

Minutes
Economic Development Committee
March 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, March 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, Nicholas Mavodones, and Spencer Thibodeau. Present from the City staff were Associate Corporation Counsel Michael Goldman, City Manager Jon Jennings, Economic Development Director Greg Mitchell, Waterfront Coordinator William Needelman, and Senior Executive Assistant Lori Paulette.

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

On motion made by Councilor Mavodones, seconded by Councilor Thibodeau, 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 Waterstone Purchase and Sale Agreement (PSA) to sell a vacant land-locked City-owned property adjacent to the Maine Turnpike.

Mr. Mitchell noted that the Committee, at its October 16, 2018, recommended approval of the PSA to the City Council. The City Council took up this item at its November 5, 2018, meeting, at which time Waterstone representative Josh Levy and present today, indicated that there would be future development of the subject property. Mr. Mitchell then described the

subject property and its challenges, including it having no street access, wetlands, and CMP easements prohibiting building. The original PSA had a purchase price of \$11,200 with no future plans for development; with possible development in the future, the parties agreed on the \$100,000 purchase price; the remainder the PSA remains the same as the original. Mr. Mitchell noted that he checked in again with the City staff to the Land Bank Commission and the Parks Commission who indicated there was no need for the property to connect with trails or for open space purposes, so it remains surplus to the City.

Councilor Mavodones questioned if the only access to the site would be from the Turnpike, State of Maine, or the Developer, and Mr. Mitchell indicated in the affirmative.

Councilor Thibodeau asked about the MDOT property, and Mr. Mitchell said that the Developer has been negotiations with MDOT to purchase that property as well.

Councilor Mavodones asked about the rationale of going from \$11,200 to \$100,000, and Mr. Mitchell indicated due to the developer previously indicating there would be no development, to at the Council meeting indicating that it would be developed, hence more value.

In response to Chair Costa, Mr. Levy indicated that Waterstone purchased the Westbrook property over a year ago, and have since have had over 30 local partnerships, neighborhood meetings, including Nason's Brook, interaction with land owners, leading to more mixed use projects at the site. At that November Council meeting, Mr. Levy did say that the property would be developed, but with all the challenges, the current plan is to use it as recreational area, connecting to 70 miles of trail network. There would be a lot of heavy lifting to develop it, and the \$100K represents good negotiating and Waterstone's investment and relationship with City of Portland and partnering for the future.

Chair Costa opened the meeting for public comment.

George Rheault of Bayside appreciated leaving the subject property as open space. He noted there were no answers to questions he raised at last meeting when this was taken up regarding homeless encampments on the subject property and who would be responsible for them, as well as street frontage, referring to a 1973 10-page document in the Cumberland Registry of Deeds.

Karen Snyder of Munjoy Hill noted the plan now for trails/open space, but thought the City should have a better idea of future development plans.

Ed Suslovic from the Muskie School said that he has been working with Waterstone, who has been a convenor of every entity involved including housing, transportation, to sustainability. They are sincere to be collaborative and work with entire state, noting a project along the railroad tracks for a multi-modal transportation hub to intercept vehicles before getting onto crowded Portland streets with other options.

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

Councilor Thibodeau made a motion to forward this item to the City Council for approval; Councilor Mavodones seconded the motion.

Councilor Thibodeau said that this has been on the radar for quite some time and makes sense. Regarding the 1973 document Mr. Rheault referred to, Councilor Thibodeau noted that it is the buyer's due diligence regarding title. This project is good for the region and he supports it.

Councilor Mavodones asked about homeless encampments.

Mr. Suslovic noted that Portland Trails did an extensive site walk and discovered one homeless site but not occupied.

Mr. Levy indicated that he has not seen any homeless encampments, but if one were to be discovered, Waterstone would work with social services and handle it sensitively and appropriately.

Councilor Mavodones appreciated that, and agreed with Councilor Thibodeau on the 1973 document, noting that the appraisal would have looked at that along the way and it is the buyer's responsibility for title. He would support this amended PSA and appreciated the developer working with the neighborhood.

Councilor Ali thanked all for their work on this, and asked if the \$100,000 is being targeted for a certain project. Mr. Jennings indicated not at this time, but during the course of preparing the FY20 budget, it may be discussed.

Chair Costa also thanked all for getting to this point for a thorough process and clarification. He noted there is no use for the City for the property and it is better used in private hands; open/recreational space is win.

Chair Costa then for a vote on the motion, and it passed unanimously.

Item #3: Public Hearing and vote to recommend to the City Council proposed Assignment of Credit Enhancement Agreement between the City and Portland Public Market LLC, to Assign it to East End Corporation.

Mr. Mitchell said that Assignments are a routine matter, noting this TIF CEA was to support redevelopment of the Portland Public Market and relocate Power Pay to the property. It was originally an open air market, and second floor had to be built to support Power Pay's relocation. Mr. Mitchell noted that after the Public Market was closed, the assessed value declined to its lowest value of \$1.8 Million. He also noted that it was redeveloped in LEED

Gold design standards. It is now under PSA, and this Assignment would carry forward the CEA to move forward with the change of real estate ownership; TIF terms remain the same.

Chair Costa asked if there was any public comment.

George Rheault of Bayside noted the City's recent Parking survey, and that the Public Market Garage was not open on weekends to the public; monthly parkers can come and go, however. He suggested the City inquire about access for the public on the weekends.

Steve Whittier of East End Corporation noted that the Parking Garage is not part of this transaction; it is owned by different entity.

Mr. Mitchell confirmed that the Garage is not in the TIF District.

Karen Snyder of Munjoy Hill asked about the declining Assessed Value, particularly the CEA estimating its value at \$5 Million through 2039.

Mr. Mitchell noted that the CEA table was its projected increase in value. He was referring to its Assessed Value prior to the TIF CEA, particularly it decreasing in value as follows: 4/1/2006 - \$3,433,600; 4/1/2007 to \$2,475,000; 4/1/2008 at \$1,862,600. The Assessed Value is now \$6,259,500.

Councilor Mavodones made a motion to forward this to the City Council for approval; Councilor Thibodeau seconded the motion.

Chair Costa thanked staff for bring this forward, noting it is an administrative action, and the City honors the underlying agreement with the TIF terms remaining the same; otherwise it would involve more scrutiny.

Chair Costa then asked for a vote on the motion and it passed unanimously.

Item #3: Central and Western Waterfront Development Update.

Mr. Needelman presented the attached PowerPoint presentation to the Committee, noting developments from small to large and history to present along that portion of the waterfront.

Chair Costa asked about the Non-Marine Use Overlay Zone (NMUOZ), and Mr. Needelman indicated that the NMUOZ is a portion of the Waterfront Central Zone (WCZ) that is located along Commercial Street where 100% non-marine use development is allowed. The remaining portion of the WCZ requires first floor and open area non-marine uses be limited to 45% of leasable area.

Councilor Mavodones asked about Angelo's Acre and use of it by the City. Mr. Needelman indicated that the City has used it in multiple ways including for silver bullets, staging, trucks, containers, and most recently for parking.

Councilor Thibodeau asked if the Waterfront Working Group members have discussed this location for a homeless shelter, and Mr. Jennings said that this is and will be discussed by many groups. Mr. Needelman added that the WWG individuals have many strong opinions discussed outside of the WWG meetings.

There was discussion whether the EDC should make a recommendation to the Health and Human Services Committee, with the sense that the HHS will not be making a recommendation before the next EDC meeting on April 2nd.

Councilor Ali added the HHS has asked for additional information for all three sites. Chair Costa said that this can be monitored offline as to whether it would come to the EDC for its review and recommendation.

The NMUOZ was then discussed, with Mr. Needelman updating the Committee on the WWG input with regard to moving the line closer to Commercial Street. Outcomes will then reviewed by the Planning Board.

Chair Costa thanked Mr. Needelman for the presentation, and for the particulars of the NMUOZ which was very helpful.

Chair Costa indicated that the next meeting of the EDC will have discussions regarding TIF revenue proceeds from the area TIF Districts for City investment in workforce training, as well as for waterfront investment through the Waterfront TIF.

There being no further business, the meeting was then adjourned at approximately 7:00 p.m.

