

Minutes
Economic Development Committee
February 5, 2019

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

A meeting of the Economic Development Committee (EDC) of the Portland City Council was held on Tuesday, February 5, 2019, at 5:30 p.m. in Room 209 on the second floor of Portland City Hall. Present from the Committee was its Chair Councilor Justin Costa and members Councilors Pious Ali, Nicholas Mavodones, and Spencer Thibodeau. Present from the City staff were Public Buildings/Port Director Kathy Alves, City Manager Jon Jennings, Economic Development Director Greg Mitchell, Waterfront Coordinator Bill Needelman, Senior Executive Assistant Lori Paulette, and Office of Economic Opportunity Director Julia Trujillo.

Item #1: Review and accept Minutes of previous meeting held on January 15, 2019.

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

Item #2: Review of Proposed Amendments to Waterfront Central Zone (WCZ) for EDC Information – Jon Jennings

Mr. Jennings first thanked Mr. Needelman for all his efforts to date in working with the Working Waterfront Group (WWG), with the first order of business being amendments to the WCZ, including decreasing frontage along a portion of Commercial Street in the Non-Marine

Use Overlay Zone from 500-feet to 150-feet, excepting Long Wharf at 300-feet; this discussion will continue with the WWG, as well as other proposed amendments to prohibit hotels in the WCZ.

Mr. Needelman added that parking issues will be discussed at a future WWG meeting.

Mr. Jennings said that the next meeting of the WWG this Thursday will further discuss proposed amendments offered by staff, which would then be brought through the process including a review here, Planning Board, and City Council. In addition, Mr. Mitchell will highlight the Waterfront TIF and its components for investment in the waterfront. Mr. Jennings said that Waterfront TIF revenues will be discussed during the budget process, and he anticipates that an advisory committee to the City Manager, made up of members of the working waterfront – pier owners and fishermen, would be created to advise him on potential Waterfront TIF revenue investment on a yearly basis.

Regarding parking issues, Councilor Thibodeau suggested that the Sustainability and Transportation Committee take these up for a recommendation to the City Council.

Councilor Mavodones noted in the past additional parking at the Fish Pier was offered and was not entirely successful. Parking recommendations should be made on the best data available. Councilor Mavodones also noted that the groundfishing industry was not represented on the WWG and their perspective would be good to have.

Mr. Jennings said that the City is doing a better job on the parking inventory, and Councilor Thibodeau suggested parking for private piers perhaps could be incentivized by a Credit Enhancement Agreement.

Mr. Jennings added that both the City and WWG want a good future for the working waterfront for generations to come for both pier owners and fishermen.

Chair Costa asked if this Committee would see recommended zoning changes in one package, and Mr. Jennings suggested that there could be zoning amendments in one package; parking recommendations at another time; and TIF recommendations at yet another meeting.

Mr. Needelman suggested that the EDC would review the issues and approaches for the proposed zoning amendments before going to the Planning Board.

Seeing no further comments/questions, Chair Costa thanked staff for the update.

Item #3: Review, Discussion, and Direction on City staff recommended City Workforce Development Investment Options using Tax Increment Financing (TIF) District Revenue – Greg Mitchell and Julia Trujillo.

Chair Costa said that workforce development has been a topic here at this Committee for quite some time. As staff goes through the budget process and has estimates of TIF revenue for FY20, this Committee will then review this in further detail once the TIF estimates are refined.

Mr. Mitchell agreed, noting that this has been a multi-year discussion with the first results being the creation of the Office of Economic Opportunity (OEO), first housed in the Executive Department and now housed in the Economic Development Department. When OEO was first created/conceived, the model had a Director and two Program Managers, and the latter two positions did not get filled. At this time, Mr. Mitchell said that staff is proposing that OEO has an additional full-time position to support implementation of the Strategic Plan for Inclusion. Funding needs for the position is approximately \$87,500 for salary, fringe benefits, and expense items. The position will provide further outreach and connections to employers, and other new programmatic strategies in the Strategic Plan for Inclusion.

The second component City staff is recommending is a workforce training program, where the Council would authorize appropriations and City staff would solicit proposals from area organizations to fill gaps in workforce training programs.

Councilor Mavodones questioned requesting hiring 1 and not 2 for the OEO office as was originally planned. Mr. Jennings said that staff is recommending one additional full-time position based on capacity. He noted that Ms. Trujillo has done a great job to date and now needs some assistance. Once the position is hired, OEO would take on more responsibility and, once capacity is reached again, then that may be the time for another position. During the budget process, all departments want new positions but there are financial constraints. As the OEO office grows, Mr. Jennings hoped that it could be grant funded, as this was the original intent for the two program managers.

Councilor Ali asked about partnerships, and Ms. Trujillo said that partnerships are growing and are included in OEO's website at www.portlandofportunity.com. Partners will take on responsibility for a majority of the initiatives in the Strategic Plan, which includes a new accountability framework and timetables.

Mr. Jennings added that it was never anticipated that the City would own everything, rather it was to be the convenor and depending on and coordinating with partners doing great work.

In response to Councilor Ali, Ms. Trujillo said that, for instance, the website has an area providing direction/contacts to partners for various questions people may ask such as "How do I advance my career or get help finding a job in Portland?", "How do I learn English in Portland?" and the like.

Councilor Ali asked if Ms. Trujillo has these partners at the table, and Ms. Trujillo said that she has an advisory board of these partners that she meets with regularly. Ms. Trujillo added that when she first started she worked to find employers for jobs seekers in the immigrant community, with Mr. Jennings adding that she was successful.

Chair Costa asked about timing, and Mr. Jennings said that the financial recommendation would be done through the budget process. Workforce development is a priority and if the Council approves the workforce training program, staff anticipates that it would be run similar to the CDBG program.

Chair Costa noted that there is a process to prioritize and budget use of TIF Revenue over the three area wide TIF Districts. He then recognized Anita St. Onge and Elizabeth Love from Portland Adult Education for their input.

Anita St. Onge thanked the Chair, noting the PAE has been part of this conversation for several months with a goal to further their programs. Its workforce training program is funded almost entirely by grants for the New Mainers Resource Center (NMRC). With annual TIF funding, it would provide sustainable/predictable funding and allow for the creation of the Workforce Development Program (WDP) which would have sector-specific training; intensive English; and job readiness training. Ms. Love added that PAE/NMRC has the human capital for additional workforce training at various levels. It could also help with asylum seekers awaiting work authorization. In partnership with OEO, employers would be convened to see what their needs are and in what job sectors.

Councilor Thibodeau asked if the budget was part of the budget process last year, and Ms. St. Onge indicated that this was a new, additional program.

Councilor Thibodeau noted that a goal of the WDP is to serve 200 students annually, and Ms. St. Onge said that that was an estimate; it could be more. Over the past two years, NMRC has served over 400 students.

Councilor Mavodones asked, if during the budget process it appeared that the WDP could be funded for \$100,000, would this enable the program to go on, and Ms. St. Onge said that they would make it work but scaled down a bit.

Councilor Ali asked if PAE works with PATHS, and Ms. St. Onge indicated that they do.

Mr. Jennings added that he has been talking with PATHS investors seeking after school hours to use equipment for additional training; conceptual at this time.

Chair Costa thanked everyone, noting that it is good to see forward movement for workforce training through the use of TIF revenue funding. At this time, the Committee would need to see TIF revenue estimates for a recommendation to the Council. He thanked Mr. Mitchell for putting together the TIF amendments to allow for the use of TIF Revenue for workforce training, which will help the disadvantaged; the Committee concurred.

Mr. Jennings said that during March there should be preliminary TIF revenue estimates.

Item #4: Portland East End Presentation for EDC Information.

Mr. Needelman presented the attached presentation to the Committee, noting that the construction of Ocean Gateway (OG) in 2008 was the catalyst in spurring further development.

After the presentation, the City Manager noted discussions with the Maine Gauge Railroad, where it was indicated plans to have its equipment stored near the trestle; the train would stay; the museum may move. Mr. Jennings noted that the Railroad may construct a small station at its own cost within the Maine DOT right of way.

Chair Mavodones said that the City needs to be clear what it can and cannot pay for.

Regarding a proposed Boardwalk between OG and the Maine State Pier, Ms. Alves said that it would help with pedestrians, cruise ship passengers/personnel, street artists, and vehicles, perhaps starting with a boardwalk similar to Compass Park.

The Committee was generally supportive of the idea, noting that it may not be permanent due to what could happen in the queuing section, and there would also be maintenance costs. It was also noted that there needed to be a balance of street artists and bricks and mortar businesses.

Regarding the queuing lanes, Mr. Jennings said that this area is now available due to Bay Ferries not coming back. City staff has been looking at the area, particularly for when construction of the Thames Street extension takes place this year. The City parking lot next to the WEX development holds approximately 70 cars and will go away with the construction. Replacement parking is being suggested in the queuing lanes. It is being further looked into to have an entrance from Commercial Street to the middle of the lanes, with one side for replacement parking of those 70 vehicles and the other side for hourly parking, which people would pay in advance and could pay for, for example, five days, 24/7. This would not be a permanent solution, and temporary parking signs would be in place.

Committee consensus was this made sense as a temporary solution.

