

Minutes
Economic Development Committee
February 19, 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 19, 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, and Spencer Thibodeau; Committee member Councilor Nicholas Mavodones could not be present. Also present from the City Council was Councilor Belinda Ray, leaving at the start of Item #3 on the Agenda as noted herein. Present from the City staff were City Manager Jon Jennings, Economic Development Director Greg Mitchell, Acting Police Chief Vern Malloch, and Senior Executive Assistant Lori Paulette.

Item #1: Review and accept Minutes of previous meeting held on February 5, 2019.

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

Item #2: Public Hearing and vote to Recommend to the City Council Proposed Amendment to Purchase and Sale Agreement (PSA) to sell a vacant land-locked City-owned property adjacent to the Maine Turnpike.

Chair Costa indicated that this is a proposed Amendment to the PSA to increase the purchase price from \$11,220 to \$100,000.

Mr. Jennings said that he met with Waterstone representatives over a week ago, working with Mr. Mitchell. After discussion, the adjusted offer was \$100,000.

Mr. Mitchell indicated that this is surplus City property with no road frontage, making it an illegal lot which could only be sold to an abutter. Mr. Mitchell said that Waterstone approached the City to purchase the property to add to their site, while noting that there were no development plans for the City's property. Waterstone paid for the appraisal and survey work for this property. The appraisal came in at a value of \$0.00 for the City's 4.2 acres. The subject property is encumbered with CMP "No Build" easements and criss-crossed with wetlands, leaving 1.53 acres of upland developable land not contiguous to each other. After talking with City Assessor regarding that 1.53 acres of upland, the value of \$11,220 was determined.

Mr. Mitchell also noted that this Committee reviewed the PSA at its October 16, 2018, meeting and recommended approval of the original PSA to the City Council. At a public hearing of the City Council on November 5, 2018, a Waterstone Representative noted that Waterstone did plan to develop the City's property. The property is in an IL zone and would need to go through City regulatory approvals. At that Council meeting, the Council postponed the item to December 17, 2018, and then post-poned the item again to the February 20, 2019 meeting.

Chair Costa asked if the Committee had any preliminary questions before opening the meeting for public comment.

Councilor Thibodeau said that he would like to ask a few questions in executive session; Councilor Ali agreed.

Chair Costa opened the meeting for public comment.

George Rheault of the Bayside area noted the subject property had several homeless encampments and questioned whose responsibility they would be after sale. He also discussed street frontage for the property, abutting property that is controlled by the State, and questioned whether the City and State should create access to the property for it to be a legal lot.

Ed Suslovic, working for the Muskie School for the Rock Row Project, particularly sustainability and transportation issues, talked about the collaborative nature Waterstone has taken with many groups, including MDOT, MTA, PACTS, Westbrook, and Portland, and discussing transportation alternatives including vertical parking, bus line enhancements, biking, rail line activation, and trail connections.

Phil Spiller, long-time Westbrook resident, echoed Mr. Suslovic's comments. This will be the final nexus of trail network and the Metro transit piece. It will be good for both the Portland and Westbrook economy.

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

Mr. Mitchell described State ownership of property in the area and possible creation of road frontage which would be costly, with the CMP easements and wetland areas. He also noted that a City-wide Department survey was conducted to determine if there was any City need for the property and it was determined to be excess to the City's needs. He also noted that the Mayor, District Councilor, and At-Large Councilors were included in that survey.

Councilor Ali noted that he worked with Mr. Suslovic at the Cutler Institute/Muskie School and would talk with Corporation Counsel before voting to be sure there is no conflict of interest.

Councilor Ray asked if the Survey included the Land Bank Commission (LBC), and Mr. Mitchell noted that the survey included City staff who staff the LBC.

Councilor Thibodeau then made a motion to go into executive session pursuant to 1 M.R.S.A. 405(6)(C) to discuss negotiations for the sale of this real estate; Councilor Ali seconded the motion.

Chair Costa asked if there was public comment regarding going into executive session, and there was none.

A vote was then taken on the motion and it passed unanimously at 5:50 p.m. The Committee came out of executive session at approximately 6:20 p.m.

Chair Costa indicated that the Committee will not take action on this item at this meeting, as there were a few questions the Committee had of staff, noting that this item will come back to this Committee at a March meeting. Committee consensus concurred.

Item #3: 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. **Review and discuss offers received for sale of City property at 654 Riverside Street;**
- b. **Review and discuss possible sale of City owned property located on the Peninsula.**

Chair Costa noted that this is the first time the Committee will be taking up these two items, noting for those in attendance and viewing that the Committee would not be taking any action after the executive session; when the session is done, the meeting will be adjourned.

Councilor Thibodeau then made a motion to go into executive session pursuant to 1 M.R.S.A. 405(6)(C) to discuss items 3(a) and 3(b) above and provide guidance staff; Councilor Ali seconded the motion.

Chair Costa asked if there was public comment regarding going into executive session.

George Rheault of Bayside questioned why the public is not being made aware of the number of offers received for the Riverside Street property, noting that he did not feel anonymity was necessary or appropriate. Regarding 3(b), Mr. Rheault said that the public should be made aware of which property on the peninsula was the subject of the executive session.

Seeing no further public comment, Chair Costa closed the session and asked for a vote on the motion. The motion passed unanimously at 6:25 p.m. At approximately 7:10 p.m., the Committee came out of executive session and the meeting was then adjourned.

Respectfully, Lori Paulette