Respectfully, Lori Paulette



Central and Western Waterfront Development Summary

2008 to Present

**Economic Development Committee
March 19, 2019**

Bill Needelman
Waterfront Coordinator

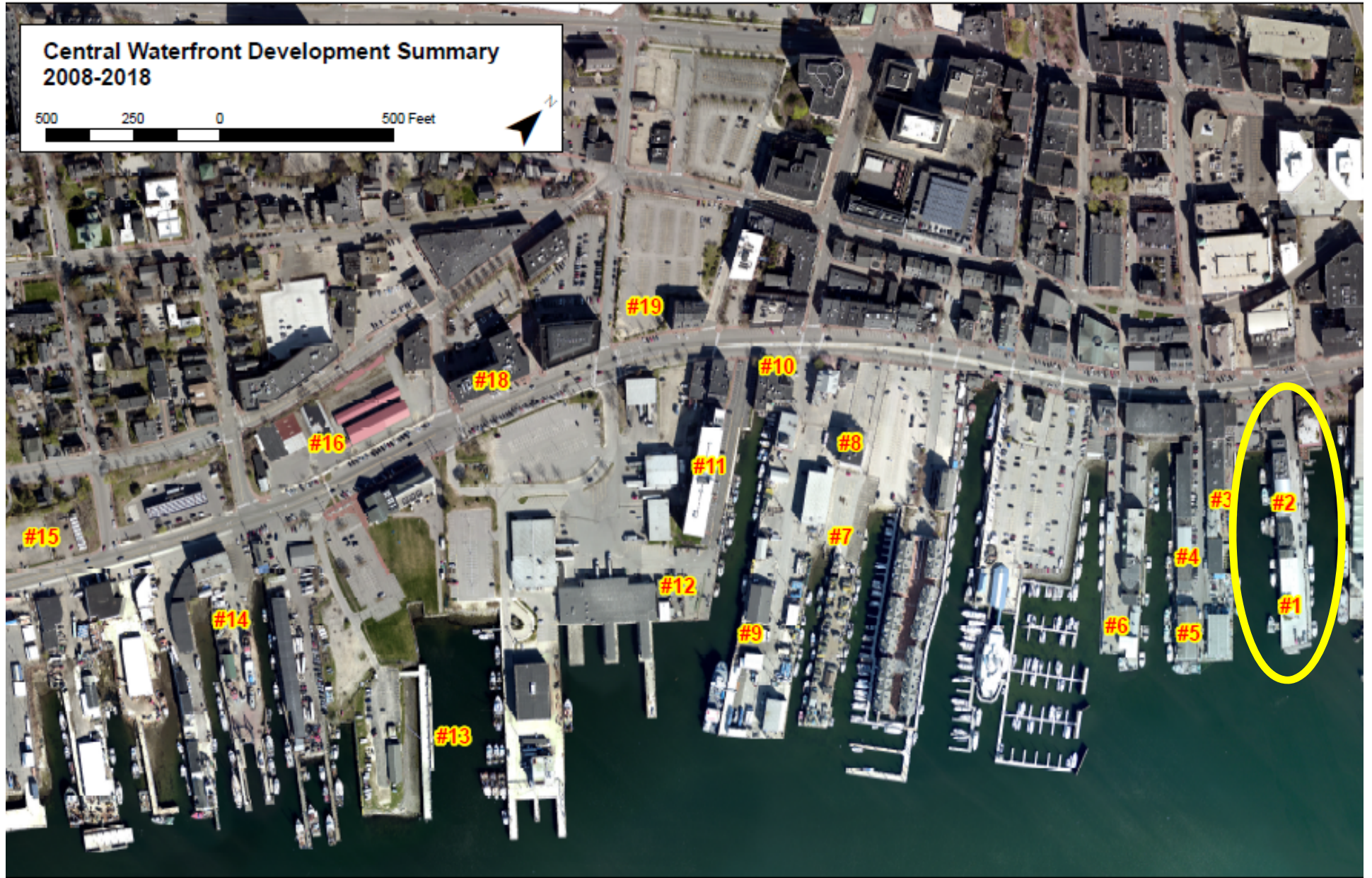
Central Waterfront Development Summary 2008-2018