Ms. Alves noted that in the current 70 space parking lot, you can park for up to 7 days, 24/7. She also noted that Bay Ferries is interested in the ramp and it may be relocated to Bar Harbor at no cost to the City; no one here has a use for the ramp.

Mr. Jennings then noted that environment remediation for Moon Tide Park is needed and may suggest that the Council allocate \$1 Million from the WEX sale to assist.

Ms. Alves said that she is working with Casco Bay Lines regarding the removal of the finger building to assist with turn around and provide access to the front of Portland Ocean Terminal building.

Councilor Thibodeau asked about a possible new pier and if the tug boats would then need to be moved. Mr. Jennings said that grant funding would be needed for the endeavor.

Councilor Mavodones suggested MARAD (Federal Maritime Administration) be checked into for grant funding, as well as possible private partners.

Mr. Jennings said that staff will move forward and keep the Committee updated.

There being no further business, the meeting was then adjourned at 7:30 p.m.

Respectfully, Lori Paulette



MEMORANDUM

To: Economic Development Committee
From: Portland Adult Education
Date: February 5, 2019
Subject: PAE Workforce Development Proposal

Program Description:

Portland Adult Education proposes an annual TIF allocation of \$200,000 to create a comprehensive Workforce Development Program that will address the region's labor shortage and local employer demand for qualified workers.

PAE has both the supply of human capital and training expertise to implement a highly effective program. In 2018, over 2,400 adults took literacy, academic and/or workforce classes at Portland Adult Ed. Of those, more than 2,200 were New Mainers from 82 countries or territories. Many are recently arrived asylum seekers who are studying in preparation for their first job in the US (prior to work authorization), and are often ineligible for state or federal workforce funding. With additional resources, PAE could create a Workforce Development Program that provides comprehensive career advising and training (including intensive English) leading to quality employment opportunities for adults while meeting local workforce demand.

PAE has a proven track record of offering workforce training, however, restricted and temporary funding has limited its scope and impact. The proposed Workforce Development Program would provide the infrastructure and capacity to serve additional students, and design training to meet local, sector-specific needs. PAE would partner with the Office of Economic Opportunity to assess employer need, respond accordingly, and collaborate with local workforce agencies to leverage state and federal funding sources as much as possible. Additionally, TIF funding would enable PAE to train students otherwise ineligible for tuition reimbursement, such as asylum seekers awaiting work authorization.

Goals:

The PAE Workforce Development Program would have the following annual goals:

Number of students served per year: 200
Sector-specific trainings: 3
Intensive English classes: 3
Job Readiness training: 3
Student advising: 150
Job Placement Rate (initial or better job): 75%

Leveraged Funding:

Based on two recent trainings offered at PAE, including the Bridge to Healthcare, and the Education Academy, PAE estimates that approximately 60% of students will be eligible for state or federal workforce dollars to cover the course tuition, offsetting the total training costs.

Workforce Development Program Budget Summary:

Description	Expense
Program Coordination and Student Advising	\$135,500
Sector-Specific Training	\$68,280
Intensive English	\$32,220
Job Readiness Training	\$60,000
Total	\$296,000
Total with 60% training offset from leveraged workforce funds	\$199,700

Per Student Cost:

The budget above outlines a per student TIF investment of \$998.50

Budget Narrative:

Program Management and Coordination: Includes a Program Coordinator, student intake, student advising and administrative expenses. These would be fixed costs.

Sector-Specific Training: 3 sector-specific trainings, 11 weeks, 15 hours/week (165 hours) for 12 students each training, plus instructor prep time.

Intensive English: 3 intensive english classes, 12 weeks, 10 hours/week (120 hours) for 15 students each.

Job Readiness Training: 3 job readiness trainings, 8 weeks, 15 hours/week (120 hours) for 15 students each to prepare mid-level English speakers for entry level positions in the US across a broad range of sectors. In addition to class time, students receive intensive one-on-one career advising, job application and placement support, and follow-up case management to promote retention.

Eastern Waterfront Development 2008-2018

Presentation to the City of Portland
Economic Development Committee
February 5, 2019

Greg Mitchell, Econ Dev Director
Bill Needelman, Waterfront Coordinator



Eastern Waterfront Development Activity 2008 to Present

500 250 0 500 Feet



Map produced by the City of Portland Economic Development Department
from 2018 pictometry. Intended for orientation only.
January 2019

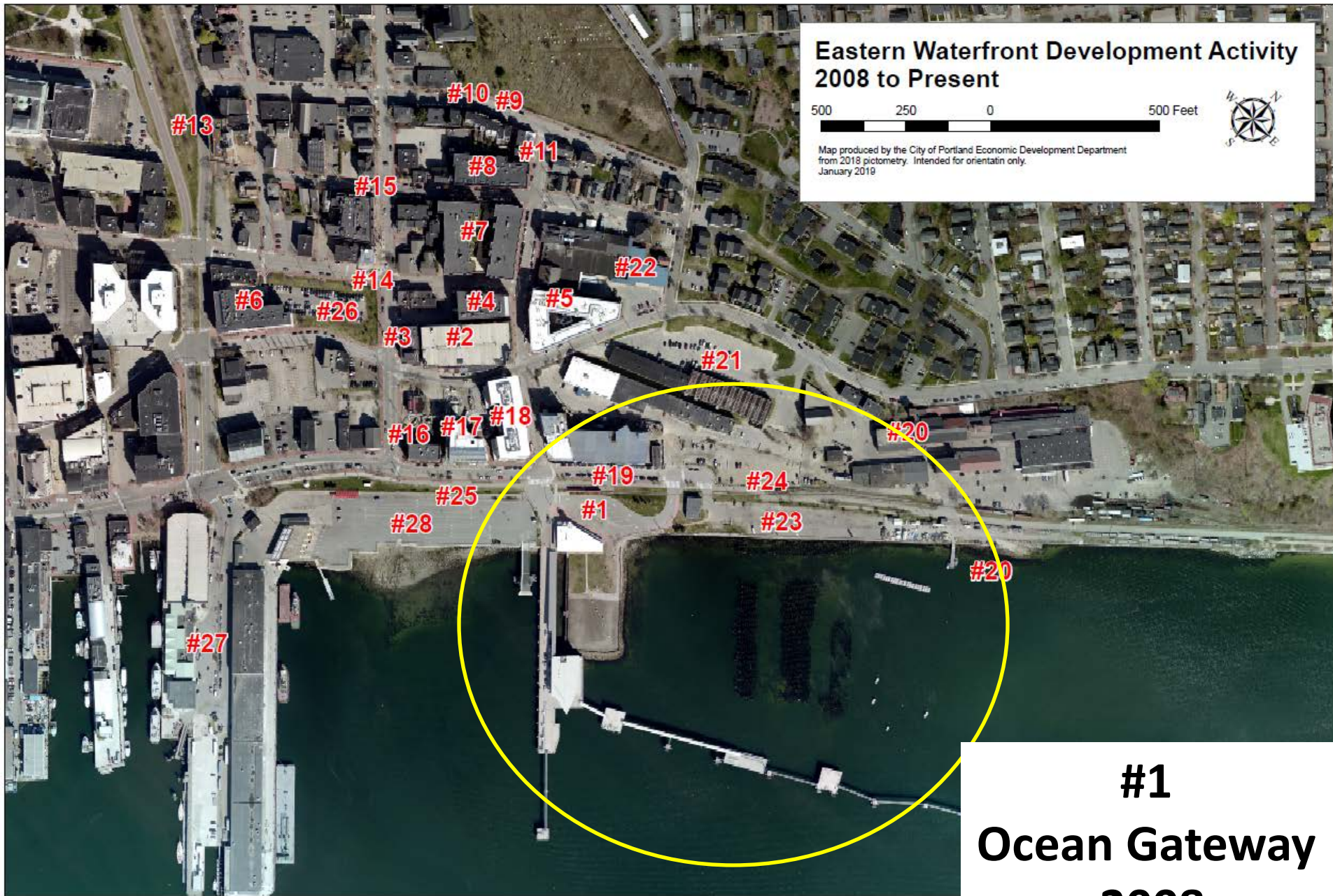


Eastern Waterfront Development Activity 2008 to Present

500 250 0 500 Feet



Map produced by the City of Portland Economic Development Department
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#1

