STADIUM DEVELOPMENT

Interested in pursuing rental agreement with the City of Portland to facilitate redevelopment of Fitzpatrick stadium. The project would upgrade the existing facility, and maintain Portland Schools and community access.

## ADDITIONAL USES

- Club Soccer, High School Athletics, Adult Recreation Programs
- Portland Rising (Professional Womxn's Ultimate Frisbee)
- Concerts, Beer Festivals, Outdoor Hockey (Mariners, Casco Bay, High Schools)
- State Championships, Collegiate Athletics, Community Access etc.

*Stadium Development Estimated Cost: \$10mm - \$12mm*

## SITE LOCATION





# FITZPATRICK STADIUM RENDERING





# FITZPATRICK DEVELOPMENT DILIGENCE

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## SITE LOCATION ANALYSIS: CHALLENGES & BENEFITS

### ***Maintaining Access for Fitzpatrick Existing Users***

- *Facility requirements for professional quality stadium; locker rooms, press box, concessions*
- *Mutual benefit for needed stadium upgrades, PHS athletic facilities, other events etc.*

### ***Track Relocation with Additional Multi-Purpose Recreation Field***

- *To comply with league standards, current track would be relocated providing the future home of Portland School track programs, and additional Public recreation space*

### ***Compliance with City Land Use Code and Zoning***

- *Permitted use per Recreation and Open Space Zone*

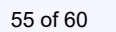
### ***Compliance with Land and Water Conservation Fund***

- *Location was L&WCF recipient, which requires “substitution property of reasonably equivalent usefulness and location and of at least equal fair market value.”*

### ***Key Benefits: Professional quality, multi-use sporting facility, raising city profile and driving important Economic, Community, and Cultural impact***

- *Higher quality recreation and amenities for current users*
- *Potential Community Center or Affordable Housing*
- *Economic Impact; Job Creation, Tax Revenue*
- *Increase Public and Community Access to much needed recreation space*
- *Additional Uses: Attract high profile sporting use, festivals and events*







# TRACK RELOCATION: DOUGHERTY FIELD





# COMMUNITY SUPPORT

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## FRIENDS & SUPPORTERS OF USL TO PORTLAND

*“This is about more than soccer, this is about community impact, it’s about youth empowerment and creating a positive environment where all kids feel equal, connected, and accepted,”* – Yusuf Yusuf, Portland Schools Board of Education

*“The prospect of having a professional team here in Portland could be life changing for so many Portlanders coming from all corners of the world... It would enhance their sense of belonging and therefore, their retention in the City. Soccer is more than a sport, it is a unique and exciting opportunity to bring our community together.”* – Julia Trujillo, Director, City of Portland Office of Economic Opportunity

*“This is an exciting opportunity for our student athletes, and would be an enormous asset for the students, and the city... I think a separate quality track facility, if possible, would be a positive, and better solution for the future of Portland High School athletics.”* – Lance Johnson, Portland High School Athletic Director

*“At Bissell Brothers, we absolutely believe the future of this city will be made better and brighter by giving professional soccer a home here. As soccer fans ourselves, we are excited to see the future pro soccer grow right here in our city, and look forward to gathering in common cause.”* – Peter Bissell, Owner, Bissell Brothers Brewing, High Roller Lobster Co.

*“Soccer is a major sport for our King students, and having professional soccer in Portland would have an impact both academically and athletically. (Before the pandemic) I would open Fitzpatrick every day before school started and kids would all be playing soccer, we saw attendance rates increase from at risk students as a result.”* – Duke Madsen, King Middle School Athletic Director



# COMMUNITY SUPPORT

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## FRIENDS & SUPPORTERS OF USL TO PORTLAND

*“I am very excited for Portland to get a professional soccer team, it’d be a very important cultural attraction for the city. Among immigrants, soccer is the most dominant game, yet there is very limited opportunity outside. The USL to Portland team is committed to supporting community driven access through a broad range of partnerships.”* – **John Ochira, Founder, Community Champions League, Maine Community Foundation, South Sudanese Community Association, Maine Immigrants’ Rights Coalition**

*“Soccer has a way of organically creating relationships with people from different backgrounds. Kids from war-torn countries come here, kids from low-income families come here, seeing others like them, or completely different, it doesn’t matter, we all love soccer. The impact of professional soccer in Portland for the Kennedy Park FC community would be incredible.”* – **Hany Ramadan, Co-Founder, Kennedy Park FC, Deering HS Graduate, Sudanese Immigrant**

*“A professional soccer team will add to the portfolio of what makes Portland so livable as a city that is known for its neighborhood schools, arts and culture scene, diversity and welcoming community. I am especially interested in exploring the role professional soccer could play in engaging with immigrant communities and schools to aid in at-risk youth development.”* - **Marpheen Chann, Portland Charter Commissioner At-Large and Community Advocate**



# NEXT STEPS

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***We have been working behind the scenes with City staff for more than a year to evaluate the two stadium options presented.***

***We are now seeking direction from the City Council and hope to begin negotiations with City staff for the renovation and lease of one of the two proposed stadium locations.***

***USL to Portland intends to be a reliable partner to the City of Portland as we work together to create a soccer stadium to support a professional club that will make Portland proud.***



# CONTACT

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## GABE HOFFMAN-JOHNSON

Founder, President

[gabe@usltoportland.com](mailto:gabe@usltoportland.com)

207.712.3031





## MEMORANDUM

**TO:** Housing and Economic Development Committee

**FROM:** Greg Mitchell, City Consultant

**DATE:** August 19, 2021

**SUBJECT:** Review and Vote to Recommend to the City Council authorization to direct City staff to issue a Request for Proposals to sell the remaining portion of City-owned Thames Street Property

### **I. ONE SENTENCE SUMMARY**

A Housing and Economic Development Committee public hearing was postponed at the July 20, 2021, meeting to August 24, 2021, to discuss and vote, in the form of a recommendation to the City Council, on authorization to direct staff to issue the attached Draft Request for Proposals (RFP) to sell the remaining portion of the City-owned Thames Street property, including approximately 24,500 +/- square feet, as shown on the attached map.

### **II. BACKGROUND**

City staff feel that the current market is strong enough to proceed with this property sale. The eventual sale of this property has been planned for decades when the City first acquired this property to attract private sector investment.

Additionally, policy for development in the area surrounding Ocean Gateway is informed by the *Master Plan for the Redevelopment of the Eastern Waterfront* (Eastern Waterfront Master Plan, EWMP) which provided graphics, schematic plans, and written policies guiding upland and waterfront development. Along with infrastructure and development scenarios, the Master Plan promoted policies for mixed use development, retention of water-side land for marine use, compatibility of new development with neighboring uses, and economically responsible development. Prior to its adoption, the Eastern Waterfront Master Plan was amended with the addition of Design Guidelines and a Building Height Study. Public infrastructure expansion (as partially implemented by Ocean Gateway with Thames Street and Hancock Street extensions) was a key recommendation of the plan.

The EWMP envisioned a mixed-use build-out of the upland sections of the district establishing a new urban neighborhood based on an expanded street grid, resulting in over a half-million square feet of additional office, retail, and residential construction to be supported by additional structured parking. The sale of a



portion of the City owned Thames Street property, through this Request for Proposals, will further the EWMP.

The EWMP was adopted into the City's Comprehensive Plan in 2004, and was amended in 2006. In 2009, the City Council further directed staff to market for sale the City-owned portion of the site that has come to be known as the "Thames Street Lot."

Sale of City-owned Thames Street property, located between Hancock Street and Mountfort Street right-of-way, was completed through a public RFP proposal process, in 2018/2019, to support attracting the WEX Headquarters and stimulating a new parking garage with 83,000 square feet of commercial space (occupied by WEX and the Roux Institute) located at 100 Fore Street.

Staff's proposed approach is to solicit proposals for the remaining portion of the Thames Street property (bounded by Mountfort Street right-of-way, Thames Street, the new Connector Road, and adjacent to privately-owned property which includes the VA Clinic and other tenants) through a public RFP process per the attached Draft RFP. The HEDC and City Council will have final decision-making over any purchase and sale agreement related to the sale of this property.

The recommended approach accomplishes the following:

- ***EWMP.*** Furthers the goals of the EWMP;
- ***Attracts Private Sector Investment and Quality Jobs.*** Enables Portland to attract private sector investment and associated high quality job creation to the site under existing zoning.
- **Finalize planning and constructing for possible Mountfort Street Extension;**
- **Secures the portion of the New Connector Road (from Fore Street to City Thames Street connection) to become accepted as a City street to complete the public street grid system in the Eastern Waterfront;**
- **Add one public restroom requirement to new on-site construction;**
- **Generate additional property tax revenue for the City which is captured in the existing Waterfront TIF District; and**
- **Receive fair market value for the sale of this property. *If the HEDC and City Council agree to proceed with issuance of a RFP and sale of this property, staff recommends that fifty (50) percent of the property sale proceeds be appropriated to the Jill Duson Affordable Housing***



***Trust Fund and fifty (50) percent be appropriated to the Portland Harbor Commons Project.***

### **III. INTENDED RESULT AND OR COUNCIL GOAL ADDRESSED**

Sale and development of the remaining portion of the Thames Street property will:

- Implement long-standing City goals fulfilling the vision of the Eastern Waterfront Master Plan;
- Provide an improved appearance and increased year-round vitality for the Ocean Gateway area; and,
- Promote infill development connecting eastern waterfront development with planned redevelopment of the Portland Foreside Complex.

### **IV. FINANCIAL IMPACT**

Sale of this property will generate property sale revenue for the City, attract private sector investment and associated job creation, along with annual property tax revenue to the City. All proposals will be evaluated for the amount of private sector investment and number of quality jobs in addition to other public benefits included in the attached Draft RFP.

***If the HEDC and City Council agree to proceed with issuance of a RFP and sale of this property, staff recommends that fifty (50) percent of the property sale proceeds be appropriated to the Jill Dusen Affordable Housing Trust Fund and fifty (50) percent be appropriated to the Portland Harbor Commons Project.***

### **V. STAFF ANALYSIS**

Staff recommends the City take advantage of the current strong market position for Portland to place this property on the market to support continued growth of Portland's economy.

Detailed analysis will be done on all proposals, under direction of the HEDC and City Council, to select a development program approach for the City.

### **VI. RECOMMENDATION**

Staff recommends the HEDC vote to recommend to the City Council that the City issue an RFP to solicit proposals to support development of the remaining portion of the City-owned Thames Street property.

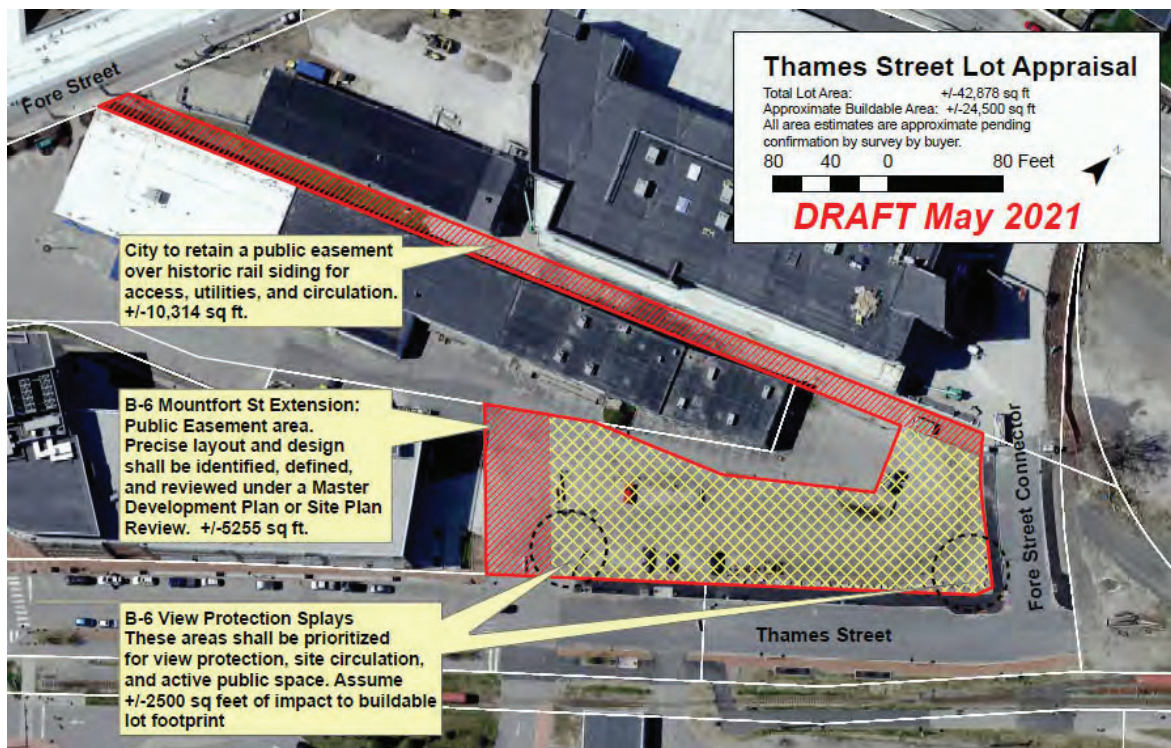
### **VII. LIST ATTACHMENTS**

- City Thames Street Property Map
- Draft Thames Street Property RFP





*Subject property site with new WEX office building and parking garage complex in the background*



*Subject site identified as 24,500 sf.*

#### IDENTIFICATION OF THE REAL ESTATE

The subject property is located at the northwest corner of Thames Street and the Fore Street Connector in the Eastern Waterfront neighborhood. The subject consists of a hypothetical 24,500 sf. buildable parcel that represents a portion of a larger city-owned tax parcel referenced by the assessor's office as Map 19, Block A, Lot 2. The subject site currently consists of a gravel parking lot. The immediate subject neighborhood represents the epicenter of new development activity within downtown Portland.