500 250 0 500 Feet



Central Waterfront Development Summary 2008-2018

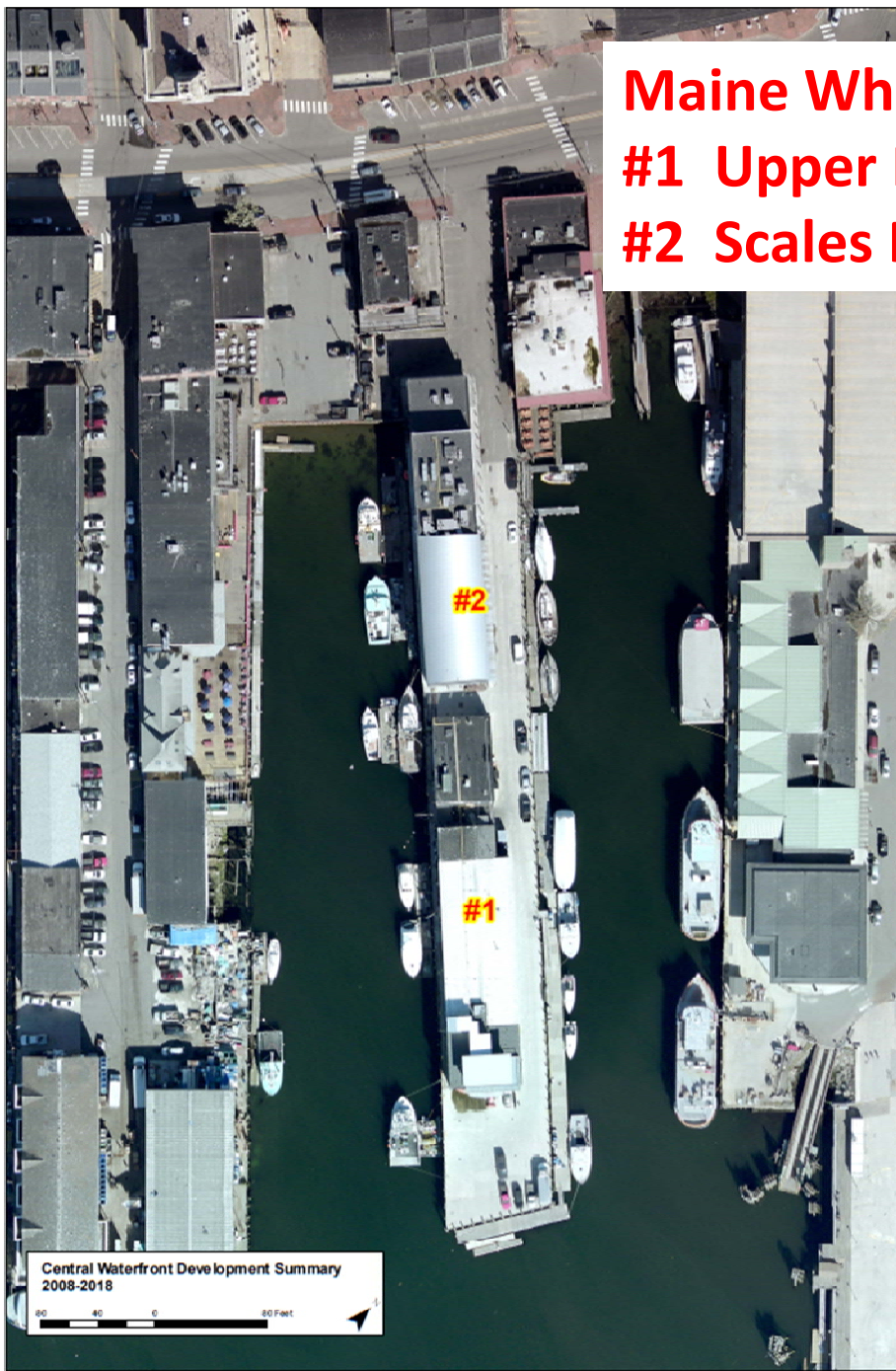
500 250 0 500 Feet



Maine Wharf

#1 Upper Floor Office, +/- 2012

#2 Scales Restaurant and 2 floors office



**Maine Wharf
#2 Scales Restaurant and 2 floors office
Under Construction, 2014**



Maine Wharf #2 Scales Restaurant and 2 floors office Under Construction, 2014

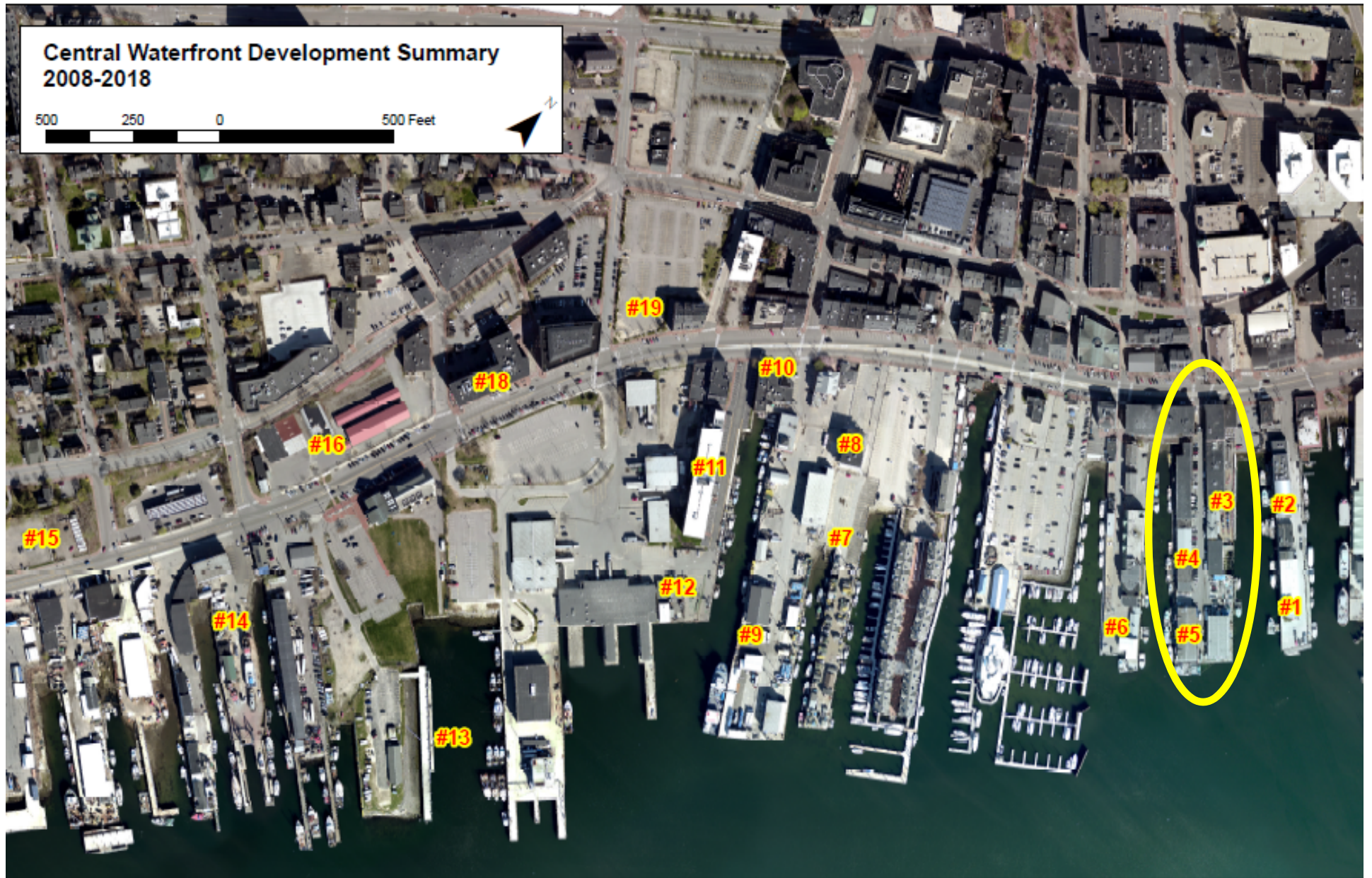


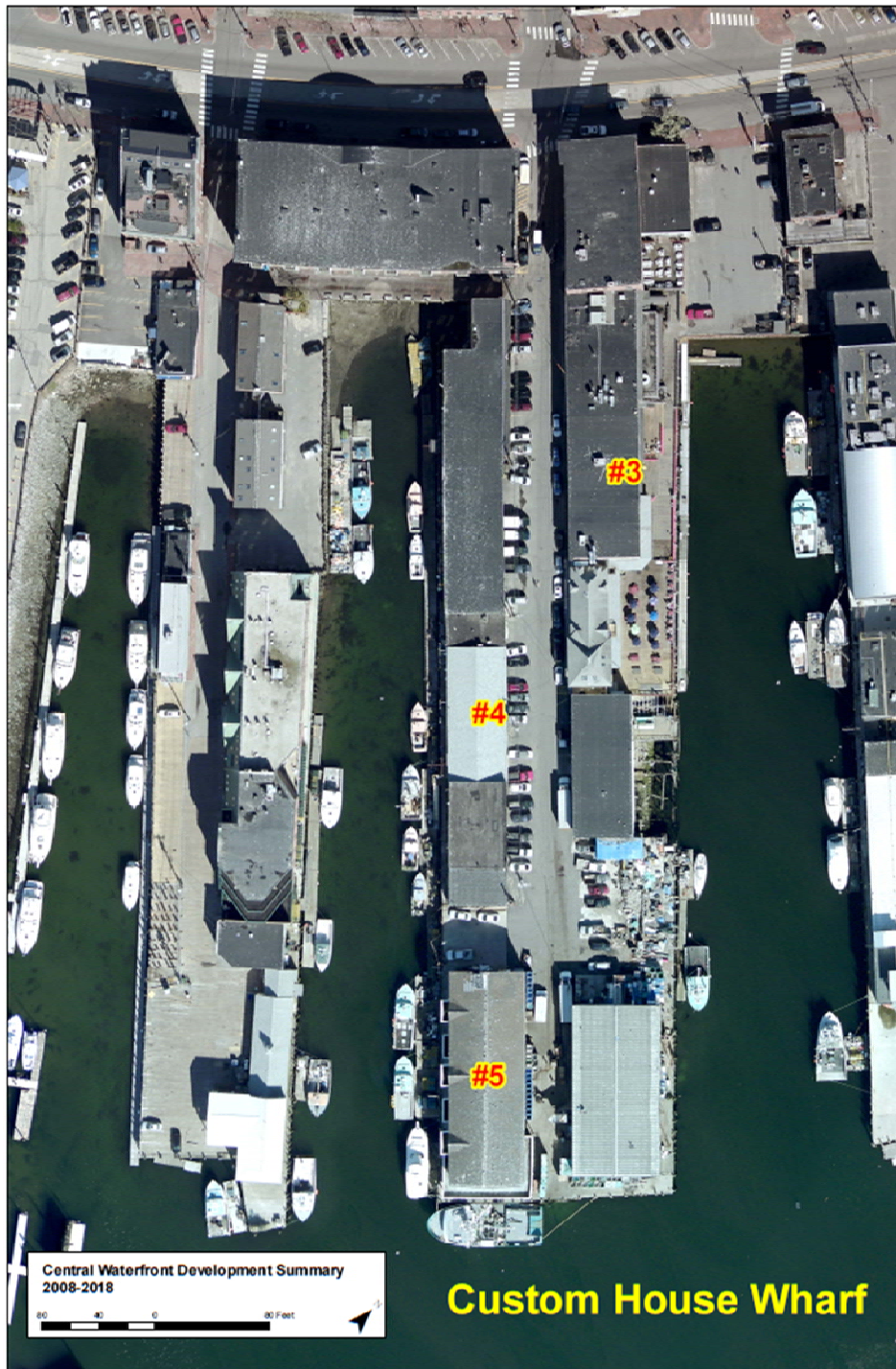
**Maine Wharf
#2 S'ly building rehab
Multiple years**