Ocean Gateway 2008

#1 Ocean Gateway 2008





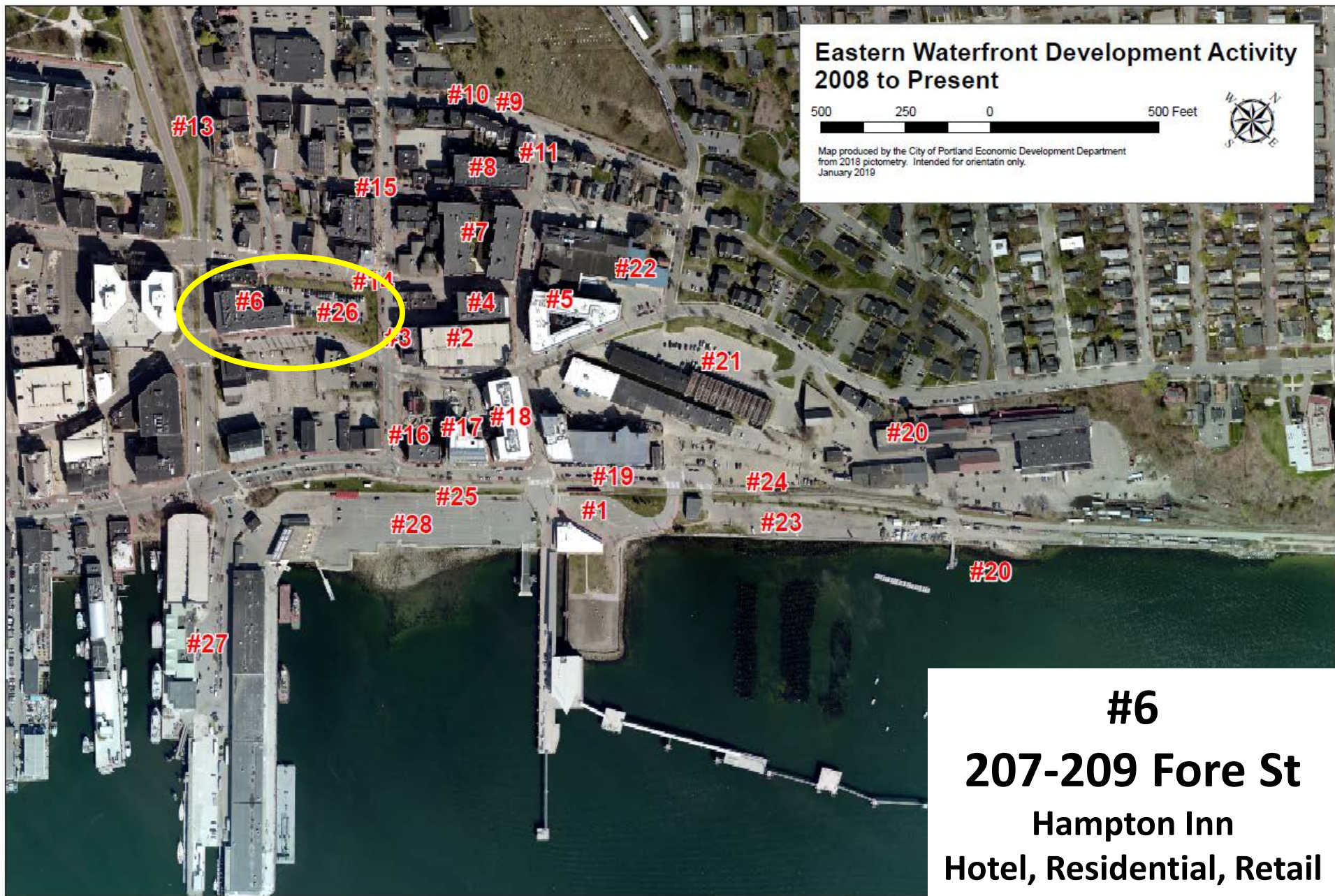
#2

Ocean Gateway Garage

719 spaces 2009

Wrap 2018





Eastern Waterfront Development Activity 2008 to Present

500 250 0 500 Feet



Map produced by the City of Portland Economic Development Department
from 2018 pictometry. Intended for orientation only.
January 2019

#6

207-209 Fore St

Hampton Inn

Hotel, Residential, Retail

#6
207-209 Fore St
Hampton Inn
Hotel, Residential, Retail
2009



Eastern Waterfront Development Activity 2008 to Present

500 250 0 500 Feet



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January 2019



#26

**Future Hotel
Pending**

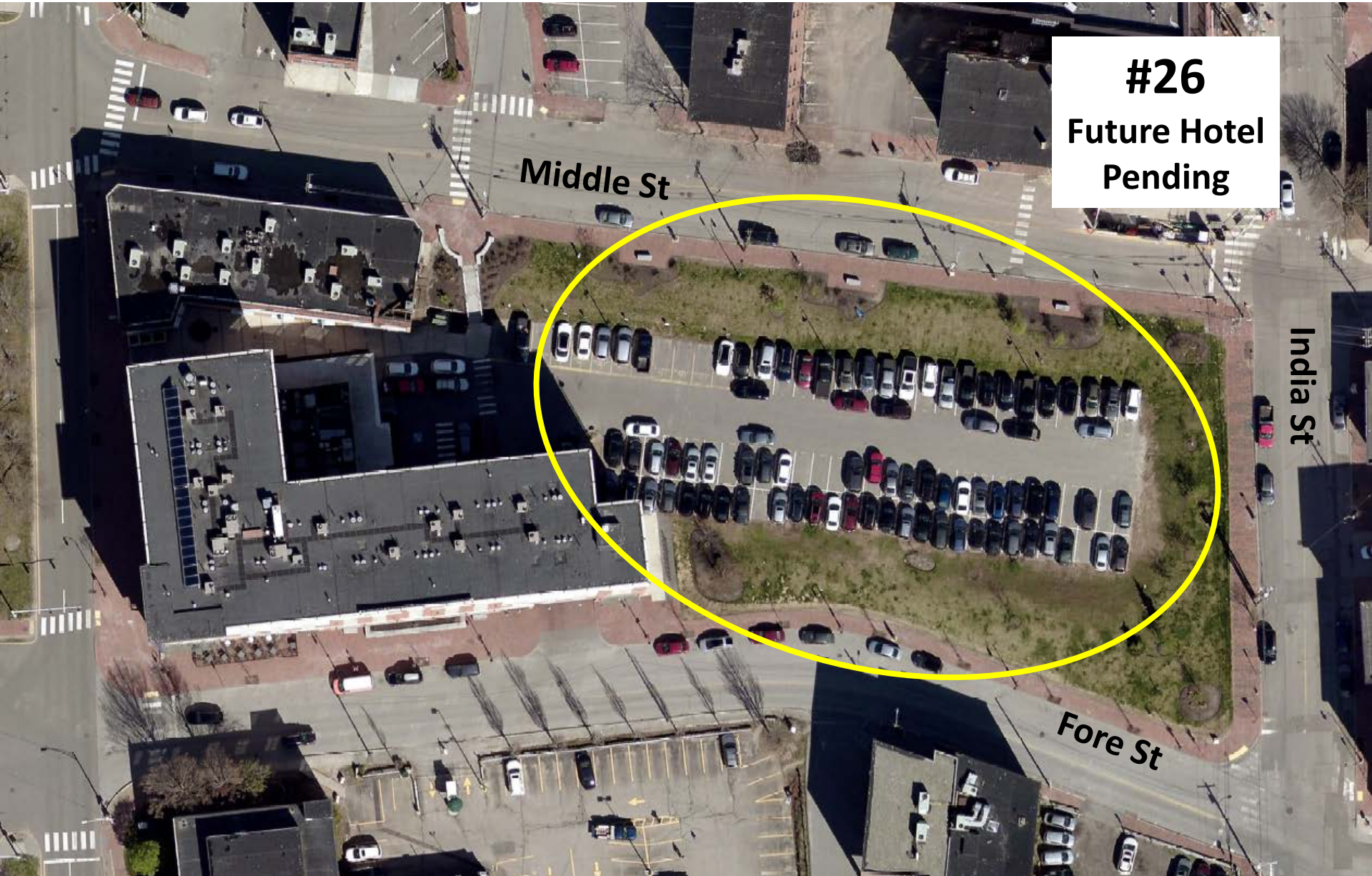
#26

**Future Hotel
Pending**

Middle St

India St

Fore St



Eastern Waterfront Development Activity 2008 to Present

500 250 0 500 Feet



Map produced by the City of Portland Economic Development Department
from 2018 pictometry. Intended for orientation only.
January 2019