**City of Portland, Maine**

**“Sale of Remaining Portion of City Owned Thames Street Property”**

**Request for Proposals**

**NOTICE AND SPECIFICATIONS**

Sealed proposals for furnishing the Housing and Economic Development Department with proposals related to the “Sale of City-Owned Thames Street Property,” as specified herein, will be received by the Purchasing Office, Room 103, City Hall, 389 Congress Street, Portland, Maine 04101, until 3:00 p.m., \_\_\_\_\_ at which time they will be publicly opened. Proposals shall be submitted with the attached forms, and returned in sealed envelopes plainly marked on the outside “Thames Street Proposal”, together with an electronic copy. Proposals that are late and or submitted via tele-facsimile shall not be accepted. All proposals shall be held open to acceptance for sixty days from opening.

All questions **must** be submitted in writing to the Purchasing Office. Questions may be mailed, hand delivered, faxed to (207) 874-8652 or e-mailed to \_\_\_\_\_ and must be received no later than ten (10) business days prior to the opening date. Questions received after this time will not be addressed. Any interpretation, correction or change of this document will be made only by written addenda. Changes in any other manner will not be binding on the City and cannot be relied upon by proposers. Proposers cannot have contact with any City staff with regard to this Request for Proposals except to obtain general public information as specified in the document.

The disposal of this real estate shall be on the basis of a negotiated agreement, with the City of Portland reserving the right to refuse any and all proposals. All proposers are advised that the property will be sold “as-is” and “where is,” in its existing condition, with no warranties to be expressed or implied. The City disclaims any and all responsibility for injury to proposers, their agents or others while examining the property or at any other time. The property will be conveyed by quitclaim deed without covenant.

**INTRODUCTION**

The Eastern Waterfront Master Plan (EWMP) envisioned the build-out of the area establishing a new neighborhood based on a new street grid, with over a half-million square feet of additional office, retail and residential construction to be supported by additional structured parking. The full EWMP, including design guidelines, can be found here: <https://www.portlandmaine.gov/DocumentCenter/View/3391/Eastern-Waterfront--Master-Plan> The sale of a portion of the City-owned Thames Street property, through this Request for Proposals, will further the EWMP.



Use of additional land, either contiguous or non-contiguous to the City property being made available through this RFP, is encouraged in order to best fulfill the development goals described in the EWMP.

### **Thames Street Property Overview**

The property the City is considering selling includes an approximately 24,500 square foot buildable parcel located along Thames Street between the Proposed Mountfort Street Extension and the New Connector Road, which is generally depicted on the attached map (the “Property”).

### **Existing Zoning Summary**

This property is located in the B-6 zoning district, which permits a variety of uses, including residential, office, retail and hospitality. The zoning allows heights of 45 feet as regulated by the B6 Building Height Overlay and Building Envelope Map (B6 Height Overlay.) As shown on the B6 Height Overlay, there are portions of the subject parcel - at the corners of Proposed Mountfort Street Extension and the New Connector Road intersections with Thames Street - that lie outside of the “Key Building Envelope” established within the Overlay. These areas are intended to preserve and create view corridors from public streets to the water. While not available for buildings, these areas may be used for landscaping, plaza space, outside dining, or other similar use.

The B6 Zone is additionally subject to Design Guidelines for the Eastern Waterfront.

*Note: All respondents are responsible for understanding zoning and other requirements for proposed projects prior to submission of proposal. Information included in this RFP is for convenience only, and, to the extent that the information included herein conflicts with applicable laws, rules, ordinances, and regulations, those laws, rules, ordinances, and regulations control.*

*Full zoning requirements are contained in the City’s Land Use Code:*

*<https://www.portlandmaine.gov/DocumentCenter/View/1080/Chapter-14-Land-Use-ReCode--Revised-3152021> and the latest B-6 height overlay is available here:*

*<https://www.portlandmaine.gov/DocumentCenter/View/4866/B6-Zone-Building-Height-Overlay>*

### **Site Utilities**

The selected developer(s) will be responsible for installing all required utilities (including but not limited to water, sanitary sewer, natural gas, electric, phone, and cable) to support development on the Property.

## **SELECTION PROCESS**

Proposals will be reviewed by a city staff Evaluation Committee that will score the proposals based upon the best opportunity for negotiating the highest quality and most appropriate use of the property. The highest scoring respondents to the RFP may be selected for an interview at the discretion of the Evaluation Committee. These firms may be re-scored after the Evaluation Committee has completed its interview process and reviews



any additional information. The staff Committee's scoring will be forwarded to the Portland City Council Housing and Economic Development Committee for its deliberation and subsequent recommendation to the City Council. Any agreement for the sale or other disposition of the Property will be subject to the approval of the Portland City Council.

### **Key Proposal Goals (3)**

1. ***Private Sector Investment.*** The city desires to further the build-out of private sector investment to meet City goals as outlined in the Eastern Waterfront Master Plan, economic development efforts, and community development goals.
2. ***Parking.*** The majority of the Property should be utilized for development. The majority of any new structured parking, located within the Property, if needed, shall be surrounded by active uses and screened from view. All parking facilities, located in the Eastern Waterfront area (not on the Property) should be located within a reasonable walking distance from the Property. ***All proposals shall address City replacement parking needs and accommodate parking requirements for new proposed private investment.***
3. ***Future Streets (New Connector Road and Mountfort Street Extension).*** The area of the Mountfort Street Extension does not allow for new buildings, and is reserved for protection of public views and to retain the possibility of the future extension of the public street network. At this time, the City is not prepared to provide commitments to design and construct Mountfort Street Extension. However, all proposals should address the need for Mountfort Street Extension as a future public right-of-way to support proposed private investment on the Property, to provide for public space amenities and connectivity, and to help fulfil the goals of the EWMP on the portion of City property located between Mountfort Street Extension and the New Connector Road. A public easement has already been provided for a portion of the Mountfort Street Extension off of Fore Street, and the section that is associated with the subject parcel of this RFP shall be designed for compatibility with the public easement. Alternatively, ***creative approaches to meeting the goals of permeability, future easements and accessibility across this block will be considered.***

### **GENERAL INFORMATION**

1. **City Property Location:** Corner of Thames Street and New Connector Road (See attached map.)
2. **General Dimensions:** Portion site under consideration for sale includes 24,500 +/- square feet.
3. **Current use:** Unimproved municipal parking lot.



4. **Condition of the Property at the time of sale:** The Property is within a B-6 Eastern Waterfront Mixed Zone and is being used as a municipal parking lot.
5. **Environmental Conditions:** The City of Portland does not have any specifics with regard to environmental conditions and makes no representations or warranties with respect to the environmental condition of the Property.
6. **License Agreement with adjacent property owner Jack Rabbit, LLC (copy attached):** The City acknowledges the existing License Agreement with Jack Rabbit, LLC which needs to be addressed with the sale of the Property.
7. **Road Extensions (Thames Street, New Connector Road and Possible Mountfort Street Extension):** See attached plan showing the area referred to as the Mountfort Street Extension. Proposals for improvements to the segment of Mountfort Street Extension included in the subject parcel, need to be designed, funded, and constructed by the future property owner.

## PROPOSAL REQUIREMENTS

1. All proposers shall signify, by signing the attached proposal form, that the proposer has read and understands all conditions concerning the development of the land being offered, as outlined in this request for proposals, and that the proposal is made in accordance with this request.
2. Each proposal submitted must specifically outline the proposed development or re-use of the Property and indicate the intended end use(s). At a minimum, the proposal shall include:
  - ***Site Concept Plan.*** Concept for the proposed use of the Property including end use(s);
  - ***Project Timeline.*** Timetable from beginning to completion of the development of the Property;
  - ***Future Mountfort Street Rights-of-Way.*** Any future streets right-of-way needed and offer of property or easements, if applicable;
  - ***New Connector Road (from Fore Street to City Thames Street connection).*** Proposals should address the commitment to provide the City the necessary right-of-way for the privately owned portion of the New Connector Road for this to be accepted as a public street.
  - ***Parking (located on the Property).*** Sale of Property will displace upwards of twenty-five (25) parking spaces utilized by City staff and others. Construction of suitable City “replacement parking” must be located within a reasonable



walking distance in the Eastern Waterfront Area from the Property along with plans for all new parking to accommodate new private sector investment. A parking management plan shall be provided showing the proposed locations for all new parking options, including costs, to accommodate City replacement parking needs at no cost for twenty-five (25) City parking spaces. The parking management plan should address public access to parking, weekend/evening hour use of parking, and snow ban parking.

3. Each proposer must present the City with evidence of its financial ability to undertake and complete the project as outlined in its proposal.
4. Responses should include a clear demonstration of the proposer's ability to complete all elements of the project as described in the proposal including a description of the development team and past experience with similar projects, project readiness and timeframe for completion as evidenced by lease commitments or the like, and financial feasibility analyses detailing a development budget, operating pro-formas, and any other provided information.
5. Proposers shall submit 12 hard copies, with the original being so marked, of each proposal, together with an electronic version.
6. Additional data, exhibits, statements, drawings, renderings of buildings, etc., are invited to insure a total understanding and proper evaluation of each proposal by the City.

## SELECTION CRITERIA (5)

### **1. Community Integration as Guided by the Eastern Waterfront Master Plan**

As described above, development proposals should be guided by the Eastern Waterfront Master Plan, which envisioned the build-out of over a half-million square feet of additional office, retail and residential construction. The B6 height overlay map includes requirements for connectivity as well as view creation and preservation at the Proposed Mountfort Street and New Connector Road Thames Street intersections. The B-6 Height Overlay also contains view splays that are meant to aid alignment of existing in new construction for maximum view protection and to aid in creating vibrant public spaces. Proposals should address these requirements. Additionally, the building site/building should incorporate climate change resilient design so the site can accommodate increasing inundation in the coming years. Any successful response to this Request for Proposals will fulfill those goals.

*Document link: <http://www.portlandmaine.gov/DocumentCenter/Home/View/3391-totheEasternWaterfrontMasterPlan>*

### **2. Public Benefit to the City**

The City would like to obtain the most favorable public benefit associated with the sale of this property, and will rate proposals based upon that return. This will mean that a proposal will score higher as it ascribes the greatest value to the city-owned land and



offers the greatest public benefit to the City. In addition, other factors could include, but are not limited to:

- **Net new jobs to the city.** The city desires to attract new full-time, quality (wage compensation, and access to benefits) jobs to the city. Proposals should include estimates of the numbers and types of full-time jobs associated with project private sector investment.
- **Future Possible Mountfort Street Extension Rights-of-Way.** Proposals should address the need for Mountfort Street Extension as a future public right-of-way to support proposed private investment on the City property, to provide for public space amenities and connectivity, along with all required utility easements and to fulfil the goals of the EWMP on the portion of City property located between Mountfort Street Extension and the New Connector Road. Alternative approaches to meeting the goals of permeability and accessibility across this block will be considered.
- ***New Connector Road (from Fore Street to City Thames Street connection).*** Proposals should address the commitment to provide the City the necessary right-of-way for the privately owned portion of the New Connector Road for this to be accepted as a public street.
- **One Public Restroom shall be included in the building concept design.** The selected Developer shall enter into an agreement with the City relating to the provision of a public restroom at the Project site on terms to be negotiated.

### 3. Purchase Price

The City expects to receive Fair Market Value (“FMV”) for the property. A purchase price which is less than fair market value or any request for city support may result in a lower score.

### 4. Additional Financial Benefit to the City

In addition to purchase price, the City will consider other factors providing financial benefit to the City, including but not limited to:

- **Net new property tax revenue.** Estimates for the value of new private construction should be provided with each proposal. The City will review this information to determine an estimated total municipal assessed value for the proposed project and associated property taxes.
- **Parking.** The City replacement parking shall be located in the Eastern Waterfront Area (preferably not on the Thames Street property) to support City replacement parking and to provide opportunities for continued growth of the land side of the Eastern Portland Waterfront. A parking management plan shall be provided showing the proposed locations for all new parking and options including accommodating City replacement parking needs for upwards of twenty-five (25) City parking spaces



at no-cost to the City. The parking management plan should address public access to parking, weekend/evening hour use of parking, and snow ban parking.

#### **5. Proposers Proven Capacity and Relevant Experience**

Responses should clearly demonstrate the proposer's ability to complete all elements of the project as described in the proposal including a description of the development team and past experience with similar projects, project readiness and timeframe for completion as evidenced by lease commitments or the like and financial feasibility analyses detailing a development budget, operating pro-forma, and any other provided information. The City will consider its experiences with any proposer's performance on prior projects in its evaluation of the proposals.

### **SCORING MATRIX**

Subject to the Reservation of Rights as described herein below, the City Council Housing and Economic Development Committee will recommend to the City Council the proposal which in its judgment offers the best opportunity for negotiating the highest quality and most appropriate use of the property, even though such proposal may not contain the highest purchase price offered.

The criteria used for the rating of the Proposals by the Evaluation Committee will include:

1. Community Integration as Guided by the Eastern Waterfront Master Plan (25 Points)
2. Public Benefit to the City (25 Points)
3. Purchase Price (20 Points)
4. Additional Financial Benefits to the City (15 Points)
5. Proposers Proven Capacity and Relevant Experience (15 Points)

### **RFP Evaluation and Timeframe**

The following process will be used:

1. Upon closing of the Request for Proposal application period, all proposals will be reviewed for completeness.
2. All complete proposals will be reviewed under the scoring factors and preference guidelines as described herein. The proposal evaluation committee may confer with the applicants and/or third parties to clarify or verify information and request additional information for the purpose of allowing the evaluation committee to ask questions of the finalists and to further clarify any Proposer's written responses.



3. All complete proposals and scoring information will be forwarded to the City Council's Housing and Economic Development Committee for review and negotiation of a purchase and sale agreement assuming developer selection. The Committee may hold interviews with any, all or none of the proposers. Upon successful negotiation of a purchase and sale agreement, the final recommendation will be forwarded to the full City Council for its review and approval.

Proposers will be notified of the scoring results and all pertinent meeting review dates.

## **CONFIDENTIALITY**

The City of Portland is subject to Maine's Freedom of Access Act (FOAA). Under this law, the City is required to make public information that we receive in the solicitation of proposals. FOAA does, however, have exceptions applicable to certain confidential information. In the event that you believe that the proposal you submit contains any confidential information, you must submit such information in a separate sealed envelope to the City along with your sealed proposal. The outside of this envelope must clearly be marked "Proprietary information/confidential." Such confidential information will only be reviewed by Portland City officials, and only on a "need to know" basis. The City will not disclose such information to a third party, unless it determines that such disclosure is required by law. Prior to disclosing such information, the City will provide you with a reasonable opportunity to seek an injunction or other court order, at your own expense, to prevent such disclosure. The City will not be liable to any proposer or any third party for any disclosure of confidential information.