Central Waterfront Development Summary 2008-2018

500 250 0 500 Feet





Central Waterfront Development Summary
2008-2018

0 40 80 Feet

Custom House Wharf

Custom House Wharf
#3 Boone's, Porthole
Restaurants

#4 Seabags

#5 Coastal Bait



Custom House Wharf
#3 Boone's, Porthole
Restaurants
#4 Seabags

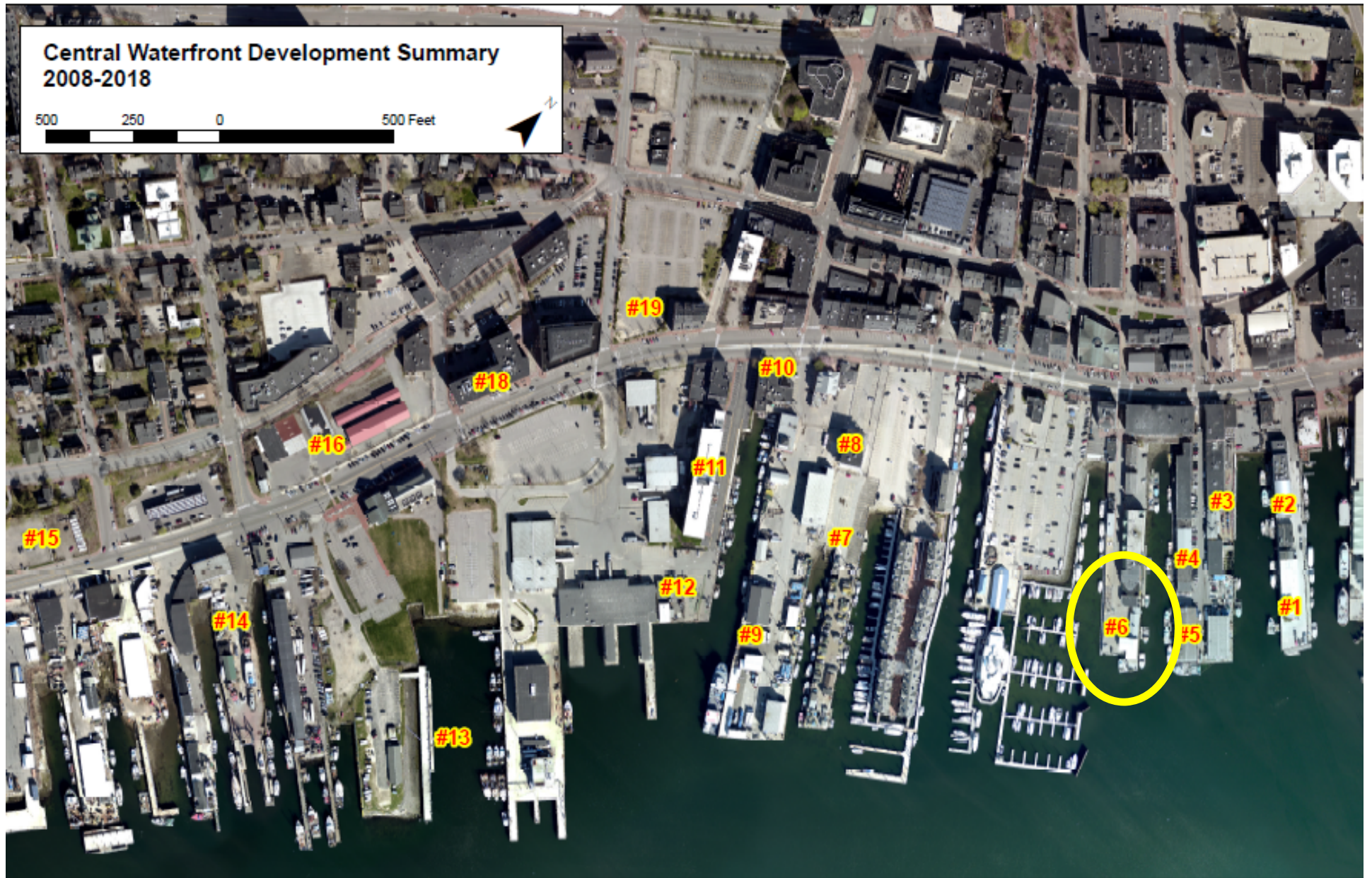


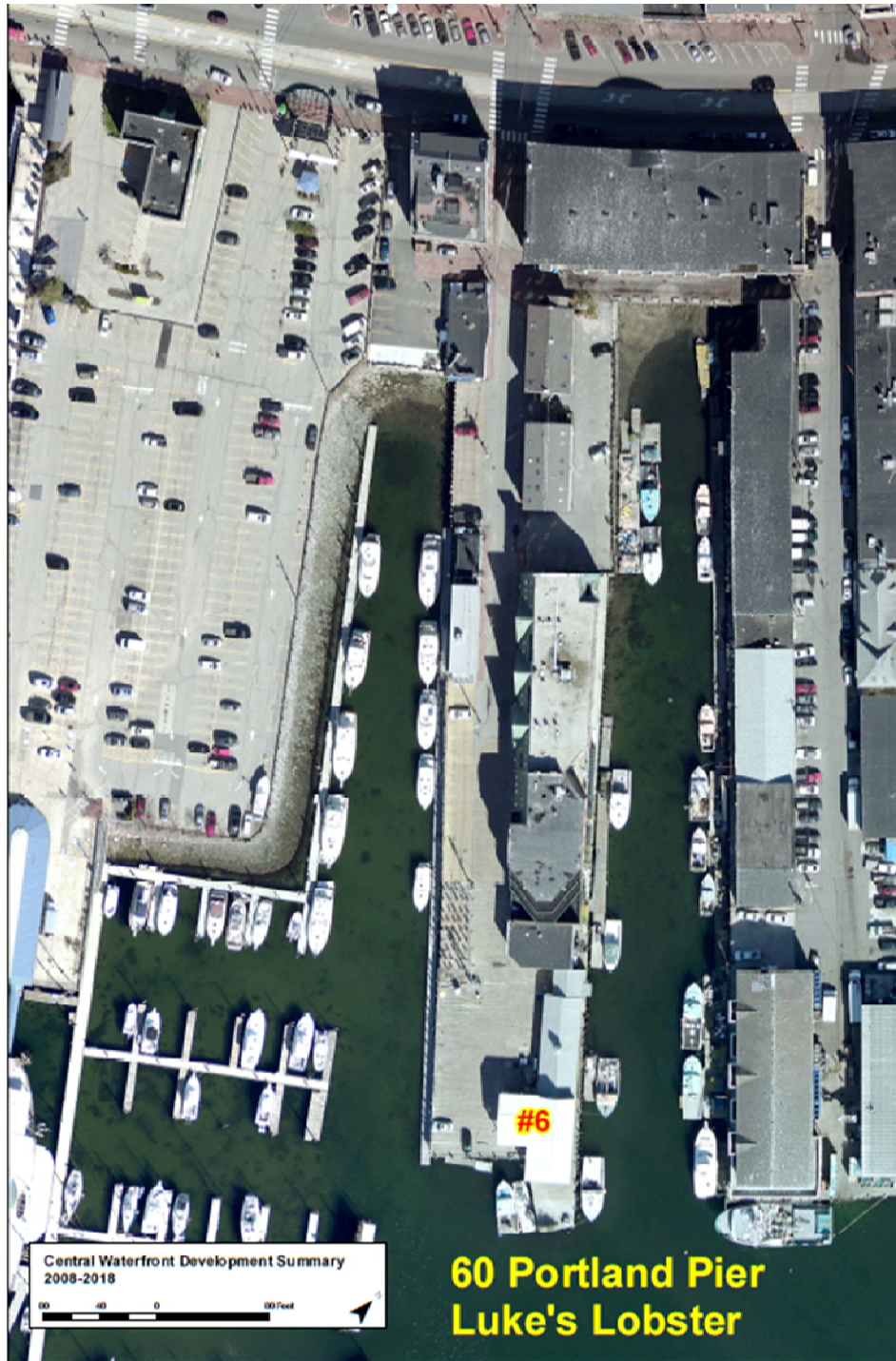
**Custom House Wharf
#5 Coastal Bait**



Central Waterfront Development Summary 2008-2018

500 250 0 500 Feet





**60 Portland Pier
Luke's Lobster**

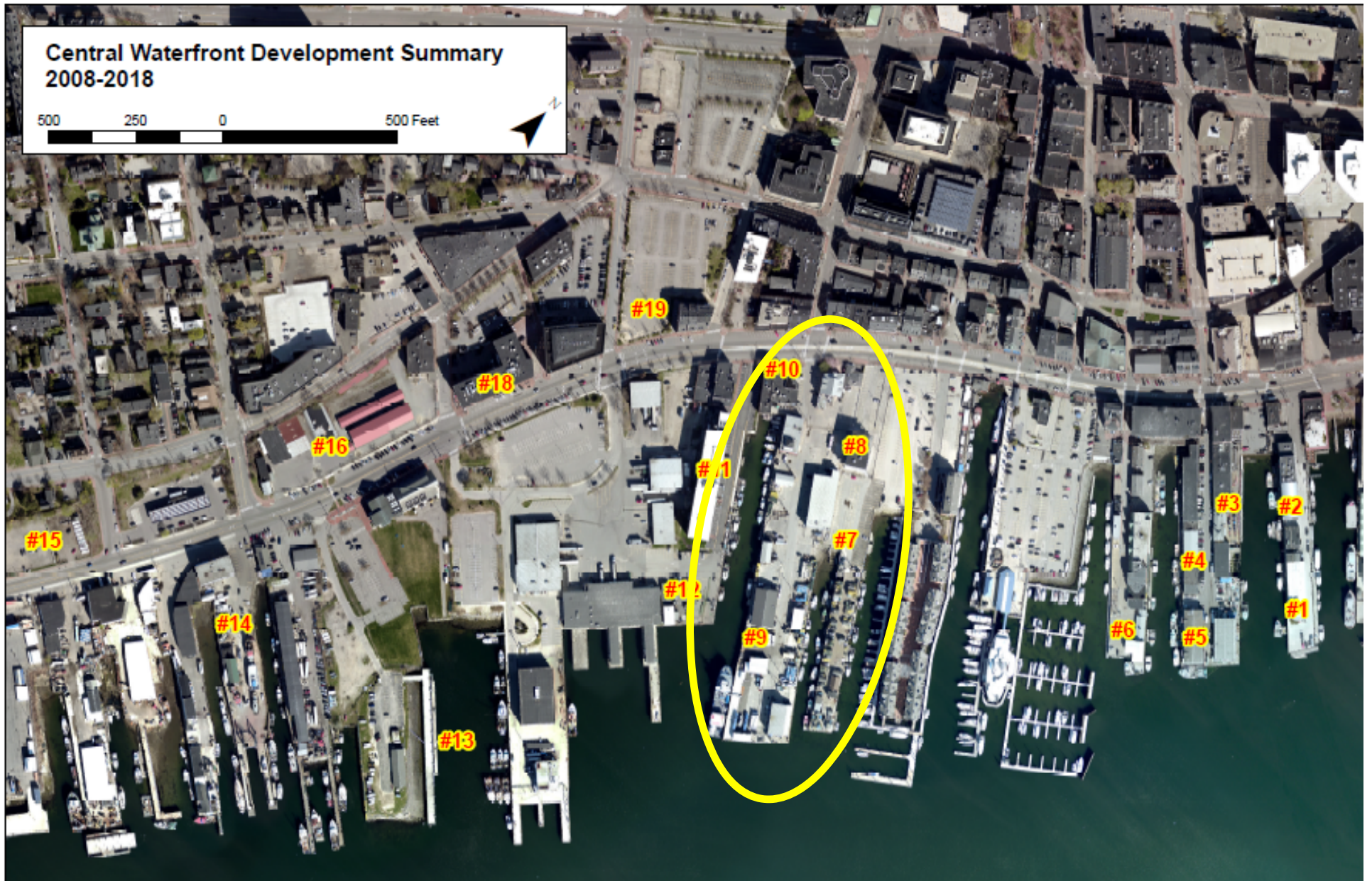
**60 Portland Pier
#6 Lukes Lobster**

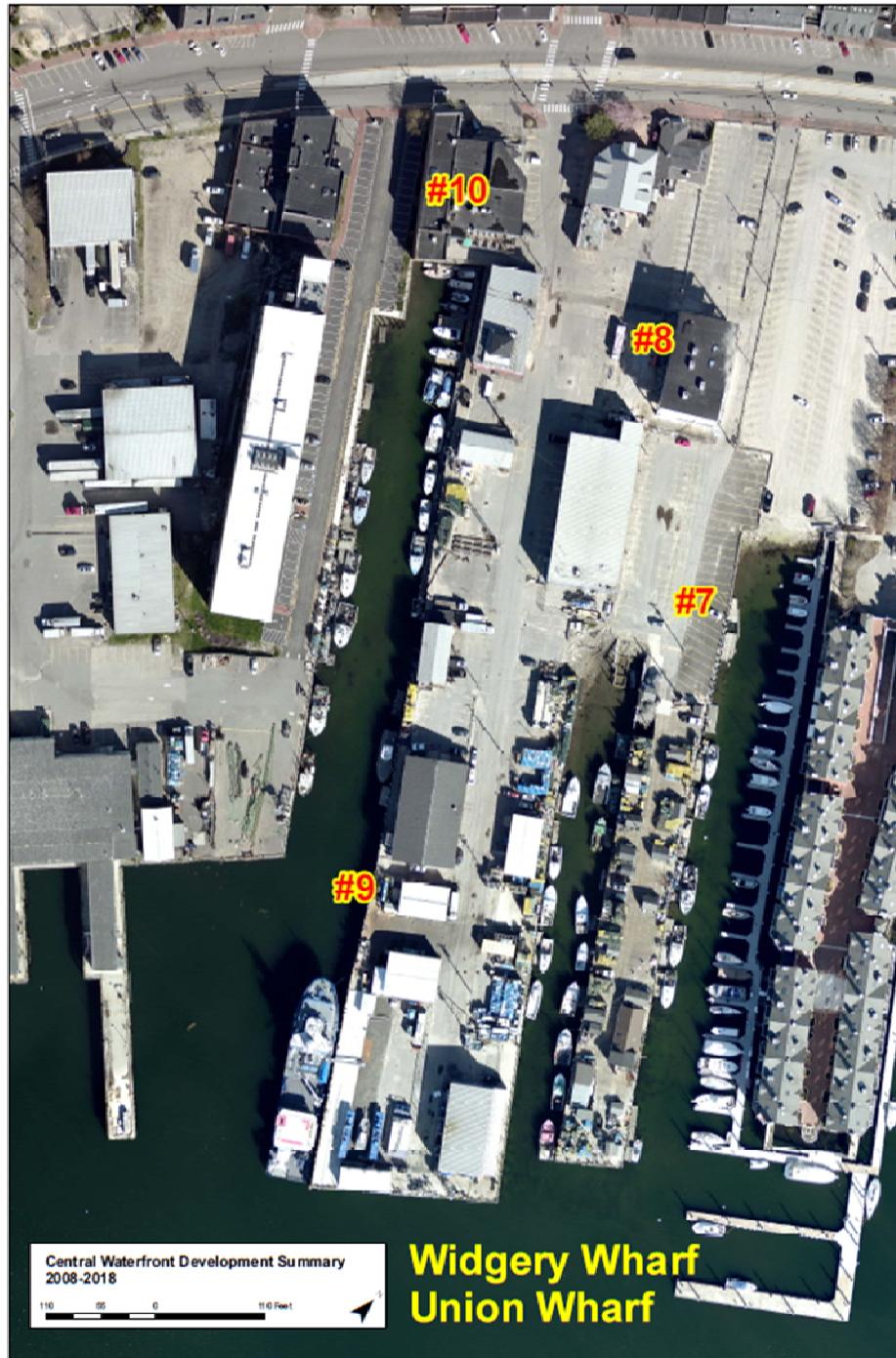


**60 Portland Pier
#6 Lukes Lobster