#5

**Residence Inn
Hancock and Fore St**

Relationship to Munjoy Hill

#5
Residence Inn
Hancock and Fore St
2010

Residence Inn *Marron*

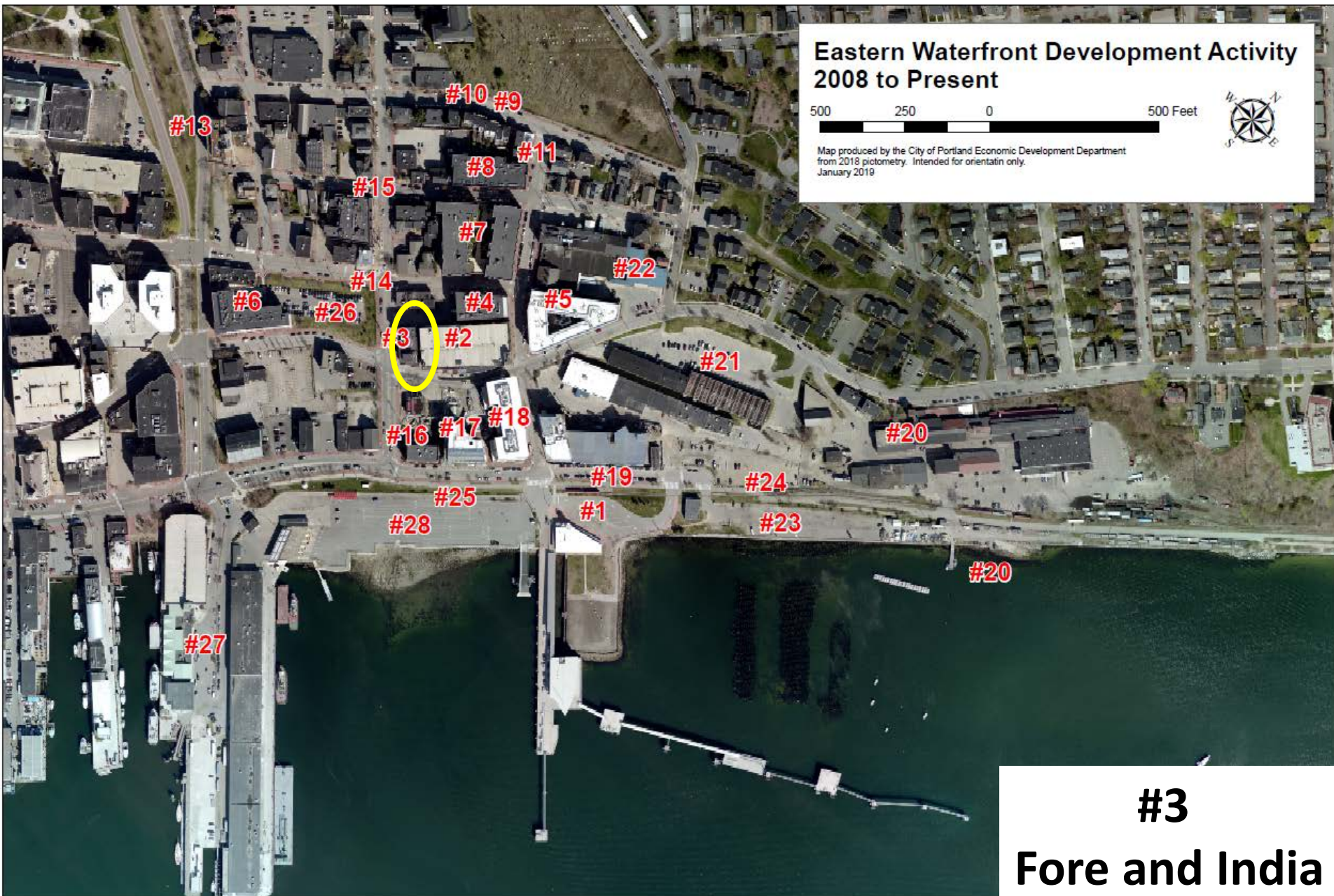


Eastern Waterfront Development Activity 2008 to Present

500 250 0 500 Feet



Map produced by the City of Portland Economic Development Department
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January 2019



#3

Fore and India



#3

**Fore and India
6 Units + Retail
+/-2012**



#4

Tilson 50,000 sq ft Office
1st floor retail
Hancock and Middle St
2017



Hancock St

From Newbury St
Spring 2018

#5

**Residence Inn
Hancock and Fore St**

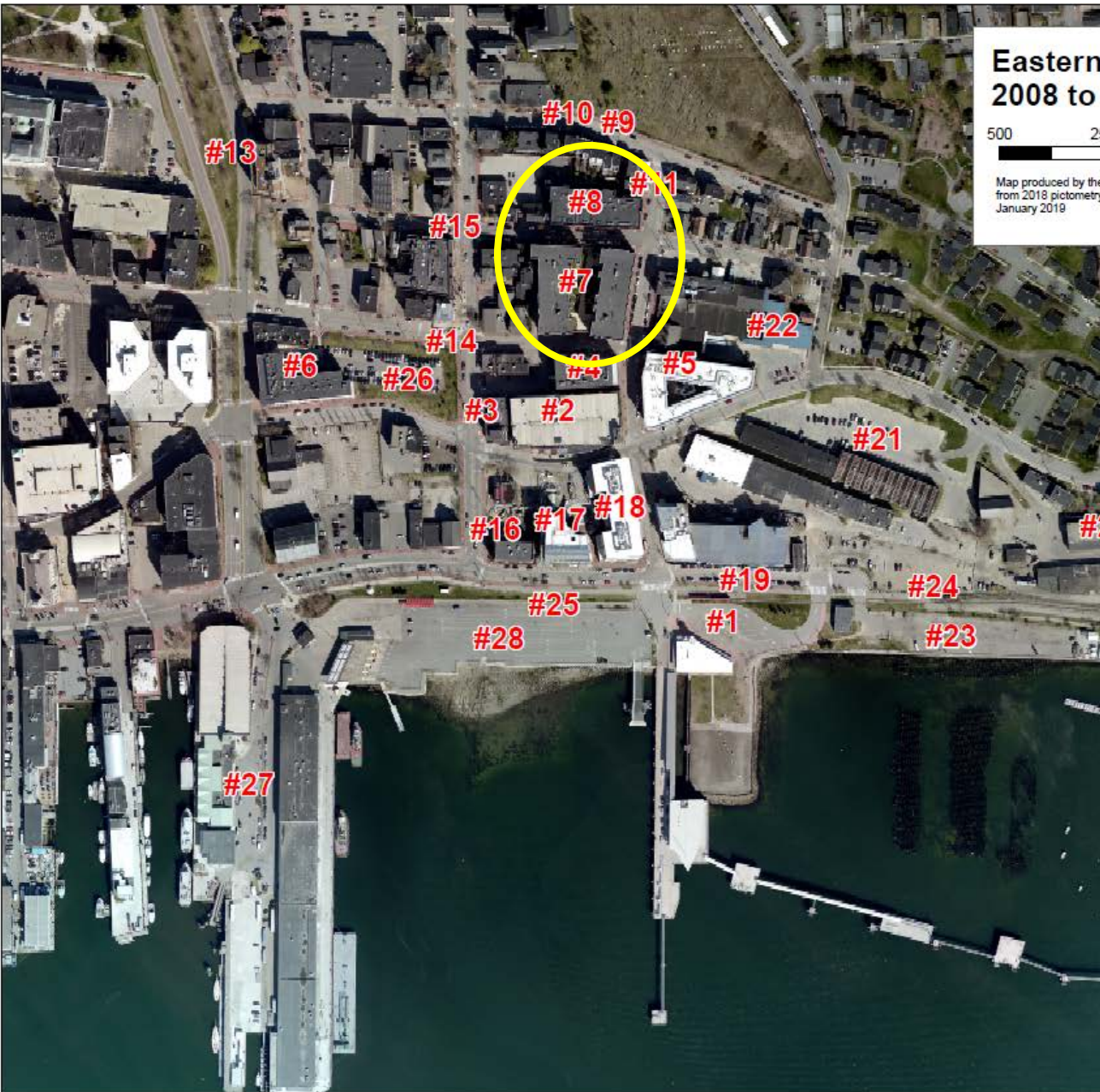


Eastern Waterfront Development Activity 2008 to Present

500 250 0 500 Feet



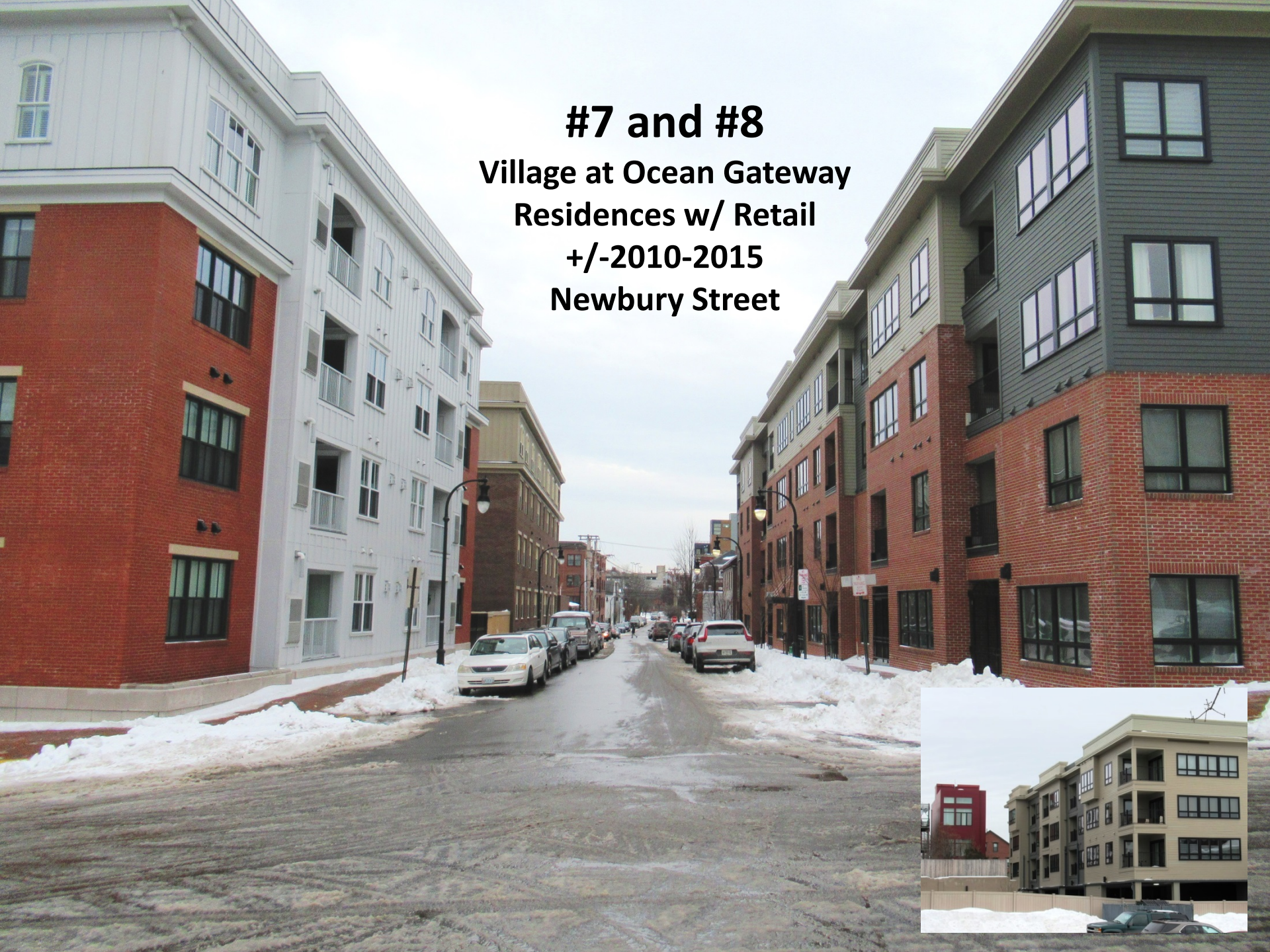
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January 2019