## **LEGAL REQUIREMENTS**

The Purchase and Sale Agreement for the sale of the Property will be executed only after satisfactory review and final approval by the City Council. At closing, the City shall convey the property by quitclaim deed. There will also be covenants that restrict the re-sale of the property, requires City Council approval of any new owners within a negotiated period of time, or allows the City to repurchase the property in the case of non-performance.

## **RESERVATION OF RIGHTS**

The City reserves the right, at its sole discretion, to reject any and all proposals for the property, based on the quality and merits of the proposals received, or when it is determined to be in the public interest to do so. Furthermore, the city may extend deadlines and timeframes, as needed. The City Council may accept any proposer's proposal, and negotiate a purchase and sale agreement with that proposer even if the proposer does not receive the highest score from the Evaluation Committee.

The City reserves the right to substantiate any Proposer's qualifications, capability to perform, availability, past performance records and to verify that the proposer is current in its financial obligations to the City.



The City reserves the right to waive any informalities in proposals, to accept any proposal or portion thereof, and to reject any and all proposals, should it be in the best in the best interest of the City to do so.

Purchasing Manager

**Appendices**

- Remaining City Thames Street Property Map
- City and Jack Rabbit, LLC License Agreement



**PROPOSAL FORM**

**(“Sale of Remaining Portion of City Owned Thames Street Property”  
RFP #**

**\*\* THIS SHEET MUST BE INCLUDED IN YOUR PROPOSAL \*\***

The undersigned hereby declares that he/she or they are the only person(s), firm or corporation interested in this proposal as principal, that it is made without any connection with any other person(s), firm or corporation submitting a proposal for the same, and that no person acting for or employed by the City of Portland is directly or indirectly interested in this proposal or in any anticipated profits which may be derived there from.

The undersigned hereby declares that they have read and understand all conditions as outlined in this Request for Proposals, and that the proposal is made in accordance with the same.

The bidder acknowledges the receipt of Addenda numbered: \_\_\_\_\_

COMPANY NAME: \_\_\_\_\_

AUTHORIZED SIGNATURE: \_\_\_\_\_

DATE: \_\_\_\_\_

PRINT NAME & TITLE: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

E-MAIL ADDRESS: \_\_\_\_\_

PHONE NUMBER: \_\_\_\_\_ FAX NUMBER: \_\_\_\_\_

TYPE OF ORGANIZATION - PARTNERSHIP, CORPORATION, LIMITED LIABILITY  
COMPANY, INDIVIDUAL, OTHER:

\_\_\_\_\_

STATE OF INCORPORATION OR ORGANIZATION, IF APPLICABLE:

\_\_\_\_\_

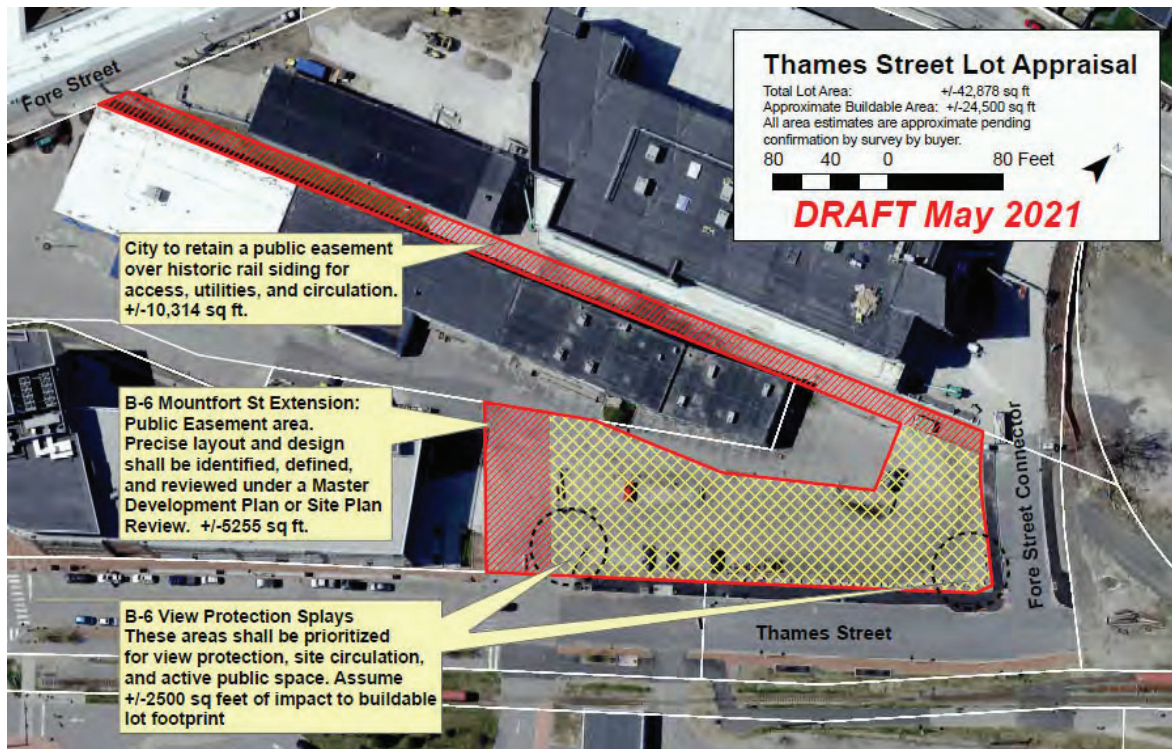
FEDERAL TAX IDENTIFICATION NUMBER (Required): \_\_\_\_\_

NOTE: Proposals must bear the handwritten signature of a duly authorized member or employee of the organization submitting a proposal.





*Subject property site with new WEX office building and parking garage complex in the background*



*Subject site identified as 24,500 sf.*

#### IDENTIFICATION OF THE REAL ESTATE

The subject property is located at the northwest corner of Thames Street and the Fore Street Connector in the Eastern Waterfront neighborhood. The subject consists of a hypothetical 24,500 sf. buildable parcel that represents a portion of a larger city-owned tax parcel referenced by the assessor's office as Map 19, Block A, Lot 2. The subject site currently consists of a gravel parking lot. The immediate subject neighborhood represents the epicenter of new development activity within downtown Portland.



## **LICENSE AGREEMENT**

This **LICENSE AGREEMENT** is made between the **City of Portland**, a body corporate and politic located at 389 Congress Street, Portland, Maine (hereinafter the "City"), and **JACKRABBIT, LLC**, a Maine limited liability company with a mailing address of 44 Oak Street, Portland, Maine, 04101 (hereinafter "Jackrabbit").

**WHEREAS**, the City and Jackrabbit each own property adjacent to Jackrabbit's building located at 144 Fore Street in the City of Portland, Maine; and

**WHEREAS**, the City wishes to have access to a portion the Jackrabbit's above-described property (hereinafter the "Jackrabbit Property"), and Jackrabbit wishes to have access to a portion of the City's above-described property (hereinafter the "City Property") for the purposes of vehicular traffic, travel and parking as described in the Agreement;

**NOW THEREFORE**, the City does hereby grant to Jackrabbit, its successors and assigns in ownership of the Jackrabbit Property, a revocable license to enter upon and to use the City Property for the purpose of vehicular traffic and travel, and Jackrabbit does hereby grant to the City, its successors and assigns in ownership of the City Property a revocable license to enter upon and use the Jackrabbit Property for the purpose of vehicular traffic, travel and parking, subject to the following terms and conditions:

1. **Location.** The City Property and Jackrabbit Property are described and delineated in Exhibit A, attached hereto and incorporated herein by reference.

2. **Use of City Property by Jackrabbit.** The City Property shall be used by Jackrabbit as shown on Exhibit A attached hereto for vehicular traffic, travel and minimal parking related to Jackrabbit's ownership and Jackrabbit's and his tenants' and invitees' use of Jackrabbit's building located at 144 Fore Street, only. All of Jackrabbit's parking shall be immediately adjacent to the building located at 144 Fore Street and at either end of the building, as shown on Exhibit A attached hereto. Vehicles shall not block the flow of traffic in the shared travel lane. Any vehicles that park on City Property not in accordance with this paragraph and do not display a City hang tag or permit will be subject to ticketing, booting and towing at the City's discretion. All use of the City's Property by Jackrabbit must be in compliance with state and federal law, and local ordinance, including but not limited to local land use ordinances.

3. **Use of Jackrabbit Property by the City.** The Jackrabbit Property shall be used by the City as shown on Exhibit A attached hereto for vehicular traffic, travel and parking related to the City's activities, including but not limited to providing parking for users of the Eastern Promenade Trail after 5:00 p.m. Monday through Friday and all day on weekends and holidays. All use of the Jackrabbit Property by the City must be in compliance with state and federal law, and local ordinance, including but not limited to local land use ordinances.

4. **Signage.** Jackrabbit agrees to post signs on or around its building located at 144 Fore Street, at its own expense, indicating that parking adjacent to the building is reserved for tenants and customers of the building.

5. **Maintenance.** Jackrabbit shall be responsible for maintenance and repair,



including snow plowing and removal, of the Jackrabbit property and the shared travel lane indicated on Exhibit A. City shall be responsible for maintenance and repair, including snow plowing and removal, of the City property.

6. **No Fees.** Jackrabbit shall be liable for no fees for its use of the City Property in accordance with this License Agreement, and the City shall be liable for no fees for its use of the Jackrabbit Property in accordance with this License Agreement.

7. **Event Revenue.** Jackrabbit shall retain any revenue from parking for special events only for parking spaces located on Jackrabbit property. The City shall retain any revenue from parking for special events for parking spaces located on City property.

8. **Insurance: City.** City is self insured and any claims which are the responsibility of the City under this agreement shall be covered by said self insurance fund.

9. **Insurance: Jackrabbit.** Jackrabbit shall procure and maintain throughout the term of this License Agreement, or provide through its contractor(s), comprehensive general liability insurance in the minimum amount of Four Hundred Thousand Dollars (\$400,000) covering Jackrabbit's activities hereunder and naming the City as an additional insured thereon. In addition, Jackrabbit shall provide evidence of automobile liability insurance in said minimum amount, and workers compensation insurance in the statutory amount, if applicable. All contractors to Jackrabbit performing work under this License shall provide the City with evidence of the above insurance coverages with the City as an additional insured, and workers compensation and employers liability insurance in the statutory amounts which shall have an endorsement waiving subrogation against the City. Such contractor insurance may be in place of that required of Jackrabbit so long as it remains in effect and names the City as an additional insured.

Certificates evidencing such insurance policies shall be delivered to City and shall provide the City with no less than thirty (30) days prior notice of cancellation or non-renewal.

All insurance policies hereunder shall be primary to any insurance, or self-insurance, maintained by City.

10. **Effective Date.** This License is effective as of the date of execution.

11. **Term.** This license shall have a term of ten (10) years and shall automatically continue for successive ten year periods unless the parties agree upon and establish functionally equivalent access to the Jackrabbit Property or the affected portion of it on terms similar to this Agreement as mutually agreed upon by Jackrabbit and the City. If the parties fail to agree, then on written notice from either party any dispute shall first be submitted to nonbinding mediation by a single mediator. If no mediation occurs or if no agreement is reached within 30 days thereafter, then on written notice from either party the dispute shall be submitted to arbitration, to a single arbitrator to be agreed upon within 20 days of the date on which the notice is served. If the parties cannot agree on a single arbitrator then on written notice from either part the dispute shall be submitted to a panel of three arbitrators and the notice shall specify the name and address of the person designated to act as an arbitrator on its behalf. Within 20 days after the service of such notice, the other party shall specify the name and



address of the person designated to act an arbitrator on its behalf. If the other party fails to notify the initiating party of the appointment of its arbitrator within the time above specified, then the appointment of the second arbitrator shall be made by the first arbitrator. The two arbitrators so chosen shall meet within 15 days after the second arbitrator is appointed and if, by 30 days after the date of the appointment of the second arbitrator, the two arbitrators shall not agree upon a resolution of the dispute, they shall together appoint a third arbitrator. The three arbitrators shall meet and render a decision within 30 days after the date of the appointment of the third arbitrator. The decision of a majority of the arbitrators shall be final. All arbitrators appointed must be employed or active in the real estate industry, including without limitation, as managers, real estate brokers, bankers, attorneys, developers, investors or otherwise.

The party's shall share the costs of providing a functionally equivalent access equally, but if the City's proportionate share based on the original square footage of the portion of the access relocated on its land to all of the original square footage of the access from the City to Jackrabbit access is less, then it shall pay the lesser share.

**12. Termination.** In the event either party does not comply with the terms of this Agreement, the aggrieved party must first request the other party to cure the problem. In the event the problem is not cured within thirty (30) days, the party can terminate the Agreement upon thirty (30) days written notice.

Any notice of an Event of Default delivered pursuant section 12 of this license agreement must be sent by certified mail, return receipt requested to Jackrabbit at the address for Jackrabbit set forth above, or at such other address as Jackrabbit may provide to the City in writing from time to time. In addition following a notice sent to the City by certified mail, return receipt requested, by a party identifying itself as the holder of a mortgage on Jackrabbit's Property, the City shall concurrently send such mortgagee a copy of any notice of an Event of Default which the City sends to Jackrabbit.

Notwithstanding any other provision herein, in the event that a notice of an Event of Default is delivered to Jackrabbit pursuant to section 12 hereof, any mortgagee of Jackrabbit's Property who has identified itself to the City shall be entitled to cure such default within the time frames set forth above, and the City agrees to accept such performance by any such mortgagee of Jackrabbit's obligations hereunder.