Under construction**

Central Waterfront Development Summary 2008-2018

500 250 0 500 Feet





**Widgery Wharf
Union Wharf**

**#8 30 Union Wharf Office Building
2018**

**#9 Union Wharf Bait Bldg
2012**

**#10 Liquid Riot
Redevelopment**

**#7 Widgery Wharf
Parking 2017**





**#8 30 Union Wharf Office
Building
2018**

**#8 30 Union Wharf Office
Building
2018**



**#9 Union Wharf Bait Bldg
2012**

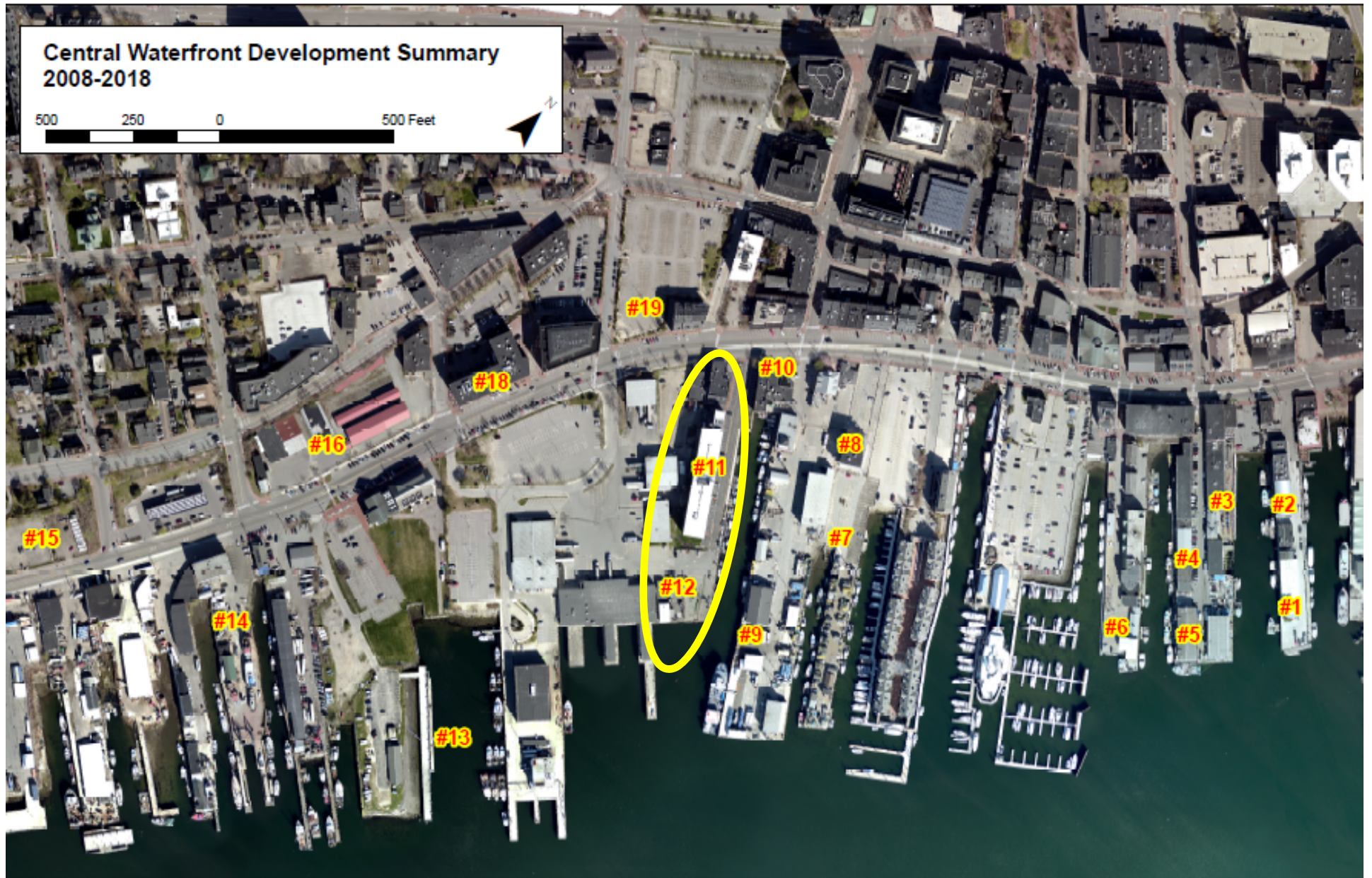


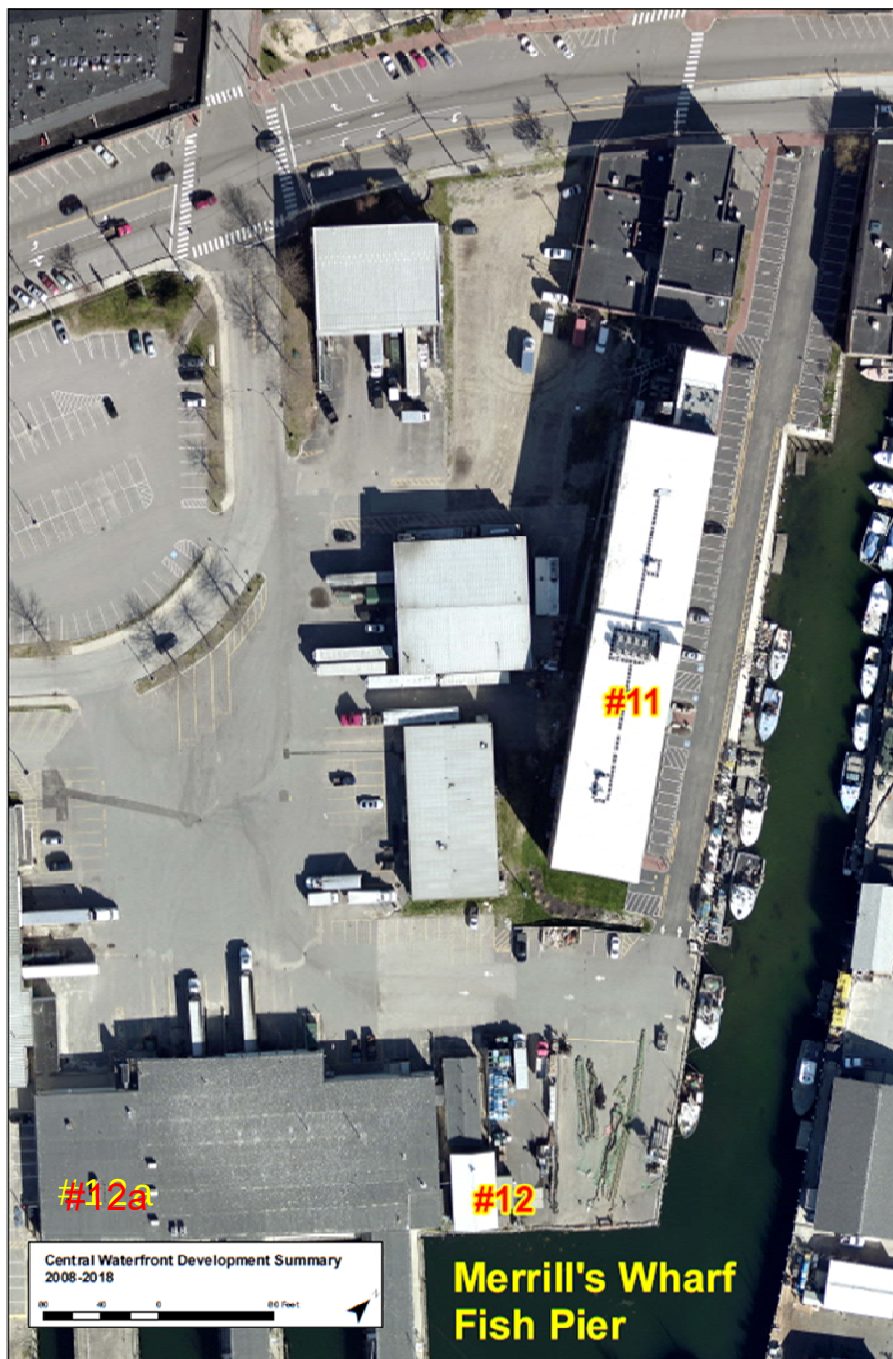


**#10 Union Wharf, Liquid Riot Redevelopment
2013**

Central Waterfront Development Summary 2008-2018

500 250 0 500 Feet





**#11 Merrill's Wharf,
Cumberland Storage
BLDG, Pierce Atwood**