#7 and #8

Village at Ocean Gateway
Hancock, Middle and
Newbury Street

#7 and #8
Village at Ocean Gateway
Residences w/ Retail
+/-2010-2015
Newbury Street



Eastern Waterfront Development Activity 2008 to Present

500 250 0 500 Feet



Map produced by the City of Portland Economic Development Department
from 2018 pictometry. Intended for orientation only.
January 2019



#9

Federal St Row Houses

#9
Federal St Row Houses
+/-2012



Eastern Waterfront Development Activity 2008 to Present

500 250 0 500 Feet



Map produced by the City of Portland Economic Development Department
from 2018 pictometry. Intended for orientation only.
January 2019



#10

52 Federal St

#10

52 Federal St

3 Unit

+/-2012



Eastern Waterfront Development Activity 2008 to Present

500 250 0 500 Feet



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January 2019

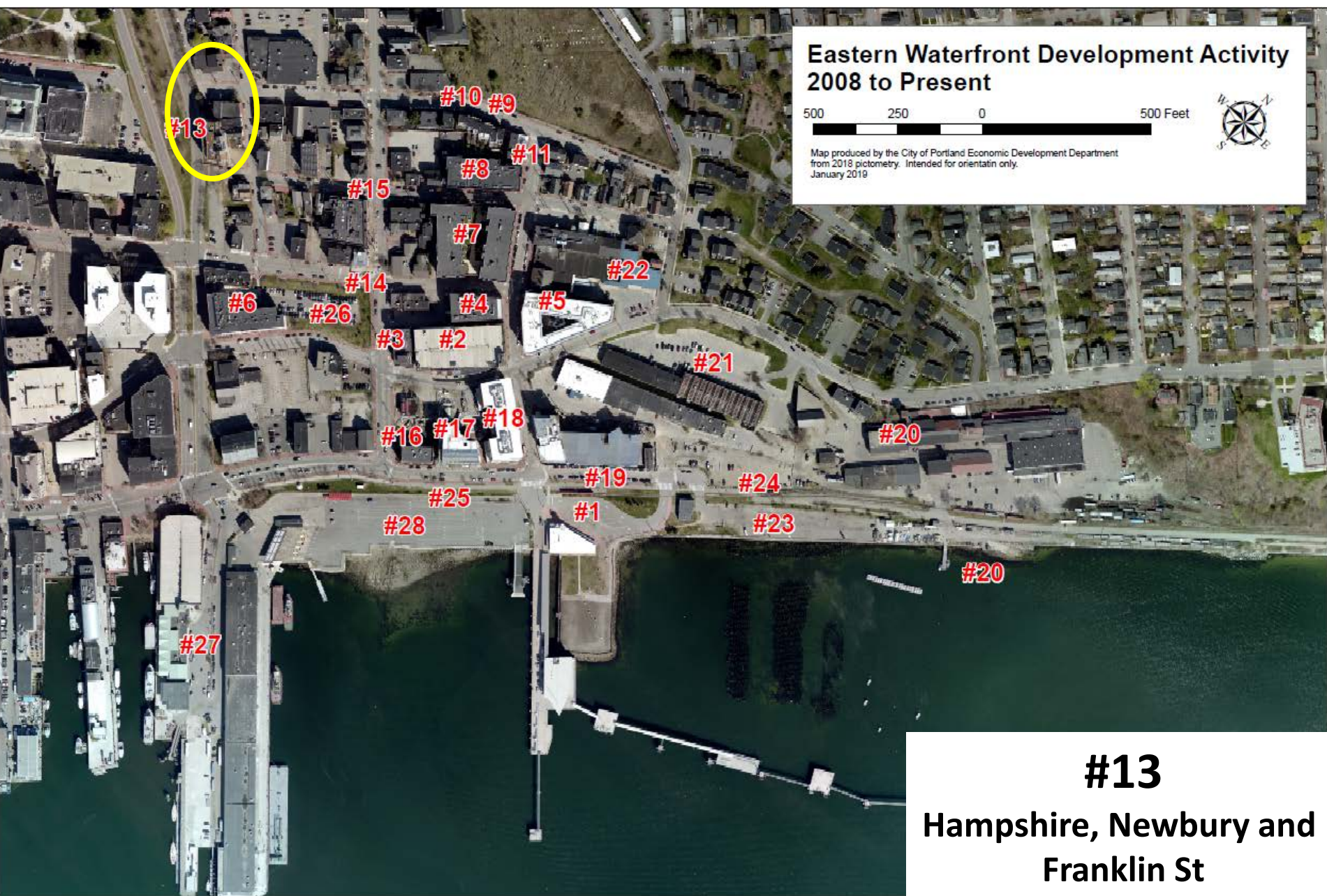


#11

48 Hancock St
+/-2016

#11
48 Hancock St
+/-2016





#13

**Luminato Condominiums
Hampshire, Newbury and
Franklin St
+/-2017**



Eastern Waterfront Development Activity 2008 to Present

500 250 0 500 Feet



Map produced by the City of Portland Economic Development Department
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January 2019



#14

cPort Credit Union
Middle and India St

#14

**cPort Credit Union
Middle and India St
2019**



Eastern Waterfront Development Activity 2008 to Present

500 250 0 500 Feet



Map produced by the City of Portland Economic Development Department
from 2018 pictometry. Intended for orientation only.
January 2019



#15

62 India St
Residences/Retail

#15
62 India St
Residences/Retail
2019



Eastern Waterfront Development Activity 2008 to Present

500 250 0 500 Feet



Map produced by the City of Portland Economic Development Department
from 2018 pictometry. Intended for orientation only.
January 2019



#16

1 India St
Gorham Savings

#16

1 India St

Gorham Savings

Rehab of

Grand Trunk Admin Bldg

2018



Eastern Waterfront Development Activity 2008 to Present

500 250 0 500 Feet



Map produced by the City of Portland Economic Development Department
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January 2019



#17

Thames St Condos

#17

**Thames St Condos
Under Construction**



Eastern Waterfront Development Activity 2008 to Present

500 250 0 500 Feet



Map produced by the City of Portland Economic Development Department
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January 2019



#18

AC Hotel

Thames and Hancock St

#18

AC Hotel

Thames and Hancock St

2018



Eastern Waterfront Development Activity 2008 to Present

500 250 0 500 Feet



Map produced by the City of Portland Economic Development Department
from 2018 pictometry. Intended for orientation only.
January 2019



#19

WEX Headquarters
Thames and Hancock St



#19

**WEX Headquarters
Thames and Hancock St
Under Construction**

Eastern Waterfront Development Activity 2008 to Present

500 250 0 500 Feet



Map produced by the City of Portland Economic Development Department
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January 2019



#20

58 Fore St Marina

#20

**58 Fore St Marina
Under Construction
Phased development of
uplands anticipated
2019**



Eastern Waterfront Development Activity 2008 to Present

500 250 0 500 Feet



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from 2018 pictometry. Intended for orientation only.
January 2019



#21

100 Fore St
Office, Garage, Retail

#21

**100 Fore St
Office, Garage, Retail
Construction anticipated
2019**





#21
100 Fore St
Office, Garage, Retail
Construction anticipated
2019

Eastern Waterfront Development Activity 2008 to Present

500 250 0 500 Feet



Map produced by the City of Portland Economic Development Department
from 2018 pictometry. Intended for orientation only.
January 2019