In the event the adjacent Thames Street Lot, owned by the City, is redeveloped and the use of City Property by Jackrabbit pursuant to this Agreement presents an encumbrance to redevelopment of said lot, the City shall provide Jackrabbit and any mortgagee of Jackrabbit's Property who has identified itself to the City one (1) years notice of termination of this Agreement, provided that the City must provide functionally equivalent access to the Jackrabbit Property on terms similar to this Agreement in order for such notice of termination to be effective.

In the event the City takes by eminent domain proceedings a portion of the Jackrabbit Property necessary for a future extension of Mountfort Street, then this License shall terminate with respect to that portion of the License area necessary for such extension of Mountfort Street, and the City shall not be required to pay damages for such partial



termination or for any increased value of the portion of the Jackrabbit Property so taken attributable to this License Agreement.

**12.No Interest in Land.** The City shall have no authority to modify or make any changes to the Jackrabbit Property subject to this License without the prior consent of Jackrabbit, and Jackrabbit shall have no authority to modify or make any changes to the City Property subject to this License without the prior consent of the City, provided that the parties hereby consent to the changes identified in the City's minor site plan approval issued on August 16, 2010.

13. This Agreement amends and restates in its entirety a prior License Agreement between the parties dated October 14, 2010.

Dated as of January 21<sup>st</sup>, 2011

**JACKRABBIT, LLC**

By: [Signature]  
name: Mike Marino  
its Gen.

**CITY OF PORTLAND**

By: [Signature]  
name: Joseph C. Gray, Jr.  
its City Manager

STATE OF MAINE  
CUMBERLAND, ss.

January 21, 2011

PERSONALLY APPEARED before me the above named mike marino in his said capacity, and acknowledged the foregoing instrument to be his free act and deed in his said capacity and the free act and deed of said limited liability company.

[Signature]  
Notary Public/Attorney at Law  
Print name: Barbara J Brewer

STATE OF MAINE  
CUMBERLAND, ss.

January 21, 2011

PERSONALLY APPEARED before me the above named Joseph E. Gray, Jr. in his/her said capacity, and acknowledged the foregoing instrument to be his/her free act and deed and the free act and deed of the City of Portland.

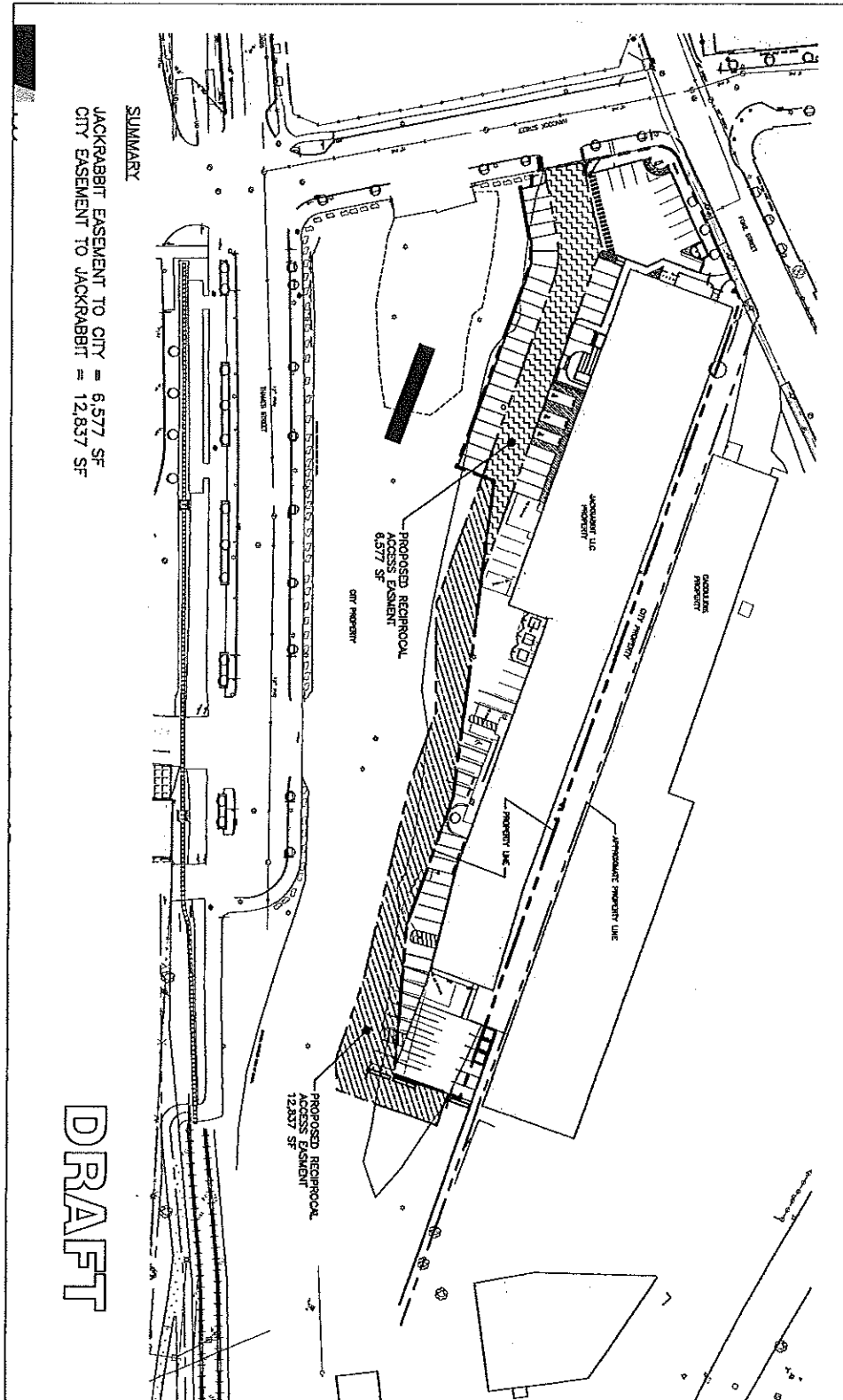
[Signature]  
Notary Public/Attorney at Law  
Print name:

License City of Portland Jackrabbit REV LRC 1-11-2011  
1/20/2011 12:10 PM

SONIA T. BEAN  
Notary Public, Maine  
My Commission Expires January 10, 2017 19 of 20



# Exhibit A







**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: August 18, 2021  
SUBJECT: 155 Danforth Street: Affordable Housing Funding Request

### **Introduction**

Developers Collaborative is requesting additional City subsidy to close a funding gap for the new 30-unit affordable housing project known as Phoenix at Danforth (155 Danforth Street) located within the parcel known as 66 State Street. The City Council previously approved an Affordable Housing Tax Increment Financing District to renovate the existing building at 66 State Street (to convert it into a women's housing community with 40 rooming units) and to construct 155 Danforth Street. \$299,999 in HOME subsidy financing was also approved by the City Council for 155 Danforth. If approved by the Housing and Economic Development Committee, the City Council will need to provide final approval for the additional funding.

### **Gap Financing**

Developers Collaborative contacted the City in June noting an increase of approximately \$2.3 million in construction costs. Through value engineering, they were able to revise their plans to amend their budget to assist with closing the funding gap. The developer is also exploring additional funding resources recently made available by MaineHousing.

### **Staff Recommendation**

Developers Collaborative initially requested \$300,000 in additional City subsidy. Staff reviewed the revised pro forma along with the initial underwriting for the project and updated assessment information provided by the Tax Assessors Office. Based on this analysis and the knowledge of potential additional funding from MaineHousing, HCD staff is requesting the Housing and Economic Development Committee approve and recommend to the City Council support of \$150,000 in gap funding from the Housing Trust Fund for this project.

### **Attachments**

Developer Request  
MaineHousing Notice of Increased Subsidy Offerings



Developers Collaborative Predevelopment LLC  
100 Commercial St, Ste 414  
Portland, ME 04101

June 14, 2021

Mary P. Davis, Division Director  
Housing and Community Development Division  
Housing and Community Development Department  
City of Portland  
389 Congress Street, Room 312  
Portland, ME 04101

RE: 155 Danforth Street

Dear Mary,

I am writing to provide an update on 155 Danforth Street, the new construction of 30 affordable apartments. 155 Danforth Street currently has a 50% set of drawings and specifications with the 90% set estimated to be complete by the end of July. 155 Danforth received an updated cost estimate of \$6,244,031 from PM Construction based on the 50% set of plans on March 3, 2021, an increase of approximately \$2.3 million since our last cost estimate. After bringing the development team together for value engineering, we were able to save approximately \$492,000, bringing the updated cost estimate down to \$5,751,991. I've attached an updated pro forma with these construction costs, showing a current gap of approximately \$300,000 after maximizing all other sources. We are hoping to start construction in October to get the foundation in before the winter (to avoid additional cost increases) so we would ideally have a commitment of funds to close this gap by October. Does the City have any additional funds available for projects in the pipeline such as this? I have also provided a quick update on this project to Kristin Styles at Cumberland County as it is my understanding that they are considering potential uses for its allocation of ARP funds, though I am not aware of their timeline.

Please let me know if you have any questions, and if there's any coordination with the City and Cumberland County that could help move this affordable housing project over one more hurdle!

Sincerely,



Laura Reading  
Director of Affordable Housing



PROJECT NAME: Phoenix at Danforth  
LOCATION: Portland

Date:

| DEVELOPMENT ASSUMPTIONS |           |                       |                     |          |             |
|-------------------------|-----------|-----------------------|---------------------|----------|-------------|
| Total Units             | 30        | Inflation Adjustments | Yr 1-5              | Yr. 6-15 | Yr. 16-30   |
| # @ 50% AMI (low HOME)  | 33.3%     | 10                    | Rent                | 2.00%    | 2.50% 3.00% |
| # @ 50% AMI (High HOME) | 0.0%      | 0                     | Operating Expense   | 3.00%    | 3.00% 3.00% |
| # @ 50% AMI (LIHTC)     | 43.3%     | 13                    | Other Income        | 2.00%    | 2.50% 3.00% |
| # @ 60% AMI (LIHTC)     | 23.3%     | 7                     | Debt Coverage Ratio | 1.15     |             |
| # @ Market              | 0.0%      | 0                     | Vacancy             | 5%       |             |
| Appraised Market Value  | 4,297,403 | Market Value/Unit     | \$143,247           |          |             |

|                     |           |
|---------------------|-----------|
| Max LIHTC Available | 418,985   |
| LIHTC Alloc.        | 418,985   |
| Equity yield        | 0.86      |
| Synd. %             | 99.99%    |
| Equity Raise        | 3,602,912 |

|                     |        |
|---------------------|--------|
| Historic Credit FED | 0      |
| Equity yield        | 0.87   |
| Synd. %             | 99.99% |
| Equity Raise        | 0      |

|                         |         |
|-------------------------|---------|
| Historic Credit STATE   | 0       |
| Equity yield Equivilent | 0.88    |
| Synd. %                 | 100.00% |
| Equity Raise            | 0       |

|                 |     |
|-----------------|-----|
| GP Contribution | 100 |
|-----------------|-----|

|               |           |
|---------------|-----------|
| Total Equity: | 3,603,012 |
|---------------|-----------|

|                           |        |
|---------------------------|--------|
| Gross Square Footage      | 19,645 |
| Construction Cost/Sq ft.  | 293    |
| Total Project Cost/Sq ft. | 455    |

| PRO FORMA DEVELOPMENT BUDGET       |               |               |            |           |
|------------------------------------|---------------|---------------|------------|-----------|
|                                    | Residential   | Per Unit      | Commercial | TDC       |
| Site Improvements                  | 449,179       | 14,973        |            | 449,179   |
| Construction                       | 4,706,319     | 156,877       | 0          | 4,706,319 |
| General Requirements               | 341,720       | 11,391        |            | 341,720   |
| Builder Profit                     | 219,123       | 7,304         |            | 219,123   |
| Bond Premium                       | 35,650        | 1,188         |            | 35,650    |
| Construction Contingency           | 5.00% 287,600 | 9,587         | 0          | 287,600   |
| Subtotal Construction Costs        | 6,039,591     | 201,320       | 0          | 6,039,591 |
| Building Permits and Fees          | 93,915        | 3,131         | 0          | 93,915    |
| Survey & Engineering               | 65,000        | 2,167         | 0          | 65,000    |
| Architectural & Design             | 265,200       | 8,840         | 0          | 265,200   |
| Legal                              | 55,000        | 1,833         | 0          | 55,000    |
| Title & Recording                  | 12,000        | 400           | 0          | 12,000    |
| Accounting                         | 8,000         | 267           | 0          | 8,000     |
| Construction Period Tax            | 20,000        | 667           | 0          | 20,000    |
| Construction Period Insurance      | 30,000        | 1,000         | 0          | 30,000    |
| Other                              | 40,000        | 1,333         | 0          | 40,000    |
| Subtotal Soft Costs                | 589,115       | 19,637        | 0          | 589,115   |
| Construction Loan Origination Fees | 0             | 0             | 0          | 0         |
| Construction Loan Interest         | 108,500       | 3,617         | 0          | 108,500   |
| MaineHousing Loan Fees             | 96,200        | 89,650 3,207  | 0          | 96,200    |
| Other Permanent Loan Fees          | 0             | 0             | 0          | 0         |
| Other                              | 0             | 0             | 0          | 0         |
| Subtotal Finance Costs             | 204,700       | 6,823         | 0          | 204,700   |
| Market Survey                      | 6,000         | 200           | 0          | 6,000     |
| Appraisal                          | 6,000         | 200           | 0          | 6,000     |
| Environmental Study                | 15,000        | 500           | 0          | 15,000    |
| LIHTC Fees & Prepaid Monitoring    | 65,924        | 54,551 2,197  | 0          | 65,924    |
| Relocation Costs                   | 0             | 0             | 0          | 0         |
| FF&E                               | 20,000        | 667           | 0          | 20,000    |
| Other                              | 80,000        | 2,667         | 0          | 80,000    |
| Subtotal Miscellaneous             | 192,924       | 6,431         | 0          | 192,924   |
| Acquisition: Buildings             | 0             | 0             | 0          | 0         |
| Acquisition: Land                  | 500,000       | 16,667        | 0          | 500,000   |
| Acquisition: Existing Reserves     | 0             | 0             | 0          | 0         |
| Acquisition: Legal                 | 0             | 0             | 0          | 0         |
| Acquisition: other                 | 0             | 0             | 0          | 0         |
| Subtotal Acquisition               | 500,000       | 16,667        | 0          | 500,000   |
| Operating Deficit Escrow           | 194,690       | 192,189 6,490 | 0          | 194,690   |
| Pre-funded Replacements            | 53,028        | 39,734 1,768  | 0          | 53,028    |
| Tax & Insurance Escrow             | 38,000        | 28,750 1,267  | 0          | 38,000    |
| Working Capital                    | 30,000        | 1,000         | 0          | 30,000    |
| Total Syndication Expenses         | 800           | 27            | 0          | 800       |
| Consultant Fee                     | 0             | 0             | 0          | 0         |
| Developer Overhead                 | 733,333       | 24,444        | 0          | 733,333   |
| Developer Profit                   | 366,667       | 12,222        | 0          | 366,667   |
| Other                              | 0             | 0             | 0          | 0         |
| Subtotal Fee and Reserves          | 1,416,518     | 47,217        | 0          | 1,416,518 |
| Total Project Costs                | 8,942,848     | 298,095       | 0          | 8,942,848 |

