Portland, Maine — Yes. Life's good here.

ECONOMIC DEVELOPMENT COMMITTEE

DATE: Tuesday, January 15, 2019
TIME: 5:30 PM
LOCATION: Room 209

1. **Review and accept Minutes of previous meeting held on November 14, 2018**

   a. See Meeting Minutes enclosed for approval.

2. **Waterfront Working Group Update - Jon P. Jennings**

   a. Verbal update provided at the meeting.

3. **Discussion and EDC Direction on 2019 Committee Goals/Projects/Programs**

   a. Discussion and EDC Direction on 2019 Committee Goals/Projects/Programs - See enclosed memorandum from Greg Mitchell.

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

   a. Fort McKinley Hospital Property Sale Opportunity (a tax-acquired property); see enclosed confidential memo from Greg Mitchell.

Next Meeting Date: February 5, 2019

Minutes
Economic Development Committee
November 14, 2018

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

A meeting of the Economic Development Committee (EDC) of the Portland City Council was held on Wednesday, November 14, 2018, at 5:30 p.m. in the City Council Chamber of Portland City Hall. Present from the Committee was its Chair Councilor Justin Costa and members Councilors Nicholas Mavodones and Spencer Thibodeau. Present from the City staff were Corporation Counsel Michael Goldman, Parks and Recreation Deputy Director Ethan Hipple, City Manager Jon Jennings, Planning and Urban Development Director Jeff Levine, Economic Development Director Greg Mitchell, Finance Director Brendan O'Connell, Parking Manager John Peverada, and Office of Economic Opportunity Director Julia Trujillo.

Item #1: Review and accept Minutes of previous meeting held on October 16, 2018.

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

Item #10: Update on Broadband Access – Jon Jennings

Chair Costa requested this item be taken out of order due to a schedule change for Mr. Jennings; the Committee concurred.

Mr. Jennings said that he has been working on this for a few years, and there have been proposals in the past. In the last six months, a comprehensive public infrastructure inventory has been conducted, and public/private partnerships for funding is the goal to move ahead. He noted that this needs to be done right; if not, it could be a very expensive mistake. Mr. Jennings also noted that Cliff Island is a good example for broadband in partnership with Long Island, and would continue to provide updates to the Committee when warranted.

Item #2: Update on Outdoor Dining Regulations – Jeff Levine

Mr. Levine provided an overview and update on proposed regulations, which would be administratively approved under City Manager authority. There has been outreach with Portland Downtown (merchants and restaurants) for input. Highlights of the proposed regulations include a limited pilot program to start; parklets would be capped at 5; and, the fee proposed is $30 per day. The parklets would be located on certain roadway classifications for safety purposes.

Councilor Thibodeau thanked staff and supported starting slowly with a pilot program.

Councilor Mavodones expressed concern for the loss of parking, but supports the proposal overall. He then asked about the process for permits and if the permits would be done on a first-come, first-served basis and how advertised, noting a fair process is the goal.

Mr. Levine explained the process with Inspections issuing permits with input from other City Departments. The permits would be advertised with a Press Release.

Chair Costa thanked staff and asked about timing, and Mr. Levine indicated that the City Manager would sign final regulations in time for the 2019 Summer season.

Item #3: Public Hearing and vote to recommend to the City Council proposed Amended and Restated Lease with Casco Bay Island Transit District (CBITD).

Councilor Mavodones recused himself from participating in this discussion and vote as CBITD is his employer.

Mr. O'Connell provided an overview of the past CBITD Lease and the use of Casco Bay Garage revenue to support that Lease. The proposed Amended and Restated Lease would minimize City exposure for future Garage capital improvement expenditures. The Lease increases rent from up to $16,000/year to up to $20,000/year. The rental payments would go to a capital reserve account for repairs/maintenance. The premises are defined the same as the current lease.

Mr. Goldman clarified parking for islanders; the City can direct parking relocation with no obligation to pay.

Chair Costa thanked Mr. O'Connell and staff and noted that the EDC has provided direction to staff in executive session for negotiating the lease so is familiar with this item. He then opened the meeting for public comment; seeing none, the public comment session was closed.

Councilor Thibodeau made a motion to forward this item to the City Council with a recommendation for approval. Chair Costa seconded the motion and it passed 2-0-1 (Councilor Mavodones abstained).

Item #4: Workforce Development Discussion – Chair Costa

Chair Costa said that the EDC and the Council has been discussing workforce development for the past year. Recent TIF amendments allow for TIF revenue to be used for workforce development programs, providing a sustainable source of funding. He suggested this start with services currently being provided through the Office of Economic Opportunity

(OEO) and Portland Adult Education (PAE), and would then ask OEO and PAE to provide recommendations, with stakeholder input, for programs which are scalable.

Councilor Mavodones applauded the idea of input from stakeholders for furthering the efforts.

Councilor Thibodeau looked forward to further discussing this.

Item #5: Update and request for direction from Office of Economic Opportunity's staffing and workforce training initiatives – Greg Mitchell and Julia Trujillo.

Ms. Trujillo updated the Committee on OEO's results and accomplishments over 2017 and 2018. Programs being worked on now include a City plan for inclusion/welcome plan, to be measureable with timelines.

Councilor Mavodones suggested a discussion at a Finance Committee meeting to discuss increasing staff and workforce development programs at OEO.

Councilor Thibodeau said that prioritization of TIF Revenue for OEO is a priority.

Chair Costa indicated that as this proceeds, estimates for TIF revenue for this would be helpful.

Item #6: Update on Amethyst Lot/Portland Landing Project – Ethan Hipple.

Mr. Hipple provided an overview of the planning process to date, together with estimated project cost of $17.2 Million in phases. Phase I would be for Moon Tide Park upgrades with a request to the Finance Committee and Council for $1 Million, while also noting a grant opportunity of $750,000 through the U.S. Park service.