#22

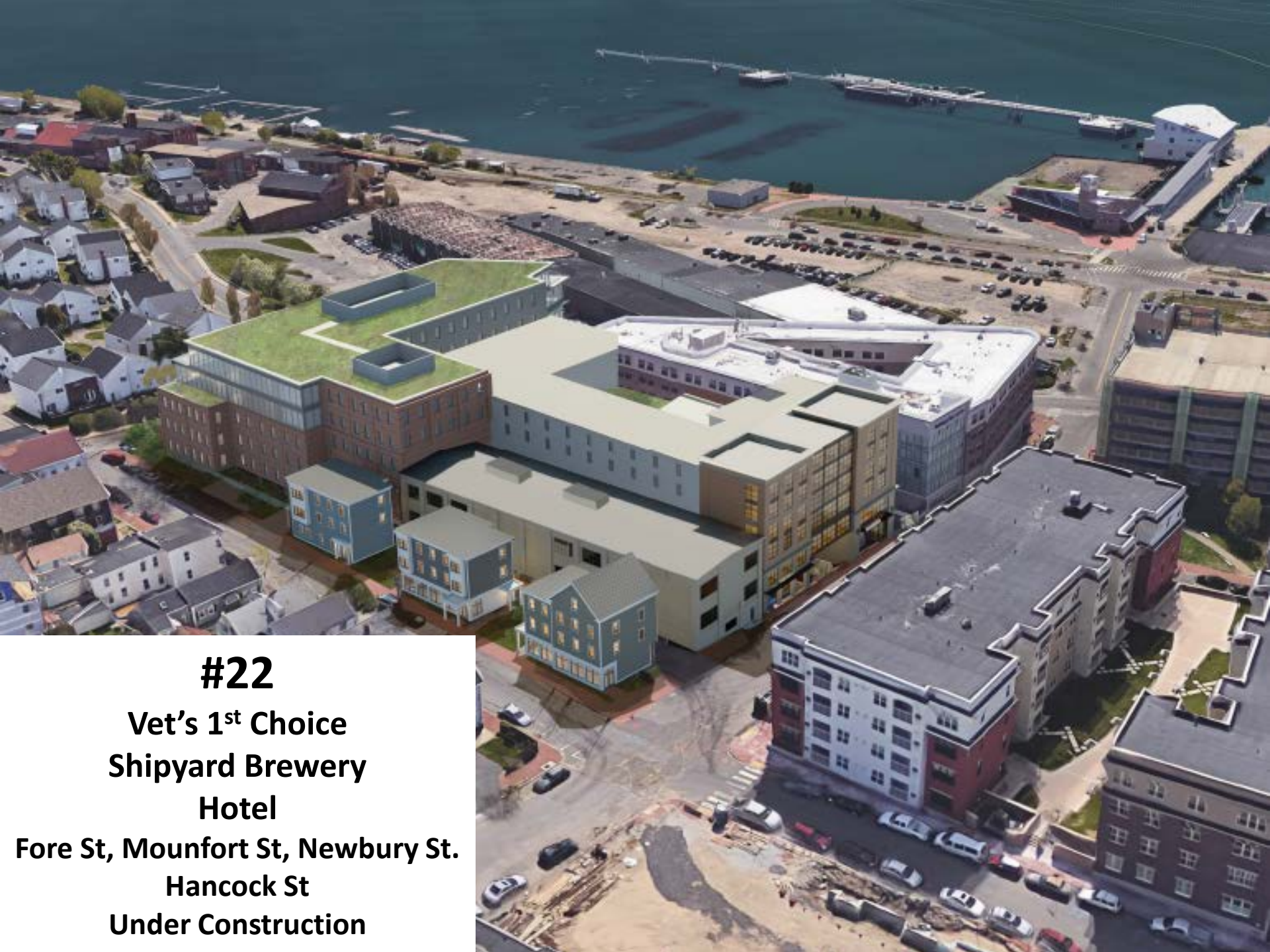
**Vet's 1st Choice
Shipyard Brewery
Hotel**

#22

**Vet's 1st Choice
Shipyard Brewery
Hotel**

**Fore St, Mounfort St, Newbury St.
Hancock St
Under Construction**





#22

**Vet's 1st Choice
Shipyard Brewery
Hotel**

**Fore St, Mounfort St, Newbury St.
Hancock St
Under Construction**

Eastern Waterfront Development Activity 2008 to Present

500 250 0 500 Feet



Map produced by the City of Portland Economic Development Department
from 2018 pictometry. Intended for orientation only.
January 2019



#23

Portland Landing
Open Space

#23
Portland Landing
Open Space
and
Community Boating
Interim improvements
2019



Eastern Waterfront Development Activity 2008 to Present

500 250 0 500 Feet



Map produced by the City of Portland Economic Development Department
from 2018 pictometry. Intended for orientation only.
January 2019