**#12 Dropping Springs
Bait**

**#12a Cozy Harbor
Sublease**

**#11 Merrill's Wharf,
Cumberland Storage
Twichell-Champlin
Building 1860's**



**#11 Merrill's Wharf,
Cumberland Storage
BLDG, Pierce Atwood
2010**



**#12 Dropping Springs
Bait
2010**



**#12a Cozy Harbor
Sublease
2010**



**Central Waterfront Development Summary
2008-2018**

500 250 0 500 Feet





**#13 Gulf of Maine
Research Institute**

US Coast Guard berth

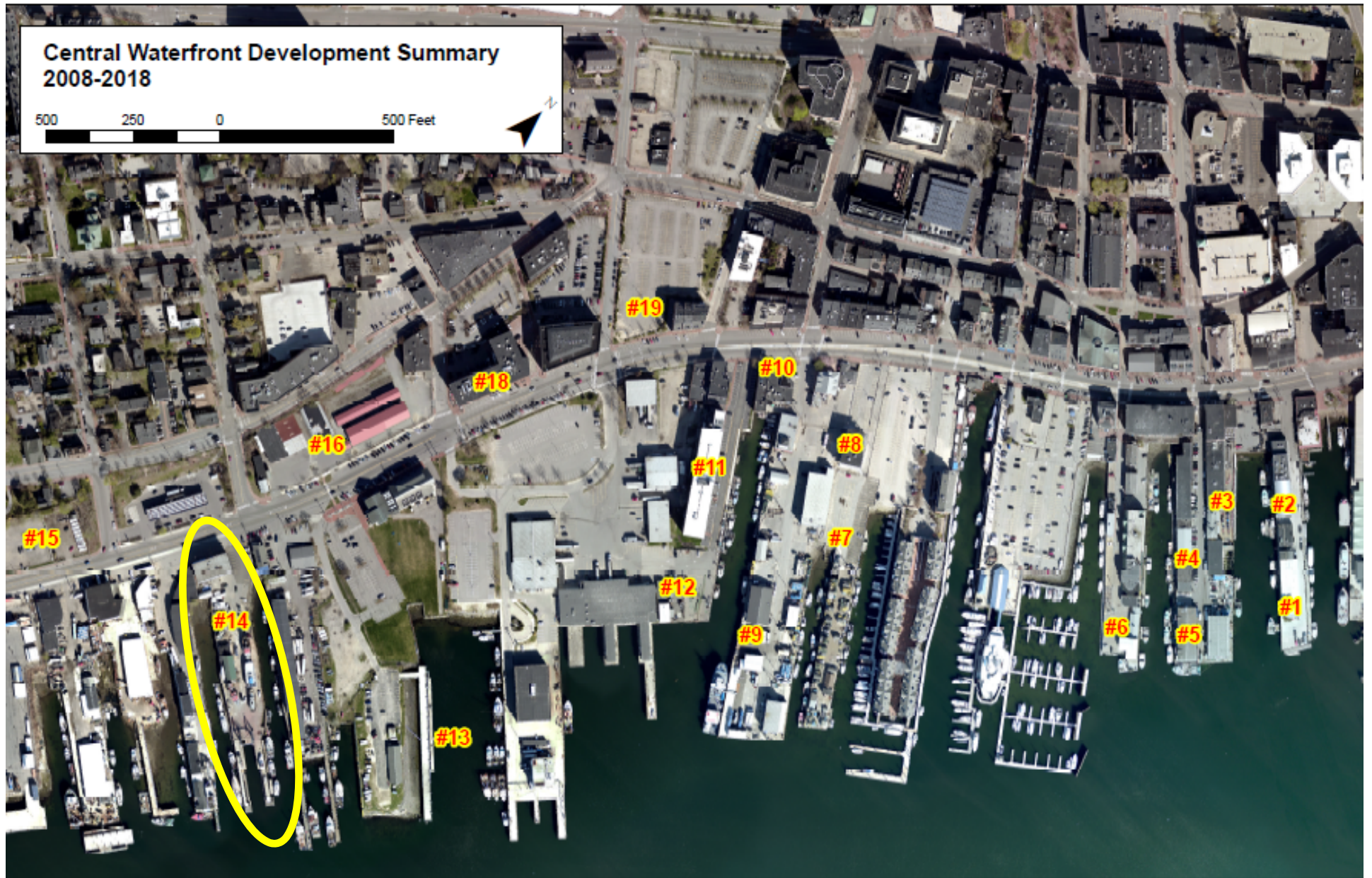
#13 Gulf of Maine Research Institute

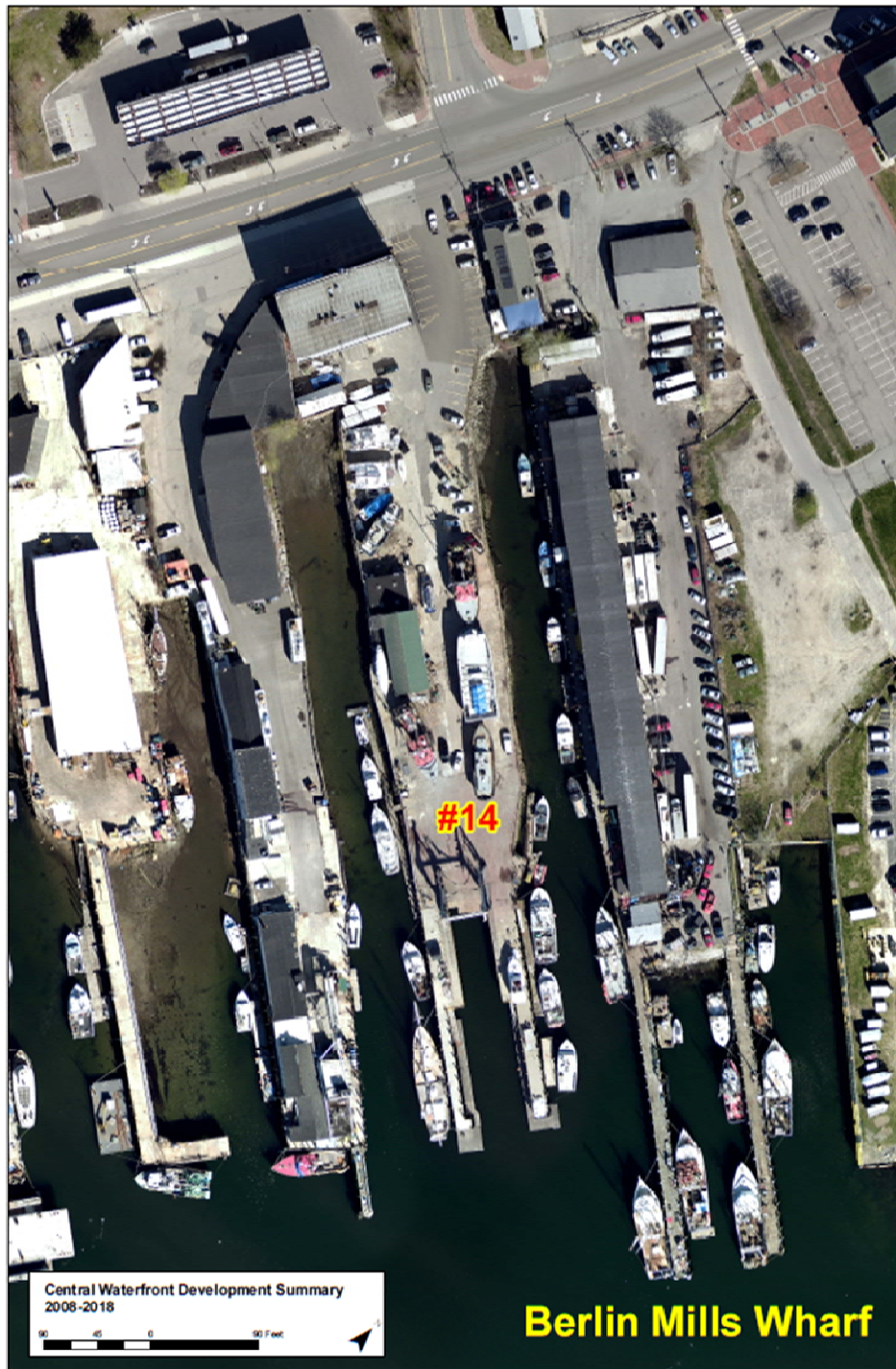
**US Coast Guard berth
2010**



**Central Waterfront Development Summary
2008-2018**

500 250 0 500 Feet





#14 Berlin Mills Wharf

Recent Vacancy