|                                          |             |
|------------------------------------------|-------------|
| Maximum Gross Developer Fee (10%/15%)    | 1,151,427   |
| Maximum Net Developer Fee (per unit max) | 750,000     |
| Actual Proposed Gross Fee                | 1,100,000   |
| % of maximum Gross Fee                   | 95.5%       |
| Proposed Net Fee Collected               | 750,000     |
| % of Maximum Net Fee                     | 3 of 100.0% |



| FLOW OF FUNDS                       |           |           |                     |           |           |           |                                      |                             |            |
|-------------------------------------|-----------|-----------|---------------------|-----------|-----------|-----------|--------------------------------------|-----------------------------|------------|
| Sources                             | CLC       | 25%       | During Construction |           |           | PLC       | 1st Equity<br>Occupancy<br>Milestone | Final<br>Capital<br>Payment | Total      |
|                                     |           |           | 50%                 | 75%       | 100%      |           |                                      |                             |            |
| Beginning Cash                      | 0         | 0         | 0                   | 0         | 0         | 0         | -343,305                             | -343,305                    | 0          |
| Capital Contribution                | 171,419   |           | 171,319             |           |           | 3,035,086 | 180,151                              | 45,038                      | 3,603,012  |
| Construction Loan                   | 1,137,620 | 1,024,238 | 456,599             | 1,543,768 | 1,586,788 |           |                                      |                             | 5,800,000  |
| GP Bridge Loan                      |           |           |                     |           |           |           |                                      |                             | 0          |
| MH: 0% Deferred Loan-FedHOME        | 0         | 500,000   | 500,000             |           |           | 272,399   |                                      |                             | 1,272,399  |
| 0% Deferred Loan-State HOME         |           |           |                     |           |           | 424,133   |                                      |                             | 424,133    |
| Interest Bearing Loan               |           |           |                     |           |           | 2,500,000 |                                      |                             | 2,500,000  |
| Interest Only for 30 Years          |           |           |                     |           |           |           |                                      |                             |            |
| Conventional First Mortgage         |           |           |                     |           |           |           |                                      |                             |            |
| AHP Subsidized Advance              |           |           |                     |           |           | 0         |                                      |                             | 0          |
| City FEDHOME*                       | 0         |           | 405,000             |           |           | 44,999    |                                      |                             | 449,999    |
| AHP Capital Advance*                |           | 0         |                     |           |           | 0         |                                      |                             | 0          |
| TIF Loan*                           | 0         |           |                     |           |           | 0         |                                      |                             | 0          |
|                                     | 0         |           |                     |           |           | 0         |                                      |                             | 0          |
|                                     | 0         |           |                     |           |           | 0         |                                      |                             | 0          |
| Grant*                              | 0         |           |                     |           |           | 0         |                                      |                             | 0          |
| General Partner (or Affiliate) Loan | 0         |           |                     |           |           | 0         |                                      |                             | 0          |
| Deferred Developer Fee              |           |           |                     |           |           | 350,000   |                                      |                             | 350,000    |
| <b>TOTAL SOURCES</b>                | 1,309,039 | 1,524,238 | 1,532,918           | 1,543,768 | 1,586,788 | 6,626,618 | -163,154                             | -298,267                    | 14,399,543 |
| <b>Uses</b>                         |           |           |                     |           |           |           |                                      |                             |            |
| Acquisition                         | 500,000   |           |                     |           |           |           |                                      |                             | 500,000    |
| Construction                        |           | 1,509,898 | 1,509,898           | 1,509,898 | 1,509,898 |           |                                      |                             | 6,039,591  |
| Soft Costs                          | 549,115   | 10,000    | 10,000              | 10,000    | 10,000    | 0         |                                      |                             | 589,115    |
| Financing Costs                     | 96,200    | 4,340     | 13,020              | 23,870    | 36,890    | 30,380    |                                      |                             | 204,700    |
| Miscellaneous                       | 162,924   |           |                     |           |           | 30,000    |                                      |                             | 192,924    |
| Dev Fee                             | 0         |           |                     |           |           | 874,812   | 180,151                              | 45,038                      | 1,100,000  |
| Reserves                            |           |           |                     |           | 30,000    | 285,718   |                                      |                             | 315,718    |
| <b>TOTAL DEV. COSTS</b>             | 1,308,239 | 1,524,238 | 1,532,918           | 1,543,768 | 1,586,788 | 1,220,909 | 180,151                              | 45,038                      | 8,942,048  |
| Repay GP Bridge Loan                |           |           |                     |           |           | 0         |                                      |                             | 0          |
| Repay Construction Loan             |           |           |                     |           |           | 5,749,013 |                                      |                             | 5,800,000  |
| Other Syndication Costs             | 800       |           |                     |           |           |           |                                      |                             | 800        |
| Total Commercial Costs              |           | 0         | 0                   | 0         | 0         |           |                                      |                             | 0          |
| SUBTOTAL OTHER ITEMS                | 800       | 0         | 0                   | 0         | 0         | 5,749,013 | 0                                    | 0                           | 5,800,800  |
| <b>TOTAL USES OF FUNDS</b>          | 1,309,039 | 1,524,238 | 1,532,918           | 1,543,768 | 1,586,788 | 6,969,922 | 180,151                              | 45,038                      | 14,742,848 |
| Ending Cash                         | 0         | 0         | 0                   | 0         | 0         | -343,305  | -343,305                             | -343,305                    | -343,305   |

**50% Test**

|               |           |
|---------------|-----------|
| Agg. Basis    | 8,464,206 |
| Perm. TE      | 2,924,133 |
| <b>34.55%</b> |           |
| Min TE Amt    | 4,660,000 |
| % of CL       | 80%       |
| Bal. of CL    | 1,140,000 |

419950  
76,645

| PROJECT FINANCING                              |           |        |           |            |            |           |           |  |
|------------------------------------------------|-----------|--------|-----------|------------|------------|-----------|-----------|--|
| Source                                         | Amount    | Rate   | Term      | Lien       | Annual D/S |           |           |  |
|                                                |           |        |           |            | Yr. 1-5    | Yr. 6-15  | Yr. 16-30 |  |
| Source 1: 0% Deferred Loan-FedHOME             | 1,272,399 | 0.00%  | 30        | First      | 0          | 0         | 0         |  |
| Source 2: 0% Deferred Loan-State HOME          | 424,133   | 0.00%  | 30        | First      | 0          | 0         | 0         |  |
| Source 3: Interest Bearing Loan                | 2,500,000 | 5.50%  | 30        | First      | 137,500    | 137,500   | 137,500   |  |
| Source 4: Conventional First Mortgage          | 0         | 0.00%  | 30        | First      | 0          | 0         | 0         |  |
| Source 5: City FEDHOME*                        | 449,999   | 0.00%  | 30        | Second     | 0          | 0         | 0         |  |
| Source 6: AHP Capital Advance*                 | 0         | 0.00%  | 30        | Second     | 0          | 0         | 0         |  |
| Source 7: TIF Loan*                            | 0         | 0.00%  | 30        | Second     | 0          | 0         | 0         |  |
| Source 8: TIF Loan*                            | 0         | 0.00%  | 30        | Third      | 0          | 0         | 0         |  |
| Source 9: TIF Loan*                            | 0         | 0.00%  | 30        | Third      | 0          | 0         | 0         |  |
| Source 10: Grant*                              | 0         |        |           | Third      |            | Grant     |           |  |
| Source 11: General Partner (or Affiliate) Loan | 0         |        |           | Unsecured  |            | Cash Flow |           |  |
| Source 12: Deferred Developer Fee              | 350,000   |        |           | Unsecured  |            | Cash Flow |           |  |
| Source 13: Net Syndication                     | 3,603,012 | \$0.86 | 3,632,499 | (\$29,487) |            |           |           |  |
| Capitalization Gap                             | 343,305   |        |           |            |            |           |           |  |
| Total                                          | 8,942,848 |        |           |            |            |           |           |  |
|                                                | 8479130   |        |           |            |            |           |           |  |

| COLLATERAL COVERAGE             |           |          |
|---------------------------------|-----------|----------|
|                                 | Total     | Per Unit |
| Projected Mortgage              | 2,500,000 | 83,333   |
| Appraised Market Value          | 4,297,403 | 143,247  |
| Loan to Value Ratio             | 58%       |          |
| Market Rent Differential        | 179,976   | 500      |
| Supportable Mort.: Unrestricted | 5,141,474 | 171,382  |
| Subsidy per Unit                |           | 56,551   |
| Subsidy per Low Income Unit     |           | 56,551   |

| PROPOSED RENT SCHEDULE   |           |         | Maximum<br>Gross<br>LIHTC/HOME<br>Rents | Less<br>Utility<br>Allow. | Maximum<br>Net<br>Tenant<br>Rent | Rents from<br>Applicant | Market<br>Rent | Total<br>Rent |
|--------------------------|-----------|---------|-----------------------------------------|---------------------------|----------------------------------|-------------------------|----------------|---------------|
| Type                     | AMI       | # Units |                                         |                           |                                  |                         |                |               |
| Efficiency               | 50% LHOME | 5       | 878                                     | 30                        | 848                              | 778                     | \$1,185        | 46,680        |
|                          | 50% HHOME | 0       | 1088                                    | 30                        | 1058                             | 778                     | \$1,185        | 0             |
| PBV                      | 50% LIHTC | 7       | \$875                                   | \$30                      | \$845                            | \$778                   | \$1,185        | 65,352        |
|                          | 60% LIHTC | 3       | \$1,050                                 | \$30                      | \$1,020                          | \$946                   | \$1,185        | 34,056        |
| 15                       | Market    | 0       |                                         |                           |                                  | \$0                     | \$1,185        | 0             |
| 1BR                      | 50% LHOME | 5       | 941                                     | 39                        | 902                              | 825                     | \$1,500        | 49,500        |
|                          | 50% HHOME | 0       | 1203                                    | 39                        | 1164                             | 825                     | \$1,500        | 0             |
| PBV                      | 50% LIHTC | 6       | \$937                                   | \$39                      | \$898                            | \$825                   | \$1,500        | 59,400        |
|                          | 60% LIHTC | 4       | \$1,125                                 | \$39                      | \$1,086                          | \$1,007                 | \$1,500        | 48,336        |
| 15                       | Market    | 0       |                                         |                           |                                  | \$0                     | \$1,500        | 0             |
| 2BR                      | 50% LHOME |         |                                         |                           |                                  |                         |                |               |
|                          | 50% HHOME |         |                                         |                           |                                  |                         |                |               |
|                          | 50% LIHTC | 0       | \$0                                     | \$0                       | \$0                              | \$0                     | \$0            | 0             |
|                          | 60% LIHTC | 0       | \$0                                     | \$0                       | \$0                              | \$0                     | \$0            | 0             |
| 0                        | Market    | 0       |                                         |                           |                                  | \$0                     | \$0            | 0             |
| 3BR                      | 50% LHOME |         |                                         |                           |                                  |                         |                |               |
|                          | 50% HHOME |         |                                         |                           |                                  |                         |                |               |
|                          | 50% LIHTC | 0       | \$0                                     | \$0                       | \$0                              | \$0                     | \$0            | 0             |
|                          | 60% LIHTC | 0       | \$0                                     | \$0                       | \$0                              | \$0                     | \$0            | 0             |
| 0                        | Market    | 0       |                                         |                           |                                  | \$0                     | \$0            | 0             |
| 4BR                      | 50% LHOME |         |                                         |                           |                                  |                         |                |               |
|                          | 50% HHOME |         |                                         |                           |                                  |                         |                |               |
|                          | 50% LIHTC | 0       | \$0                                     | \$0                       | \$0                              | \$0                     | \$0            | 0             |
|                          | 60% LIHTC | 0       | \$0                                     | \$0                       | \$0                              | \$0                     | \$0            | 0             |
| 0                        | Market    | 0       |                                         |                           |                                  | \$0                     | \$0            | 0             |
| Other:                   |           |         |                                         |                           |                                  |                         |                | 0             |
|                          |           |         |                                         |                           |                                  |                         |                | 0             |
| Subtotals                |           | 30      |                                         |                           |                                  |                         |                | 303,324       |
| Income from Laundry:     |           |         |                                         |                           |                                  | 0                       |                | 0             |
| Other Income: HAP Income |           |         |                                         |                           |                                  | 7,591                   |                | 91,092        |
| Vacancy Rate             |           |         |                                         |                           |                                  | 5%                      |                | (19,721)      |
| Other Income: TIF income |           |         |                                         |                           |                                  | 3,000                   |                | 36,000        |
| Effective Gross Income   |           |         |                                         |                           |                                  |                         |                | 410,695       |

| AFFORDABLE AMORTIZING MORTGAGE CALCULATION |       |           |
|--------------------------------------------|-------|-----------|
| Effective Gross Income                     |       | 410,695   |
| Annual Operating Expense                   |       | 246,879   |
| Stabilized NOI                             |       | 163,816   |
| DSC                                        | 1.15  | 21,367    |
| \$ Avail for D/S                           |       | 142,449   |
| Other DS                                   |       | 0         |
| Balance                                    |       | 142,449   |
| Affordable Fully Amortizing Mortgage       | 5.50% | 2,090,696 |
| Affordable Interest Only Mortgage          | 5.50% | 2,589,979 |