#24

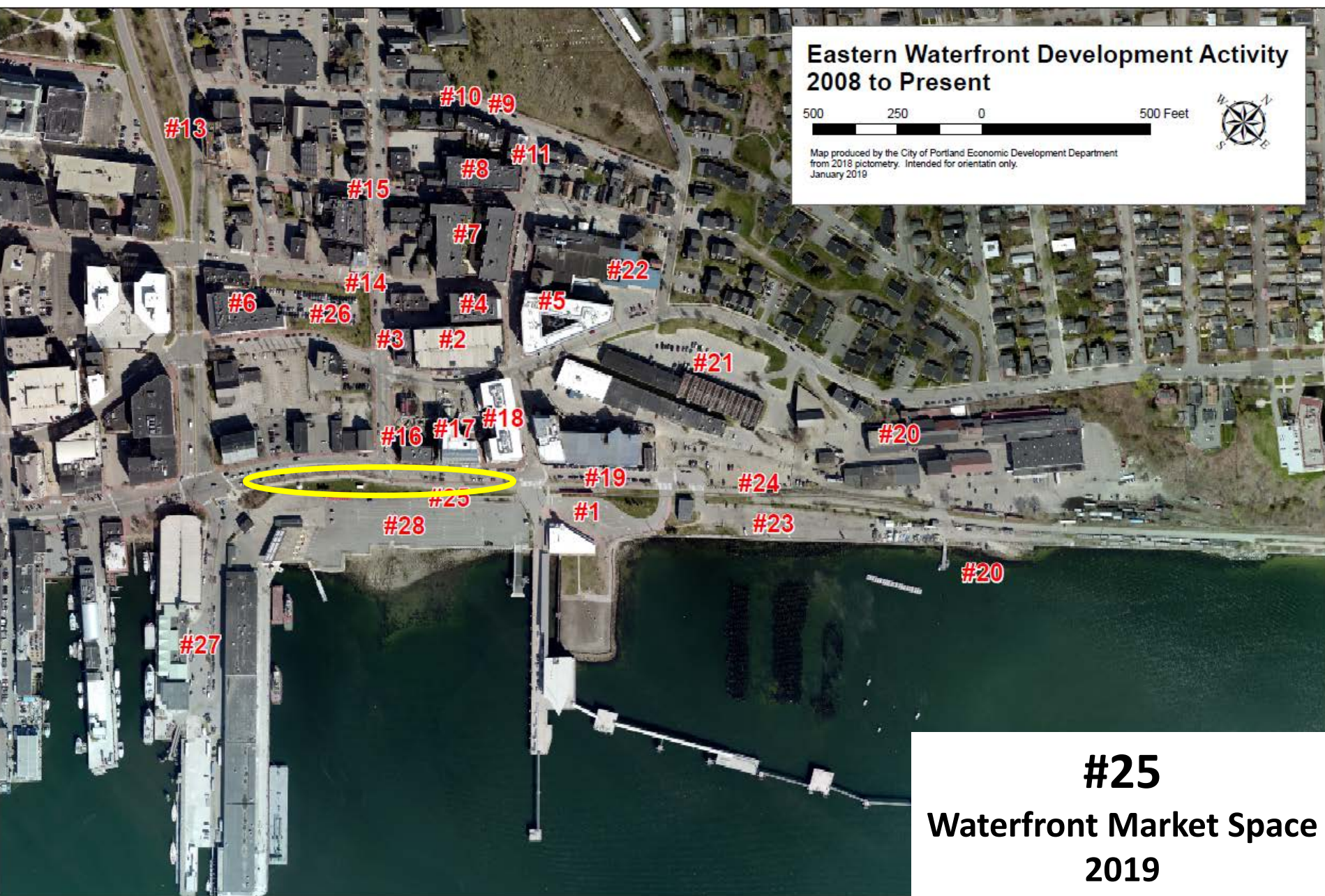
Thames St Extension
2019

Eastern Waterfront Development Activity 2008 to Present

500 250 0 500 Feet



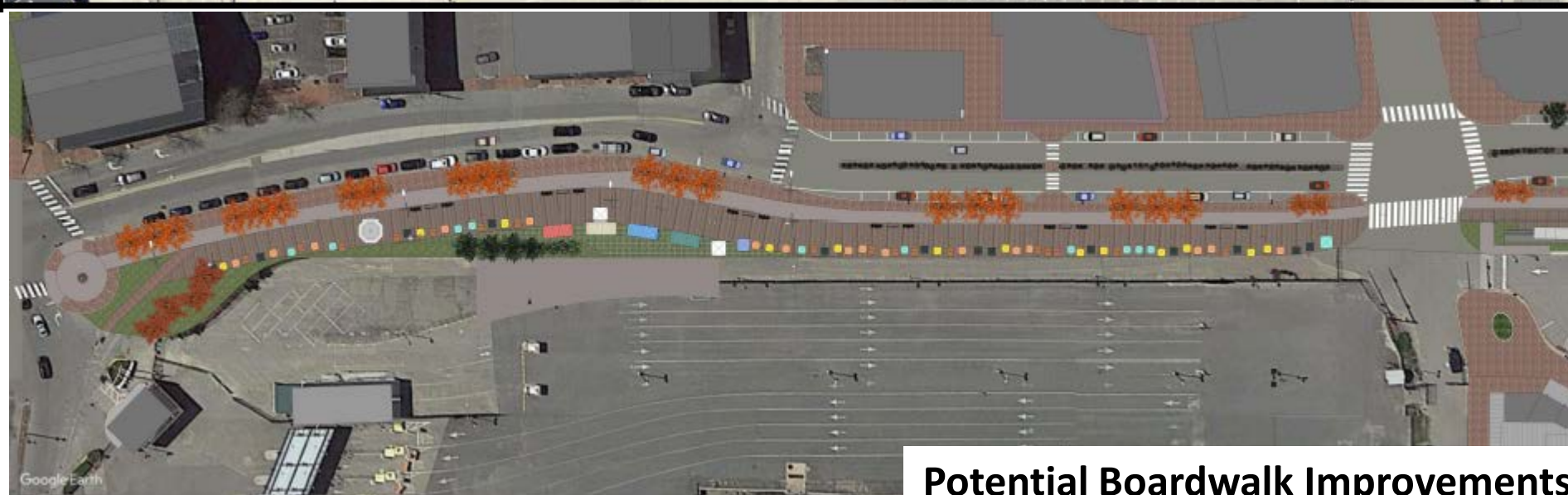
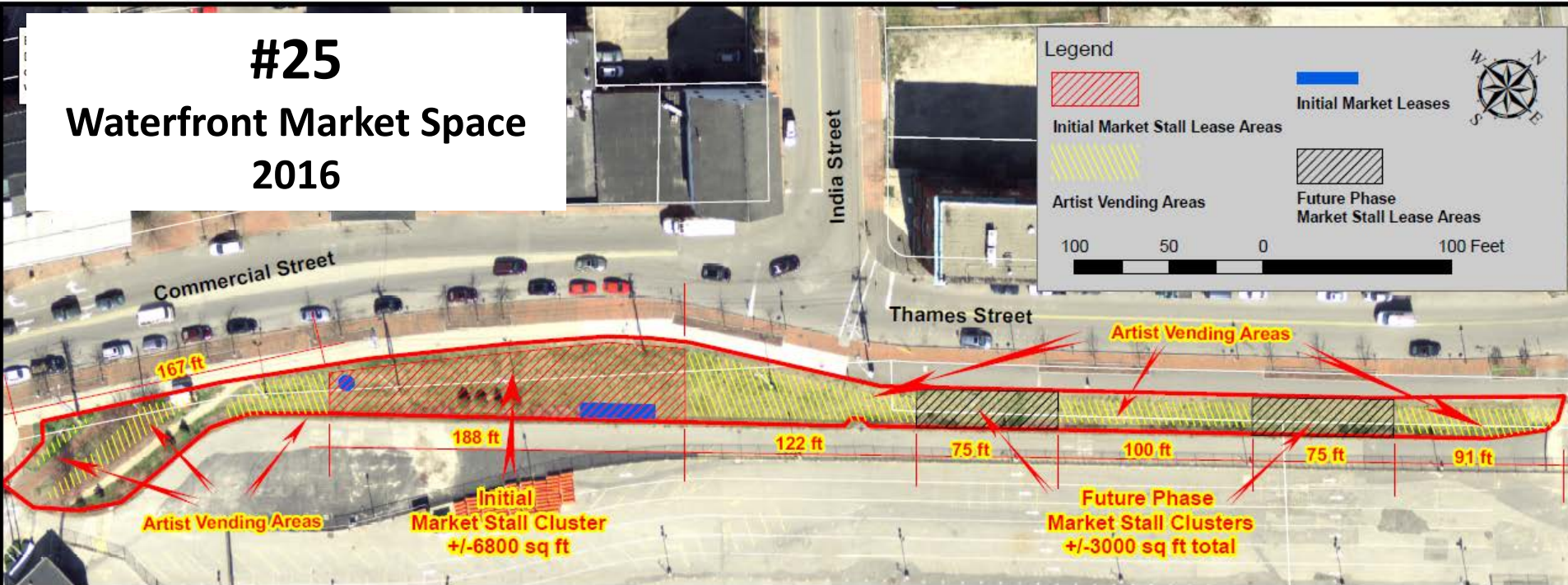
Map produced by the City of Portland Economic Development Department
from 2018 pictometry. Intended for orientation only.
January 2019



#25
Waterfront Market Space
2019

#25

Waterfront Market Space 2016



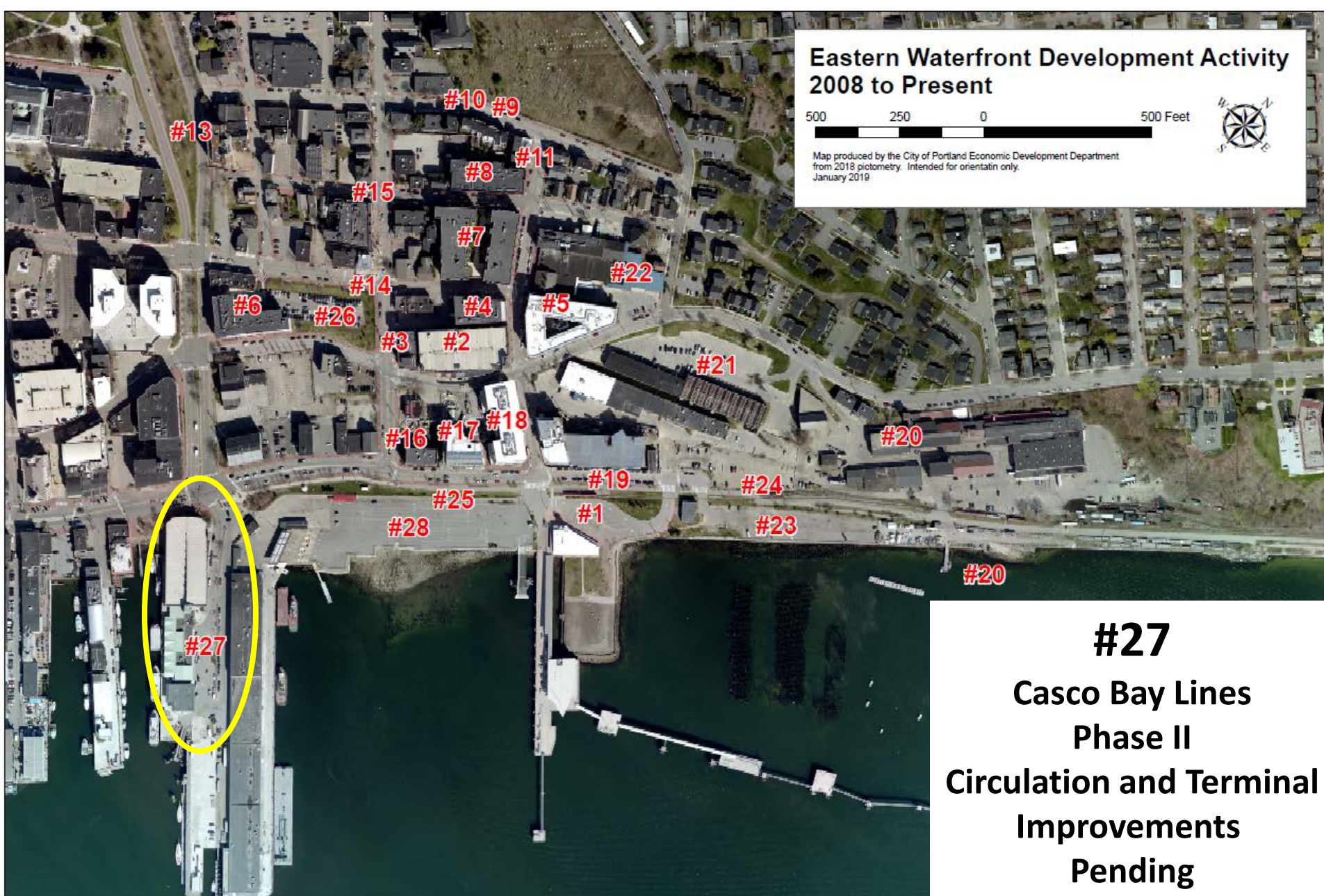
Potential Boardwalk Improvements 2019

Eastern Waterfront Development Activity 2008 to Present

500 250 0 500 Feet



Map produced by the City of Portland Economic Development Department
from 2018 pictometry. Intended for orientation only.
January 2019