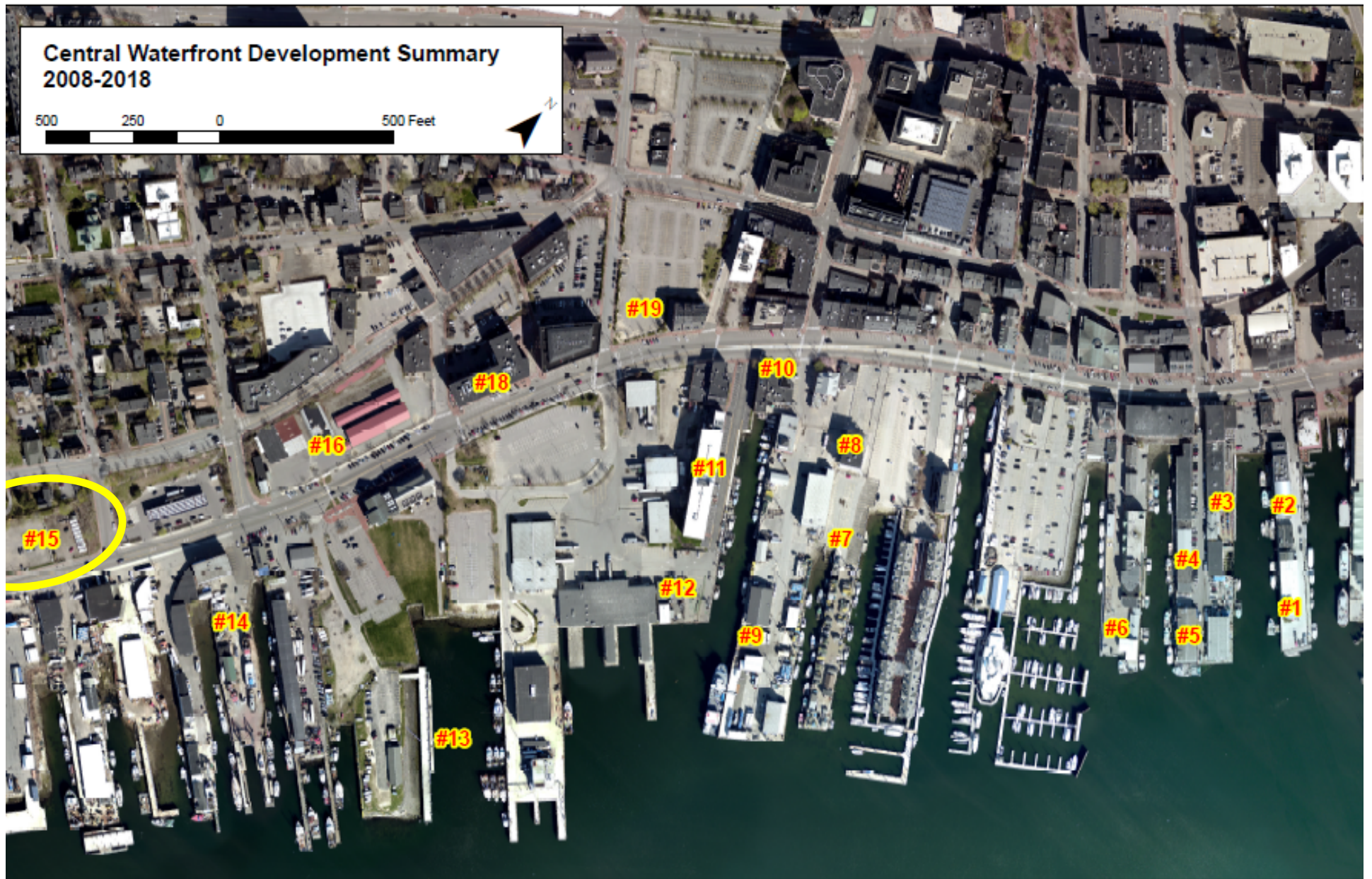
**Boat yard use moved to
Western Waterfront**



#14 Berlin Mills Wharf
Vacant and for sale, 2018

Central Waterfront Development Summary 2008-2018

500 250 0 500 Feet



#15 Angelo's Acre
Vacant lot used for day
parking – recently
expanded with removal of
recycling containers





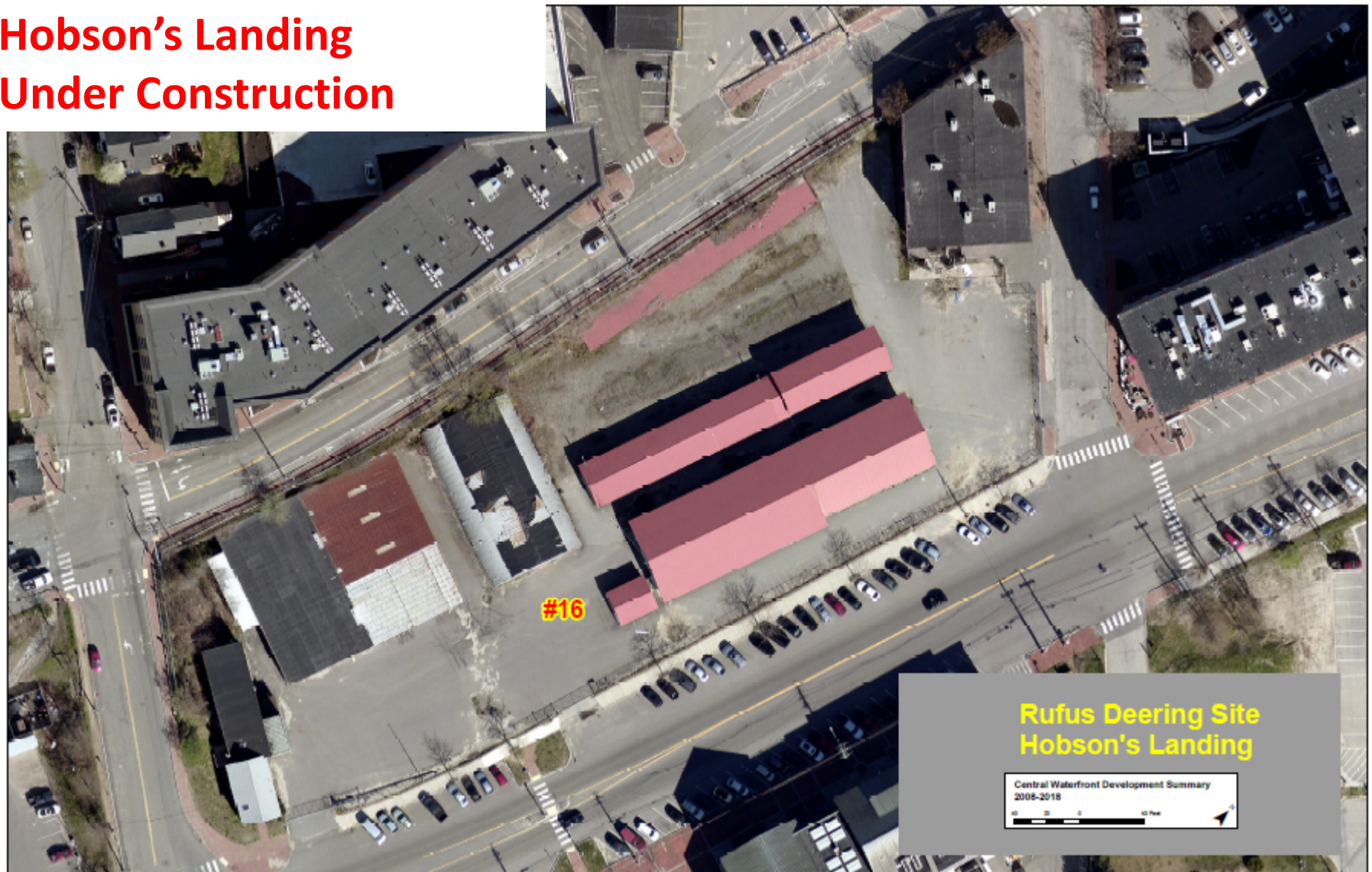
**#15 Angelo's Acre
Vacant lot used for day
parking. Parking use, +/-2016**

Central Waterfront Development Summary 2008-2018

500 250 0 500 Feet



#15 Rufus Deering Site Hobson's Landing Under Construction





**#15 Rufus Deering Site
Demolition December
2018**



#15 Rufus Deering Site
Early progress rendering.
Aerial view from York St.