| BREAKEVEN ANALYSIS: |  | RENT SENSITIVITY |  | OCCUPANCY           |         |
|---------------------|--|------------------|--|---------------------|---------|
|                     |  | Total            |  | Annual              |         |
| Operating Expense   |  | 246,879          |  | Gross Revenues      | 394,416 |
| Debt Service        |  | 137,500          |  |                     |         |
| Breakeven Rent      |  | 1,068            |  | Breakeven Occupancy | 97%     |

| OPERATING EXPENSES                  |         |                    |                     |
|-------------------------------------|---------|--------------------|---------------------|
| Expense                             | Annual  | Annual<br>Per Unit | Monthly<br>Per Unit |
| Administrative Expenses:            |         |                    |                     |
| Management Fees                     | 28,749  | 958                | 80                  |
| Management Charges                  | 7,000   | 233                | 19                  |
| Marketing Expenses                  | 1,500   | 50                 | 4                   |
| Legal Expenses                      | 1,500   | 50                 | 4                   |
| Auditing Expenses                   | 7,500   | 250                | 21                  |
| Other Administrative Expenses       | 5,960   | 199                | 17                  |
| Administrative Expenses             | 52,209  | 1,740              | 145                 |
| Operating Expenses:                 |         |                    |                     |
| Janitorial Payroll                  | 0       | 0                  | 0                   |
| Janitorial Supplies and Equipment   | 4,500   | 150                | 13                  |
| Janitorial Contractual Services     | 6,000   | 200                | 17                  |
| Fuel and Gas                        | 19,500  | 650                | 54                  |
| Electricity                         | 12,000  | 400                | 33                  |
| Water and Sewer                     | 10,500  | 350                | 29                  |
| Garbage and Trash Removal           | 3,000   | 100                | 8                   |
| Vehicle and Equipment Expenses      | 0       | 0                  | 0                   |
| Other Operating Expenses            | 0       | 0                  | 0                   |
| Operating Expenses                  | 55,500  | 1,850              | 154                 |
| Maintenance Expenses:               |         |                    |                     |
| Grounds Maintenance Payroll         | 0       | 0                  | 0                   |
| Grounds Tools and Supplies          | 0       | 0                  | 0                   |
| Grounds Contractual Services        | 17,250  | 575                | 48                  |
| Miscellaneous Ground Maintenance    | 0       | 0                  | 0                   |
|                                     |         | 0                  | 0                   |
| Building Maintenance Payroll        | 0       | 0                  | 0                   |
| Building Tools and Supplies         | 3,000   | 100                | 8                   |
| Building Contractual Services       | 0       | 0                  | 0                   |
| Building Systems Maintenance        | 30,000  | 1,000              | 83                  |
| Miscellaneous Building Maintenance  | 4,500   | 150                | 13                  |
|                                     |         | 0                  | 0                   |
| Maintenance Expenses                | 54,750  | 1,825              | 152                 |
| General Expenses:                   |         |                    |                     |
| Property Taxes                      | 48,000  | 1,600              | 133                 |
| Property and Liability Insurance    | 12,000  | 400                | 33                  |
| Tenant Service Expenses             | 10,920  | 364                | 30                  |
| Other General Expenses              | 0       | 0                  | 0                   |
| General Expenses                    | 70,920  | 2,364              | 197                 |
| Net Ex                              | 233,379 | 7,779              |                     |
| Replacement Reserve Funding         | 13,500  | 450                | 38                  |
| Commercial Expenses (if applicable) | 0       | 0                  | 0                   |
| Total                               | 246,879 | 8,229              | 686                 |

**Management Costs Analysis**

|                               |        |        |
|-------------------------------|--------|--------|
| Management Fees               | 28,749 |        |
| Management Charges            | 7,000  |        |
| Other Administrative Expenses | 5,960  | 41,709 |

Effective Gross Rental Income 283,603  
**Cost Percentage for use in Management Agreement 15%**



| PROFORMA OPERATING INCOME AND EXPENSE STATEMENT |           |            |            |            |            |            |            |            |            |            |            |            |
|-------------------------------------------------|-----------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
|                                                 | 6 Months  |            |            |            |            |            |            |            |            |            |            |            |
|                                                 | 7/1/2022  | 12/31/2022 | 12/31/2023 | 12/31/2024 | 12/31/2025 | 12/31/2026 | 12/31/2027 | 12/31/2028 | 12/31/2029 | 12/31/2030 | 12/31/2031 | 12/31/2032 |
| Effective Gross Income                          |           | 205,348    | 418,909    | 427,287    | 435,833    | 444,550    | 455,663    | 467,055    | 478,731    | 490,700    | 502,967    | 515,541    |
| Less Operating Expense                          |           | 123,440    | 254,285    | 261,914    | 269,771    | 277,864    | 286,200    | 294,786    | 303,630    | 312,739    | 322,121    | 331,785    |
| Net Operating Income                            |           | 81,908     | 164,624    | 165,373    | 166,062    | 166,685    | 169,463    | 172,269    | 175,101    | 177,961    | 180,846    | 183,757    |
| Less RLP Repay                                  |           | 68,750     | 137,500    | 137,500    | 137,500    | 137,500    | 137,500    | 137,500    | 137,500    | 137,500    | 137,500    | 137,500    |
| Less Other Repay                                |           | 0          | 0          | 0          | 0          | 0          | 0          | 0          | 0          | 0          | 0          | 0          |
| Cash Flow                                       |           | 13,158     | 27,124     | 27,873     | 28,562     | 29,185     | 31,963     | 34,769     | 37,601     | 40,461     | 43,346     | 46,257     |
| Cash Flow per Unit                              |           | 877        | 904        | 929        | 952        | 973        | 1,065      | 1,159      | 1,253      | 1,349      | 1,445      | 1,542      |
| Debt Coverage Ratio(RLP)                        |           | 1.19       | 1.20       | 1.20       | 1.21       | 1.21       | 1.23       | 1.25       | 1.27       | 1.29       | 1.32       | 1.34       |
| Principal Balance(RLP)                          | 4,196,532 | 4,196,532  | 4,196,532  | 4,196,532  | 4,196,532  | 4,196,532  | 4,196,532  | 4,196,532  | 4,196,532  | 4,196,532  | 4,196,532  | 4,196,532  |
| Principal Balance(Other)                        | 449,999   | 449,999    | 449,999    | 449,999    | 449,999    | 449,999    | 449,999    | 449,999    | 449,999    | 449,999    | 449,999    | 449,999    |
| Operating Reserve Balance                       | 194,690   | 197,610    | 200,574    | 203,583    | 206,636    | 209,736    | 212,882    | 216,075    | 219,316    | 222,606    | 225,945    | 229,334    |

Total Cash Flow  
Projected over 12 Years  
**461,640**

| PROFORMA OPERATING INCOME AND EXPENSE STATEMENT, continued |            |            |            |            |            |            |            |            |            |            |            |
|------------------------------------------------------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| Yr 15                                                      |            |            |            |            |            |            |            |            |            |            |            |
|                                                            | 12/31/2033 | 12/31/2034 | 12/31/2035 | 12/31/2036 | 12/31/2037 | 12/31/2038 | 12/31/2039 | 12/31/2040 | 12/31/2041 | 12/31/2042 | 12/31/2043 |
| Effective Gross Income                                     | 528,430    | 541,641    | 555,182    | 569,061    | 583,288    | 600,786    | 618,810    | 637,374    | 656,495    | 676,190    | 696,476    |
| Less Operating Expense                                     | 341,738    | 351,990    | 362,550    | 373,427    | 384,629    | 396,168    | 408,053    | 420,295    | 432,904    | 445,891    | 459,268    |
| Net Operating Income                                       | 186,692    | 189,650    | 192,632    | 195,635    | 198,658    | 204,618    | 210,757    | 217,079    | 223,592    | 230,299    | 237,208    |
| Less RLP Repay                                             | 137,500    | 137,500    | 137,500    | 137,500    | 137,500    | 137,500    | 137,500    | 137,500    | 137,500    | 137,500    | 137,500    |
| Less Other Repay                                           | 0          | 0          | 0          | 0          | 0          | 0          | 0          | 0          | 0          | 0          | 0          |
| Cash Flow                                                  | 49,192     | 52,150     | 55,132     | 58,135     | 61,158     | 67,118     | 73,257     | 79,579     | 86,092     | 92,799     | 99,708     |
| Cash Flow per Unit                                         | 1,640      | 1,738      | 1,838      | 1,938      | 2,039      | 2,237      | 2,442      | 2,653      | 2,870      | 3,093      | 3,324      |
| Debt Coverage Ratio(RLP)                                   | 1.36       | 1.38       | 1.40       | 1.42       | 1.44       | 1.49       | 1.53       | 1.58       | 1.63       | 1.67       | 1.73       |
| Principal Balance(RLP)                                     | 4,196,532  | 4,196,532  | 4,196,532  | 4,196,532  | 4,196,532  | 4,196,532  | 4,196,532  | 4,196,532  | 4,196,532  | 4,196,532  | 4,196,532  |
| Principal Balance(Other)                                   | 449,999    | 449,999    | 449,999    | 449,999    | 449,999    | 449,999    | 449,999    | 449,999    | 449,999    | 449,999    | 449,999    |
| Operating Reserve Balance                                  | 229,334    | 232,774    | 236,266    | 239,810    | 243,407    | 247,058    | 250,764    | 254,525    | 258,343    | 262,219    | 266,152    |

| PROFORMA OPERATING INCOME AND EXPENSE STATEMENT, continued |           |            |            |            |            |            |            |            |            |           |
|------------------------------------------------------------|-----------|------------|------------|------------|------------|------------|------------|------------|------------|-----------|
|                                                            |           | 12/31/2044 | 12/31/2045 | 12/31/2046 | 12/31/2047 | 12/31/2048 | 12/31/2049 | 12/31/2050 | 12/31/2051 | 6/30/2052 |
| Effective Gross Income                                     |           | 717,370    | 738,891    | 761,058    | 783,890    | 807,407    | 831,629    | 856,578    | 882,275    | 454,372   |
| Less Operating Expense                                     |           | 473,046    | 487,237    | 501,854    | 516,910    | 532,417    | 548,390    | 564,841    | 581,787    | 299,620   |
| Net Operating Income                                       |           | 244,325    | 251,654    | 259,204    | 266,980    | 274,990    | 283,239    | 291,736    | 300,488    | 154,752   |
| Less RLP Repay                                             |           | 137,500    | 137,500    | 137,500    | 137,500    | 137,500    | 137,500    | 137,500    | 137,500    | 68,750    |
| Less Other Repay                                           |           | 0          | 0          | 0          | 0          | 0          | 0          | 0          | 0          | 0         |
| Cash Flow                                                  |           | 106,825    | 114,154    | 121,704    | 129,480    | 137,490    | 145,739    | 154,236    | 162,988    | 86,002    |
| Cash Flow per Unit                                         |           | 3,561      | 3,805      | 4,057      | 4,316      | 4,583      | 4,858      | 5,141      | 5,433      | 5,733     |
| Debt Coverage Ratio(RLP)                                   |           | 1.78       | 1.83       | 1.89       | 1.94       | 2.00       | 2.06       | 2.12       | 2.19       | 2.25      |
| Principal Balance(RLP)                                     | 4,196,532 | 4,196,532  | 4,196,532  | 4,196,532  | 4,196,532  | 4,196,532  | 4,196,532  | 4,196,532  | 4,196,532  | 4,196,532 |
| Principal Balance(Other)                                   | 449,999   | 449,999    | 449,999    | 449,999    | 449,999    | 449,999    | 449,999    | 449,999    | 449,999    | 449,999   |
| Operating Reserve Balance                                  | 270,144   | 274,196    | 278,309    | 282,484    | 286,721    | 291,022    | 295,387    | 299,818    | 304,315    | 308,880   |

**Development Department**  
**August 3, 2021**

**Updated Tax Credit Project 0% Deferred Debt Offerings**

Introduction

In response to increased construction costs, MaineHousing is offering additional 0% deferred debt (“subsidy”) financing for tax credit projects in the Development Department’s current project pipeline. This subsidy is only available for the projects outlined below. Future funding rounds cost limits and subsidy offerings will be determined through the usual procedures.

Additional Subsidy Offerings

*2022 9% LIHTC Applicants*

Up to \$40,000 in additional subsidy per unit as needed, with no per-project limit.

*2021 LIHTC Pipeline Projects not yet under construction*

Up to \$30,000 in additional subsidy per unit as needed, with no per-project limit

*2020 LIHTC Pipeline Projects not yet under construction*

Up to \$20,000 in additional subsidy per unit as needed, with no per-project limit

*4% LIHTC Walk-in Program*

Up to \$40,000 in additional subsidy per unit as needed for new construction or adaptive reuse projects until further notice.

Up to \$75,000 per unit in subsidy to be used for Acquisition/Rehabilitation projects, with a total limit of \$10,000,000.

Any subsidy offering may be discontinued at any time.

Please contact Bill Glover at (207) 626-4634, or [bglover@mainehousing.org](mailto:bglover@mainehousing.org) with any questions.





**CITY OF PORTLAND**  
**Executive Department**  
**Jon P. Jennings, City Manager**

**To:** Housing & Economic Development Committee Members  
**From:** Dena Libner, Chief of Staff  
**Date:** August 20, 2021  
**RE:** Open Air Portland (Permanent Outdoor Retail/Dining Modifications)

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Outdoor dining and retail during the pandemic was a lifeline for many businesses, and staff anticipates that many will continue to be interested in expanded outdoor operations.

A temporary festival was established in June 2021 to allow the program to continue in its current form until November 2021. Staff recommend implementing a program, Open Air Portland, to permanently adopt certain aspects of the pandemic-era outdoor dining and retail program after the festival order expires.

Open Air Portland recommendations are as follows:

1. Remove the cap on parklets
2. Permanently allow businesses to apply for up to two adjacent parklets
3. Temporarily lower the parklet permit application fee and evaluate annually
4. Remove certain parklet eligibility criteria
5. Close Dana Street, part of Milk Street, and Wharf Street to thru-traffic

More details on each recommendation are enclosed, along with the results of an August 2021 survey that helped to inform this program.