#27

**Casco Bay Lines
Phase II
Circulation and Terminal
Improvements
Pending**

#27

**Casco Bay Lines
Phase II
Circulation and Terminal
Improvements
Pending**



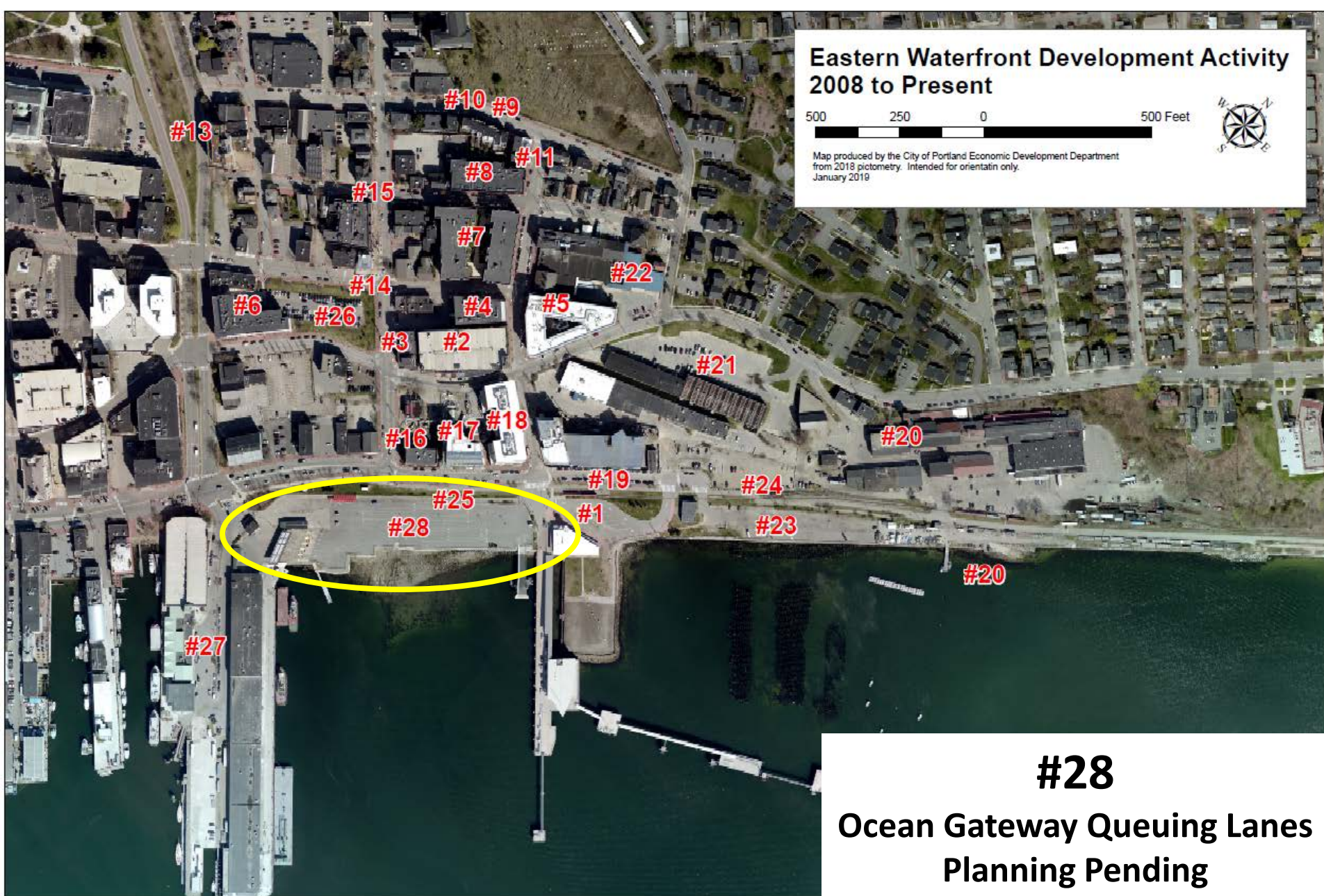
**Casco Bay Lines
Phase I
2014**

Eastern Waterfront Development Activity 2008 to Present

500 250 0 500 Feet



Map produced by the City of Portland Economic Development Department
from 2018 pictometry. Intended for orientation only.
January 2019



#28

Ocean Gateway Queuing Lanes
Planning Pending

#28

**Ocean Gateway Queuing Lanes
Planning Pending**



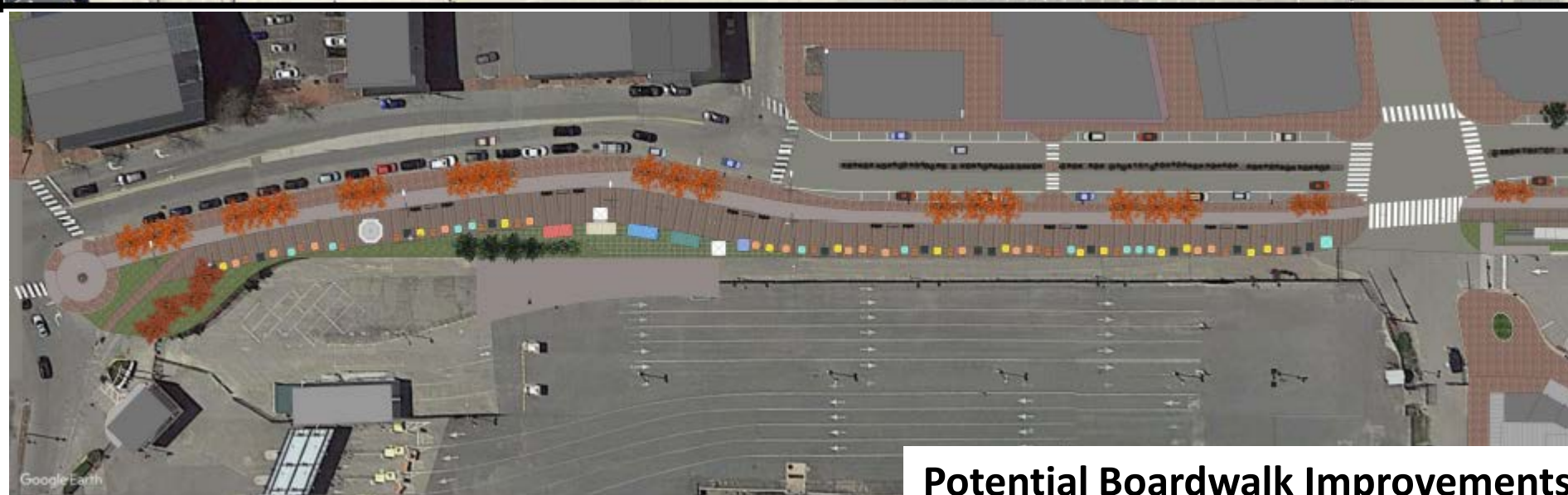
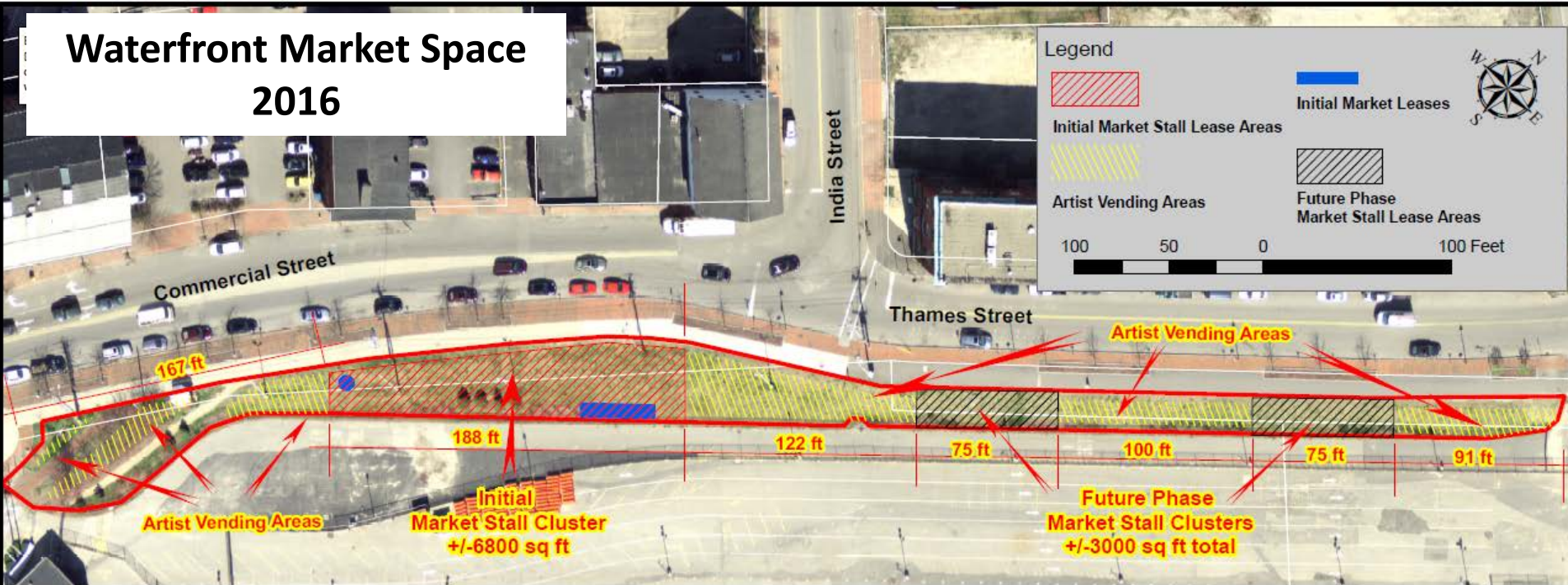
**Ocean Gateway Queuing Lanes
Bulkhead and Paving improvements
2014**

Eastern Waterfront Development 2008-2018

Questions?



Waterfront Market Space 2016



Potential Boardwalk Improvements 2019

Ocean Gateway Queuing Lanes Planning Pending





Eastern Waterfront Development Activity
Ocean Gateway Queuing Lanes

250 125 0 250 Feet

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