Councilor Mavodones noted the need for partners for funding, and also suggested that staff should determine City Council support of the project.

Chair Costa agreed. Phase 1 are obligations due to VRAP.

Consensus was to hold a City Council workshop early 2019 and handle through next year's Capital Improvement Plan (CIP) and budget process.

Item #7: Update on Bayside Public Works Property Sales/Development – Greg Mitchell

Mr. Mitchell provided an update, noting that four of the six properties have closed.

Item #8: 2018 EDC Accomplishments – Greg Mitchell

Mr. Mitchell noted that the memorandum in the packet outlines the accomplishments in calendar year 2018.

Committee consensus was to send this to the City Council as a communication.

Item #9: Future Possible Topics – Chair Costa

Chair Costa suggested Committee members let him know of any future topics. He noted for one may be the Opportunity Zone Program.

Item #11: Executive Session: Pursuant to 1 M.R.S.A. 405(6)(C), the Committee will go into executive session to provide staff guidance related to the following:

a. **Riverside Street sale negotiations; see enclosed confidential memo from Greg Mitchell**

On motion made by Councilor Thibodeau, seconded by Councilor Mavodones, the Committee voted unanimously to go into executive session at approximately 7:35 p.m. pursuant to 1 M.R.S.A. 405(6)(C) to provide staff guidance on negotiations for sale of City property on Riverside Street.

At approximately 7:45 p.m., the Committee came out of executive session and the meeting was adjourned.

Respectfully, Greg Mitchell

Economic Development Department
Gregory A. Mitchell, Director

MEMORANDUM

TO: **Economic Development Committee**

FROM: **Greg Mitchell**

DATE: **January 8, 2019**

SUBJECT: **EDC 2019 Goals/Projects/Programs**

This memo is intended to serve as the framework for EDC discussion and direction to establish 2019 Committee goals, projects and programs.

2018 Economic Development Committee Goals include:

- ***Improved Broadband Access.*** The EDC was updated on this topic at their November 14, 2018 meeting. Future updates will be provided for direction as needed.

- ***Amethyst Lot/Portland Landing***. The EDC was updated on this topic at their November 14, 2018 meeting. The EDC recommended that the costs for this project be presented to the City Council as part of next year's Capital Improvement Plan (CIP) and FY2020 operation budget.

- ***Portland Transportation Center (PTC) Expansion***. Various options are being explored to expand the PTC. The EDC will provided updates when there is clear direction along with any requested city assistance.

2018 EDC Carry Forward items include:

- ***City of Portland Payment in Lieu of Taxes (PILOT)/Services in Lieu of Taxes (SILOT) Policy.*** Proposed policy has been presented to the EDC on 6/19/2018 and 10/2/2018 with public input. Next steps include presenting revised City policy to the EDC for a public hearing and action in the form of a recommendation to the City Council.

- ***Outside Dining Seating***. Policy changes to City regulations which can be adopted and administered by the City Manager were discussed at the July 17, 2018 and November 14, 2018 EDC meetings. Next steps are to finalize and publicize the new regulations for the 2019 summer season.

City Property Disposition include:

- ***Riverside Street industrial property*** with seven acres. Under the direction of the EDC, City staff is marketing this property to area-wide brokers, notice to abutters and on-site signage. Deadline of "Call for Offers" is February 8, 2019. The EDC will present all offers, in executive session, for review and direction to staff.

- ***Fort McKinley Hospital Property***. This property will be discussed at the January 15th EDC meeting executive session for direction.

- ***181 Forest Avenue***. Last former Public Works Bayside property to be sold. This .20 acre former rail corridor is proposed to be sold to the adjacent property owner because it is not a legal conforming lot. The goal is to sell and/or land exchange this property with the adjacent property owner to support realignment of Kennebec Street and support increased private sector investment. The EDC will be updated for direction, in executive session, at a future meeting.

- ***Portland Technology Park Lots 2 & 3***. Boulos is under contract with the City to market these properties. When offers are presented, the EDC will be updated, in executive session, for review and direction.

Major Initiatives include:

- ***Waterfront Working Group.*** First Group meeting was held on January 3, 2019. The City Manager will provide an update at the January 15th EDC meeting.

- ***Maine State Pier/Portland Ocean Terminal Redevelopment***. The lease with Bay Ferries to support Nova Scotia ferry service has expired. This creates options to consider use of the "queuing" area between to Maine State Pier and Ocean Gateway to support Maine State Pier redevelopment. However, due to City staff's work load, it is recommended that the City not advance discussion about Maine State Pier redevelopment until there is a clearer direction on outcomes associated with the Waterfront Working Group.

- ***Convention Center.*** The topic was discussed at the October 16, 2018 EDC meeting. Advancement of this project is contingent upon State of Maine legislative and resident support to establish a State funding source (like a local option sales tax) to support construction of a convention center.

- ***City Workforce Development Program Design and Funds*** through use of tax increment financing revenue. Based upon EDC direction received at the November 14, 2018 meeting, City staff is preparing a presentation for review and direction at a February EDC meeting.

Routine Items include:

- ***Annual Tax Increment Financing (TIF) District Activity Report***. This annual report is prepared by staff in the Fall of each year to publicly present annual historic TIF District activity. The FY2019 Report will be the seventh consecutive year report.

- ***EDC Annual Accomplishments memo***. This memo is prepared annually, at the last Committee meeting of the calendar year, to document EDC accomplishments and forward to the City Council as a communication.

EDC Additional Proposed Initiatives for 2019 include:

- To be discussed at the January 15, 2019 EDC meeting.

In closing, it is acknowledged that other items not listed above will arise which require EDC attention during 2019.