1. Recommendation: Remove the citywide parklet cap (does not require Council action)

When the Council amended Section 25-27 of City Code in 2018 to permit parklets, the City Manager established a cap of five (5) parklets citywide. Although only one business had applied for a parklet permit prior to the pandemic, it is possible that demand will increase given the experiences of businesses over the past 15+ months. **Staff plan to remove the citywide parklet cap to ensure that any business interested in continuing parklet usage can be accommodated.**<sup>1</sup> While nearly 60 parklets were permitted in 2020, our expectation is that an increase in permitting fees (see recommendation 3) and businesses' ability to serve customers indoors will effectively manage demand.

2. Recommendation: Amend regulations to allow businesses to apply for two adjacent parklets (does not require Council action)

Original parklet regulations established by the City Manager include detailed specifications re: parklet location and dimensions. The vast majority of parklets currently in operation do not meet these standards.

Regarding dimensions, program rules require parklets to take up no more than an 8'x20' footprint. Most existing parklets exceed these dimensions, as we have permitted most businesses for two adjacent parklets in order to maximize outdoor seating. **Staff plan to continue to allow businesses to apply for up to two adjacent parklets;** however, any increase in overall capacity may require that businesses meet additional requirements (plumbing code requirements, in particular), which staff will enforce.

Due to plumbing code requirements, some restaurants may either be limited to one parklet or need to provide additional restrooms in order to accommodate the capacity increases associated with two. Staff will work with business owners to discuss capacity limits and possible solutions.

3. Recommendation: Reduce parklet application fees (requires City Council action)

During the pandemic, the City Manager reduced the parklet application fees by over 80% in recognition of the challenges small businesses were facing, as well as an expectation that metered parking would yield less revenue than in a typical year. Moreover, businesses were able to apply for a second, adjacent parklet at no additional cost. To balance the challenges that small businesses continue to grapple with with a growing demand for on-street parking, **we recommend decreasing the fee structure to \$3,000 for one parklet and \$5,000 for two parklets.** This fee should be re-evaluated annually.

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<sup>1</sup> As of August 12, 2021, 37 parklet permits were active.



The original program fee (\$5,520) was established based on the cost of program implementation, including staff time and lost parking revenue. Again, staff suggest that the new fee fall short of those program costs only temporarily to assist small businesses in their continued economic recovery.

4. Recommendation: Amend Department regulations to remove certain eligibility criteria (*does not require Council action*)

Regulations also mandate that only businesses unable to have sidewalk seating are eligible for a parklet; many of the existing parklets are being operated by businesses that do have sidewalk seating available. **Staff plan to remove this eligibility requirement entirely.**

5. Recommendation: Permanently close Wharf, Dana, and Milk streets to thru traffic (*requires City Council action*)

Based on staff observations and public feedback, we have found the closure of Wharf, Dana, and Milk (between Exchange and Market) to vehicle traffic to have been overwhelmingly positive. **Staff recommend continuing to restrict thru traffic on these three streets by formally amending the Traffic Schedule.** Staff will consider various options to implement these traffic restrictions, taking into account City snow-clearing and maintenance obligations, emergency responders, and cost. Note: while the streets will be closed to day-time, non-emergency thru traffic year-round, business activity on and occupancy of any part of the street will be allowed in the warmer months (approximately April to November) only. Staff are happy to reevaluate this in the future.

Regarding on-street business activity on Middle Street: after recent discussions with businesses and staff evaluation, we recommend a return to a more traditional parklet setup to support outdoor dining activities and other public uses of that street once the festival order has expired.

Regarding the closure of half of Boothby Square: City staff plan to make a recommendation on this closure by the end of the year, after MaineDOT traffic data and other performance data can be evaluated.

In closing, we believe that the recommendations included in Open Air Portland will help small businesses weather ongoing challenges and allow for the residents of and visitors to Portland to safely experience and enjoy our City.

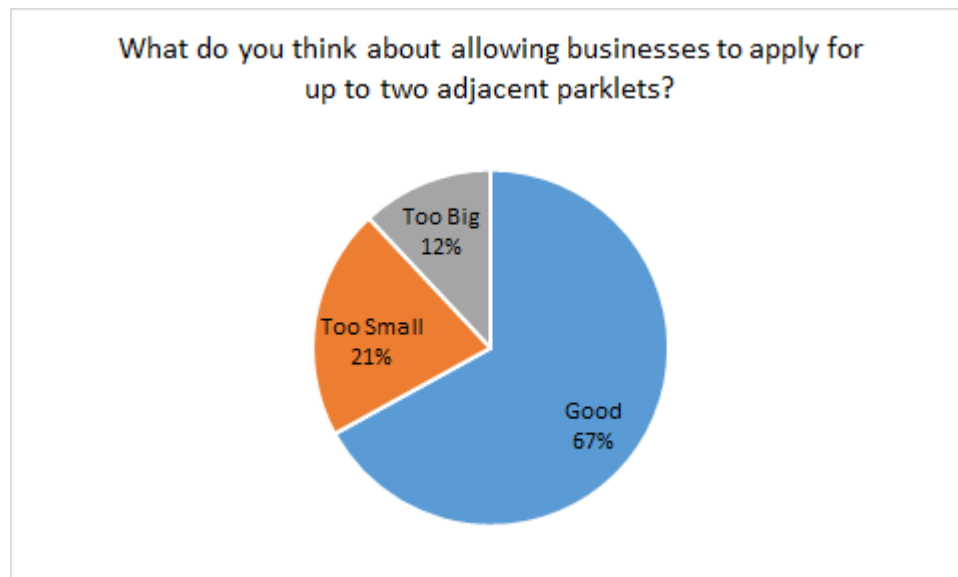
### Results from “Doing Business Outdoors” Survey

On August 13, 2021, a survey was distributed to approximately 90 stakeholders to collect feedback on Open Air Portland recommendations. As of August 19, the survey had received 85 responses. Results are below.

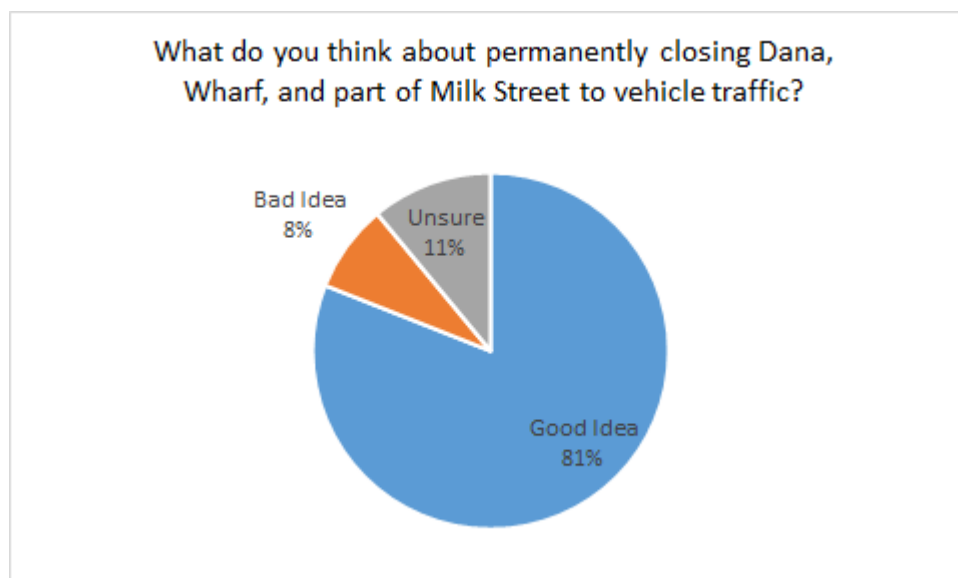
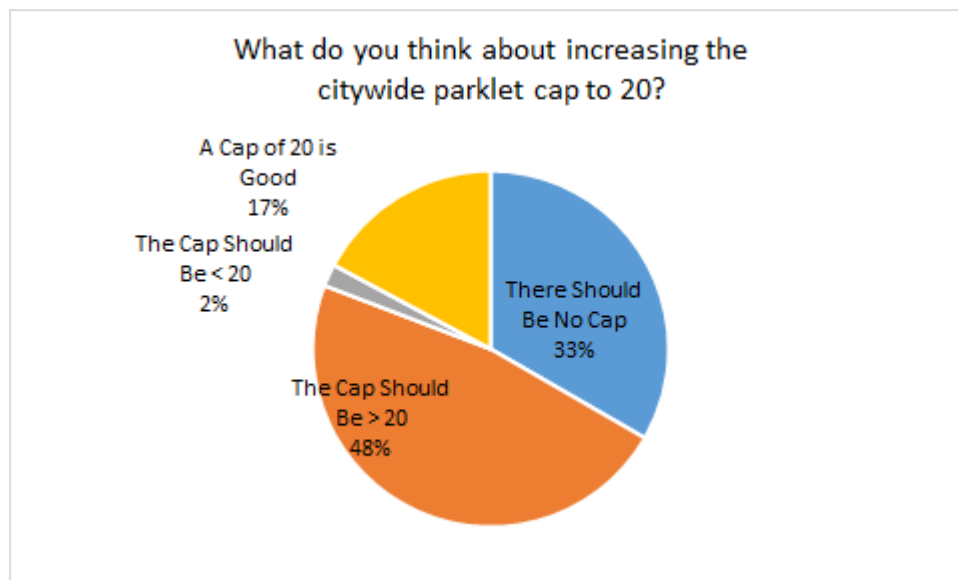
#### Who Responded

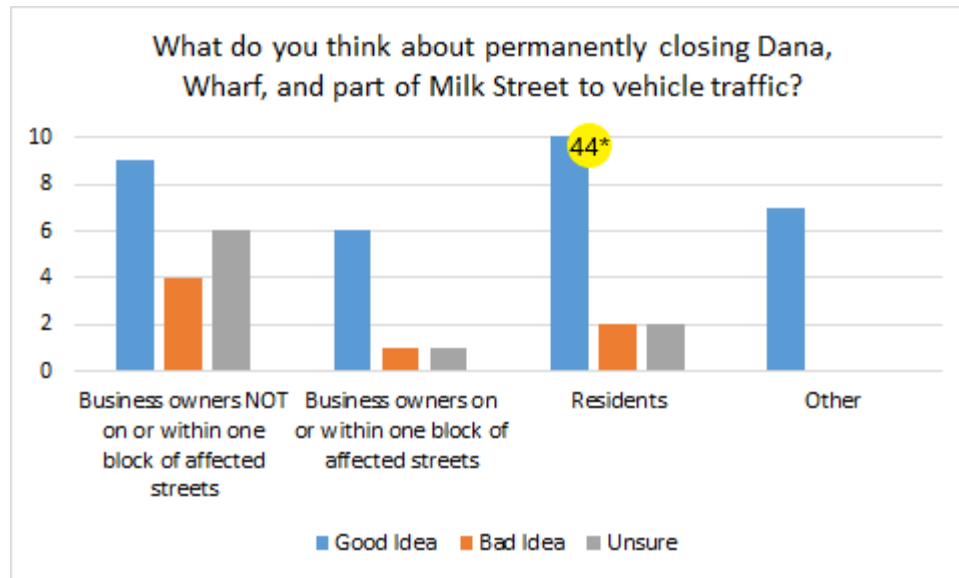
- 57% of respondents identified themselves as residents
- 29% identified themselves as business owners

#### Questions Posed to All Respondents



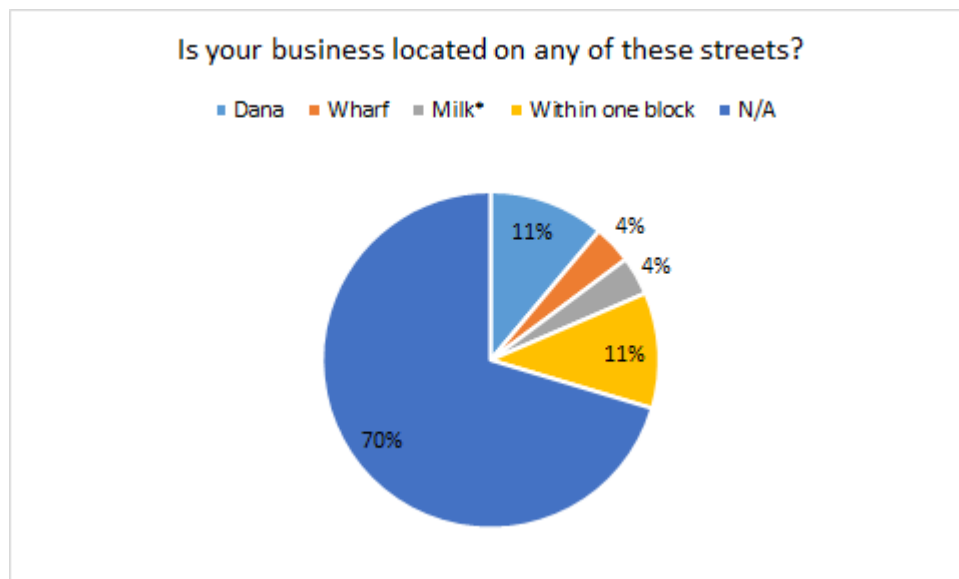






\*The number of residents who indicated that a permanent closure to vehicle traffic was a good idea was 44, well outside the boundaries of this graph.

#### Questions Asked of Businesses Only (25 respondents total)



\*Between Exchange and Market

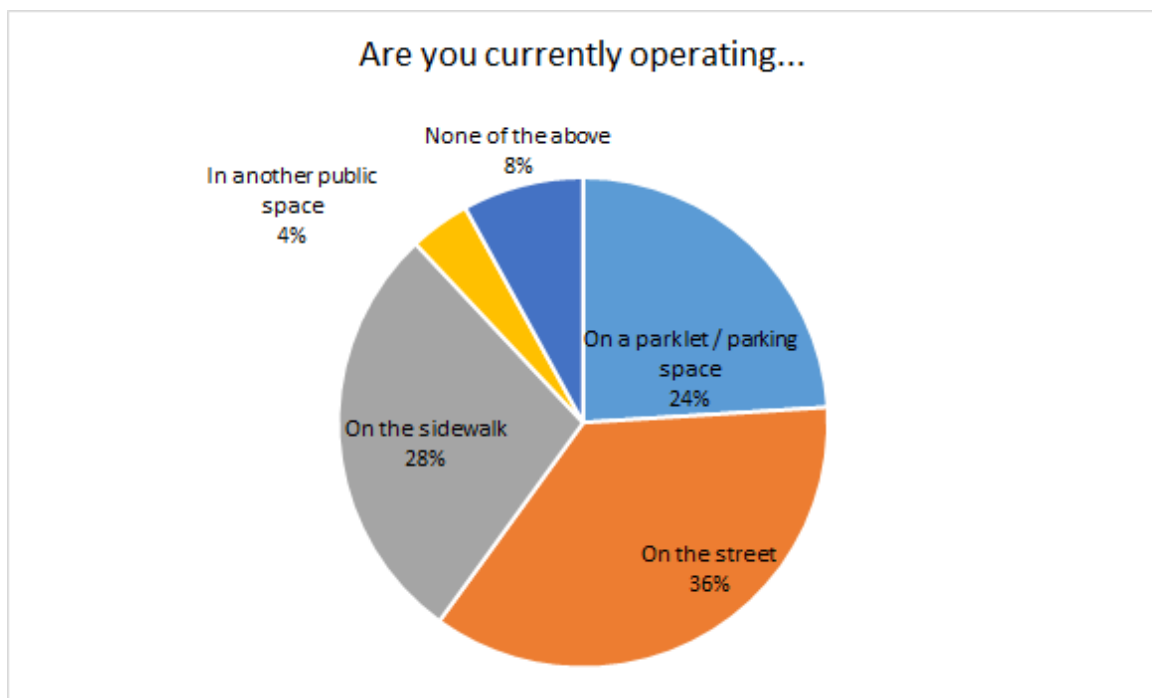
Note: The eight businesses that indicated they are on or within a block of Dana, Wharf, or Milk represent a small percentage of total businesses in the area. More specifically, the five businesses that indicated they are directly on Dana, Wharf or Milk represent approximately 16% of all businesses on those streets.

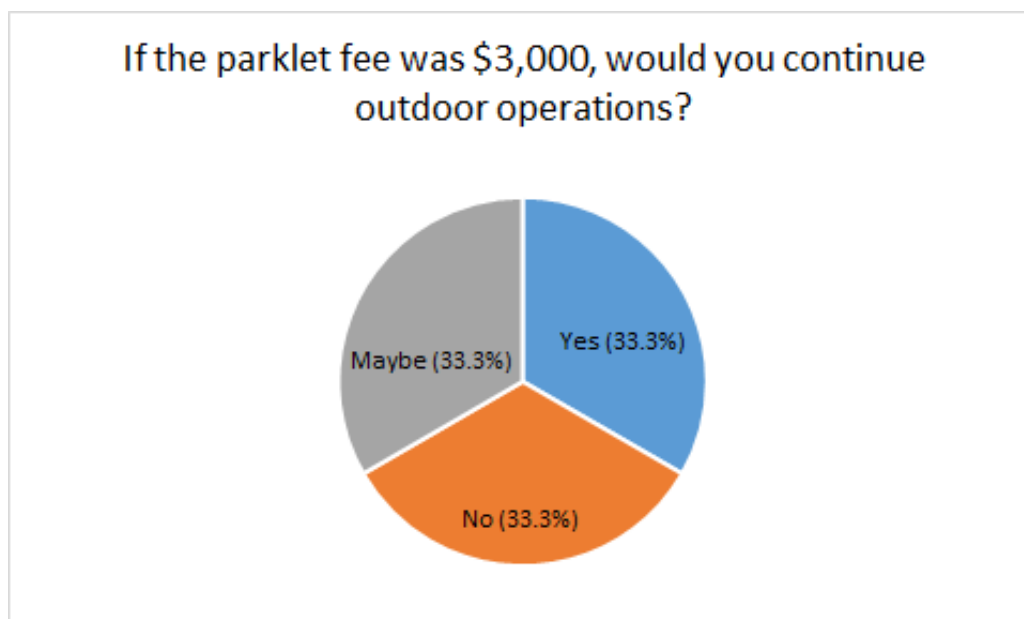




1 = hurt my business

5 = helped my business





Note: This question was limited to the six businesses currently operating in a parklet or parking space, representing 16% of total businesses licensed to do so.



Additional Respondent Comments

“it's great! It'd be cool to see one day open streets in other parts of the city during the summer & possibly other seasons too”

“If equal space on wharf were given to wharf street businesses so that it comparable to what is available to rosies and eventide I would be in favor of it”

“It's not fair to other businesses who can't just close their street....”

“Too many people complain to us that they can't get to their favorite shop.”

“Our customers, and vistors to the city, in general, love the look of Milk Street being closed. Our restaurant could not have survived the pandemic without the seating on Milk Street. We believe this closure adds value to the city as well. Milk Street, in particular, does not take away many parking spaces, as many were commercial anyway. Additionally it is a small street with limited access. Finally, we think it is important for cities to have pedestrian only streets. There are many cities that have done this for years, with much success. Thank you for considering this.”

“Traffic in the Old Port has always been challenging. Permanently closing these streets will make it significantly worse.”

“It would allow a safe business/dining district in a historic area much like St. Augustine FL and others that make for a safe walkable downtown with mixed use destinations.”

“OK to close Wharf St but the loss of parking on Dana St is problematic, and Milk St should be open to allow the flow of traffic”

“You need to close ALL OF MILK STREET, not just the one part.”

“We need to encourage as much pedestrian participation in the city and as little traffic as possible.”

“As a business owner located on Market St, this only affects my commute. I like the idea of Portland being more pedestrian friendly, but it does seem unfair for specific businesses to benefit so much more from these decisions than others. Would be nice if the streets that closed changed annually.”

“close Dana and Wharf, Leave Milk street open.”

"I think any and all allowance of extended outdoor dining is good for Portland's business' and the perception of Portland as business friendly and a culinary destination. Creating a more pedestrian friendly City is a good thing."

"I would like to see more pedestrian-friendly streets throughout the City."

"We should have more space available, you could shut down the streets of the old port after 9am to allow for businesses to get their deliveries prior and allow the rest of the day to be dedicated to foot traffic. Would also be great if there were bike rentals pick up/drop off stations set out so that visitors could get around a different way other than automobiles for people that think walking is too far."

"It's nice to be able to freely walk those areas and check out the shops and restaurants without worrying about being distracted by traffic. I think it's great for businesses!"

"Excellent idea. The public and various councilors have been supportive of the permanent closure of some Old Port Streets for years. It just never seems to rise up as a priority for City staff/elected officials to address. Now we have the reason and time sensitivity to do so. While people are reluctant about change and/or understandably tired of all the changes that the pandemic has caused, the Chicken Little effect (the sky is falling) has never been a way to build a healthy community that is future oriented. Let's see some leadership from staff and elected officials."

"My only concern in general is ADA accessibility and sidewalk navigability being maintained through all of these outdoor dining options. It is really frustrating to not be able to navigate sidewalks but I fully support reducing cars on the peninsula and spreading dining opportunities into the street."

"These are short cobblestone streets that have never had much traffic. Pre-pandemic, Wharf Street would often be closed to cars anyway. I believe closing these streets to cars would not have much (if any) effect on traffic flow or parking availability, and it would provide open-air, people-centered gathering spaces benefitting pedestrians as well as local businesses."

"Downtown should be more walkable! Most cities are set up this way."

"I am in strong support of the permanent closure of these streets to vehicular traffic. Many downtown and Old Port streets see unnecessary vehicle traffic (especially people looping around looking for parking), which creates conflict with the heavy pedestrian traffic they see. Given how small downtown and Old Port are, we should be reducing the areas where vehicles can travel, as pedestrian and bicycle travel, along with outdoor business operations are a much more effective use of the space."

"Love the pedestrian area there, and close Exchange st between Middle and Fore again while you're at it."



These tiny one ways with 6 parking spots are way more useful as pedestrian and commercial areas. Subsidize the tenants' parking in nearby lots to minimize the impact on them and let's get that open air market energy going again that rocked."

"More streets should be permanently closed to cars, especially in areas originally not meant for cars, with an increased public transportation infrastructure to make it more accessible to people who can't get around easily and can't drive or bike"

"This would be such a great move for the town to have walkable areas. Makes it more of a destination, and pretty to hang out. No need for cars there!"

"These streets are so silly to drive down anyways, make them for pedestrians only!"

"Locals have already lost so many parking spots, why take away more?"

"Small streets that were never designed to have cars on them should remain car free."

"I don't think it negatively affected traffic flow"

"Consider other pedestrian-only streets, or an entirely pedestrian-only zone (perhaps a square bounded by Exchange, Fore, Silver and Middle where the interior streets are all pedestrian-only)"

"also encourage and step up outreach on where cars should go and park, such as satellite parking, as to prevent 'circlers' and congestion in the downtown district"

"I've really enjoyed these closures, and think they should be expanded."

"I favor more use of our public space as public space and not exclusively reserved for cars and parking. Let's look for more opportunities to create common spaces from underutilized or redundant streets."

"I havent noticed any problematic traffic problems when I go downtown since the street closures."

"Either make this available for everyone or no one because it isn't fair that only the trendy get the benefit. Not fair at all."

“Allow for small vendors like food trucks in and add more pedestrian friendly infrastructure like benches, trees and bus stops. Making sure the surface is friendly for the elderly and baby strollers would be amazing as well!”

“The more we can shift the allocation of space to people rather than their vehicles, the better!”

“Love the outdoor dining expansion and greater access for pedestrians.”

“It is so much more comfortable, safe, and enjoyable to be able to sit outside a restaurant and not have honking and car fumes. I have spent a lot more time in Old Port since the street became public usage!”

“Much safer for pedestrians, cyclists, cars — just better for everyone”

“As long as truck deliveries are still allowed at off-peak hours, there is nothing wrong with closing these streets to passenger traffic.”

“Cities should be built for people. There is no reason for cars on those small downtown streets.”



# Open Air Portland

Helping More Happen Outdoors



# Program Background

- March 12, 2020: First COVID-19 case reported in Maine.
- March 18, 2020: Governor Mills issued an executive order that closed all bars and restaurants to dine-in customers, but allowed take-out, delivery, and drive-through to continue.
- March 24, 2020: Portland City Manager issued a stay-at-home order beginning on March 25 for all non-essential businesses.
- March 30, 2020: Portland City Council renewed and amended the emergency order.
- May 18, 2020: The Council amended the emergency order to grant the City Manager the authority to temporarily close streets, as well as establish and expand outdoor commercial premises, in conjunction with Governor Mills' *Restarting Maine's Economy* plan.
- June 1, 2020: The pandemic-era program launches. While some changes to the program are made over time, it is currently scheduled to continue until November 1, 2021.





# Program Evolution

|                            | Pre-Pandemic                                                                                                                     | Pandemic Era                                                                                                                                                                                                  |
|----------------------------|----------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Parklet Regulations</b> | <ul style="list-style-type: none"> <li>• Citywide cap</li> <li>• Eligibility restrictions</li> <li>• One per business</li> </ul> | <ul style="list-style-type: none"> <li>• No cap</li> <li>• Fewer eligibility restrictions</li> <li>• Two per business</li> </ul>                                                                              |
| <b>Parklet Fees</b>        | \$5,520 application fee                                                                                                          | \$1,092 application fee                                                                                                                                                                                       |
| <b>Street Closures</b>     | None                                                                                                                             | <ul style="list-style-type: none"> <li>• Exchange (2020 only)</li> <li>• Dana</li> <li>• Wharf</li> <li>• Milk (reduced in 2021)</li> <li>• Boothby Square (2021 only)</li> <li>• Middle (partial)</li> </ul> |
| <b>Seasonality</b>         | Outdoor business activity permitted April - November                                                                             | Outdoor business activity permitted all seasons                                                                                                                                                               |



# Program Evaluation

- July 2020: Exchange Street Closure Performance Evaluation
- October 2020: Outdoor Winter Dining/Retail Survey
- January 2021: Outdoor Dining & Retail Program Feedback
- August 2021: Open Air Program Survey





# Open Air Portland

|                            | Pre-Pandemic                                                                                                                   | Pandemic Era                                                                                                                                                          | Open Air <b>Portland</b>                                                                                                                           |
|----------------------------|--------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Parklet Regulations</b> | <ul style="list-style-type: none"> <li>Citywide Cap (5)</li> <li>Eligibility Restrictions</li> <li>One per business</li> </ul> | <ul style="list-style-type: none"> <li>No cap</li> <li>Fewer eligibility restrictions</li> <li>Two per business</li> </ul>                                            | <ul style="list-style-type: none"> <li>No cap</li> <li>Fewer eligibility restrictions</li> <li>Two per business</li> </ul>                         |
| <b>Parklet Fees</b>        | \$5,520 application fee                                                                                                        | \$1,092 application fee                                                                                                                                               | One parklet: \$3,000<br>Two parklets: \$5,000                                                                                                      |
| <b>Street Closures*</b>    | None                                                                                                                           | <ul style="list-style-type: none"> <li>Exchange (2020)</li> <li>Dana</li> <li>Wharf</li> <li>Milk</li> <li>Boothby Square (2021)</li> <li>Middle (partial)</li> </ul> | <ul style="list-style-type: none"> <li>Dana</li> <li>Wharf</li> <li>Milk (Market and Exchange)</li> <li>Amend Festival Order for Middle</li> </ul> |
| <b>Seasonality</b>         | Outdoor business activity permitted April - November                                                                           | Outdoor business activity permitted all seasons                                                                                                                       | Outdoor business activity permitted April - November                                                                                               |

Timing: Open Air Portland would be implemented after the current festival order ends.

\* While Open Air Portland includes the permanent, year-round closure of certain streets, business activity on those streets will be permitted from April to November only. Staff is happy to reevaluate this moving forward.



Questions?  
Feedback?