- * 157 room hotel**
- * 89 condo units**
- * Retail and Parking**



383 Commercial Street
Portland, Maine

#15 Rufus Deering Site From Commercial Street.

February 2017

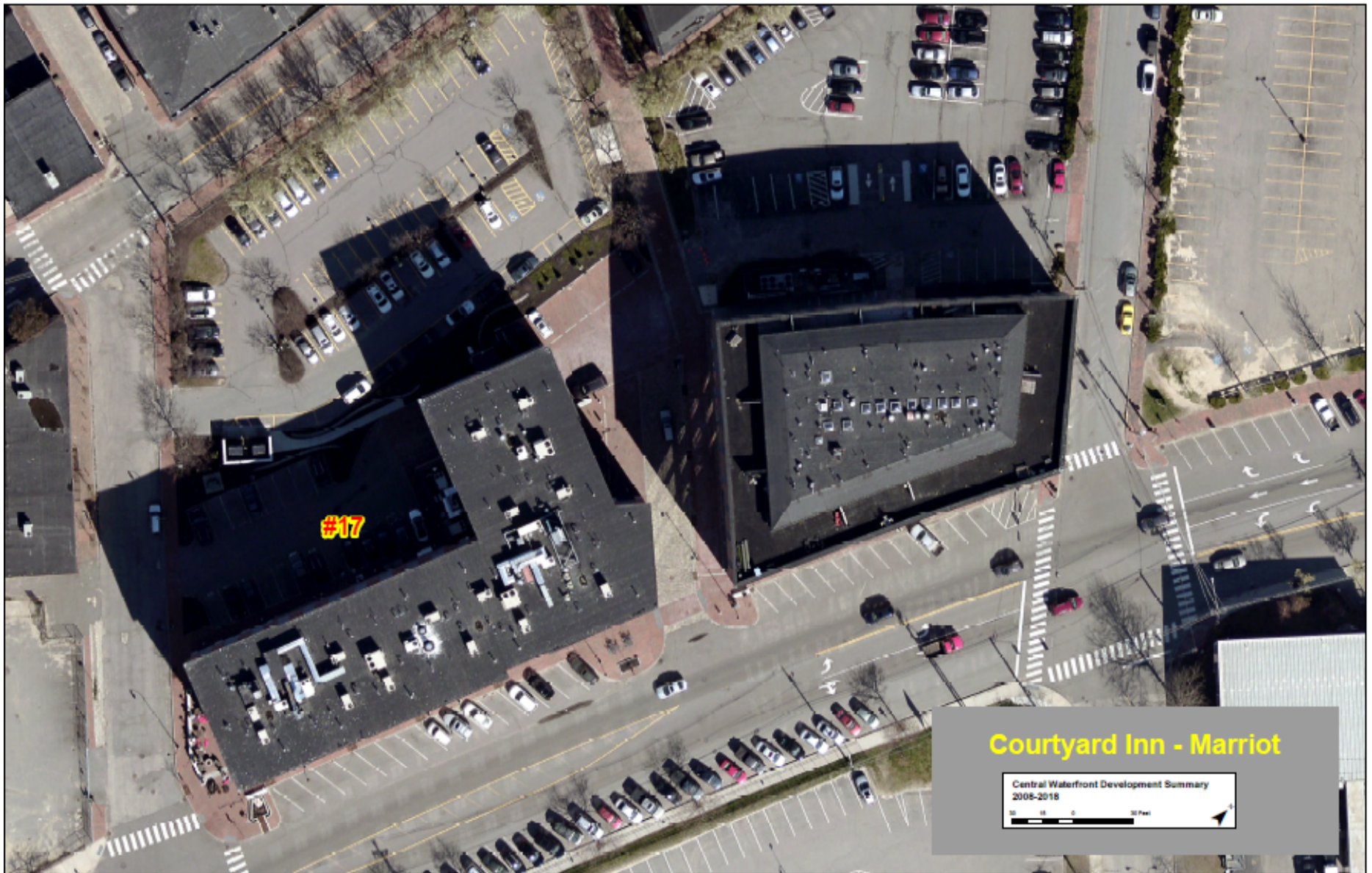


Central Waterfront Development Summary
2008-2018

500 250 0 500 Feet



#17 Courtyard Inn

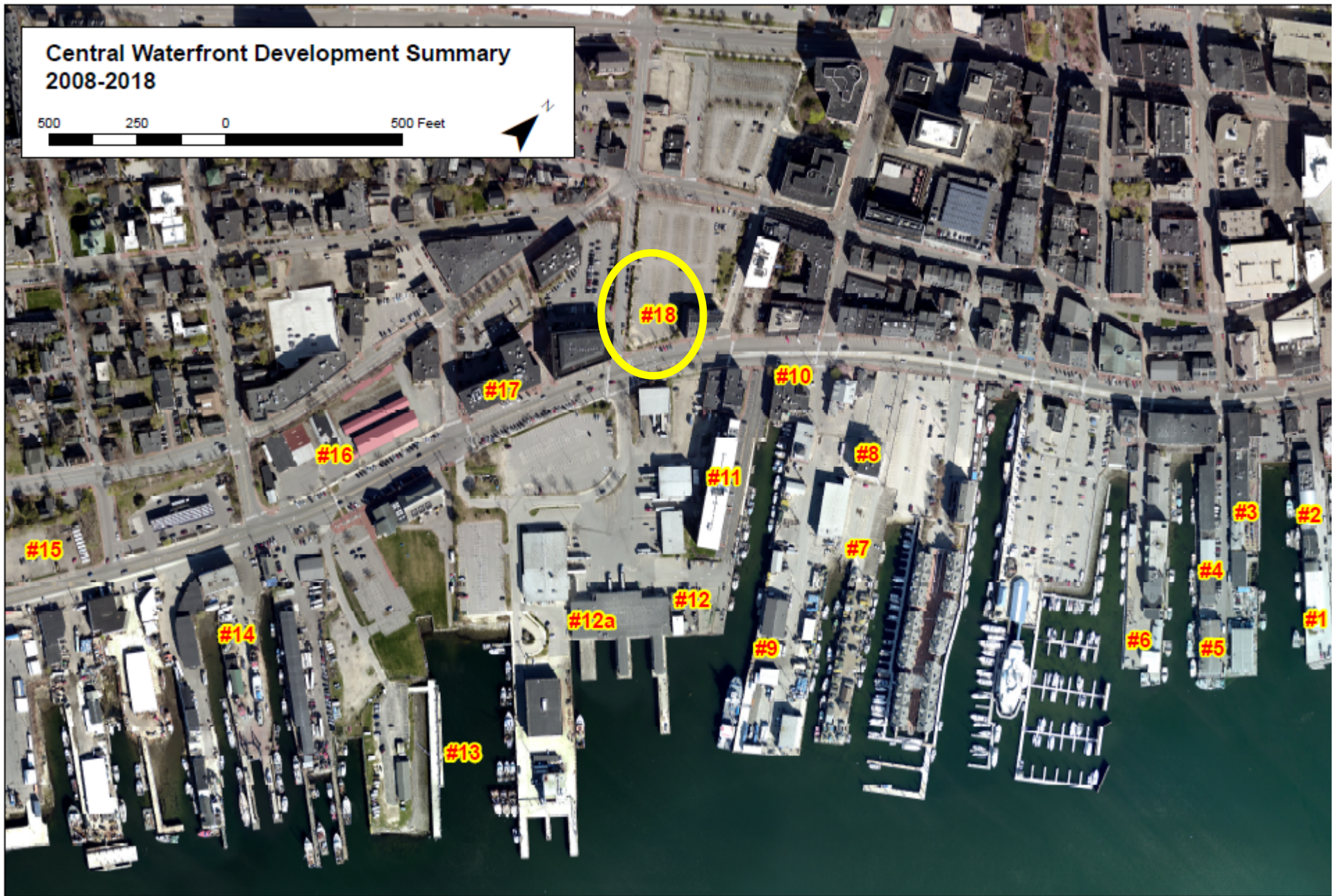


**#17 Courtyard Inn
Under construction
2013**



Central Waterfront Development Summary
2008-2018

500 250 0 500 Feet



#18 Center Street Hotel Pending review



Center Street Hotel
Pending

Central Waterfront Development Summary
2008-2018

0 10 20 Feet



#18 Center Street Hotel
Under review.
Construction anticipated
2019

02

Fathom HKS CONCEPTUAL DESIGN
11.07.2018

#18 Center Street Hotel
Is the first phase of a
major development
master plan, currently
under review



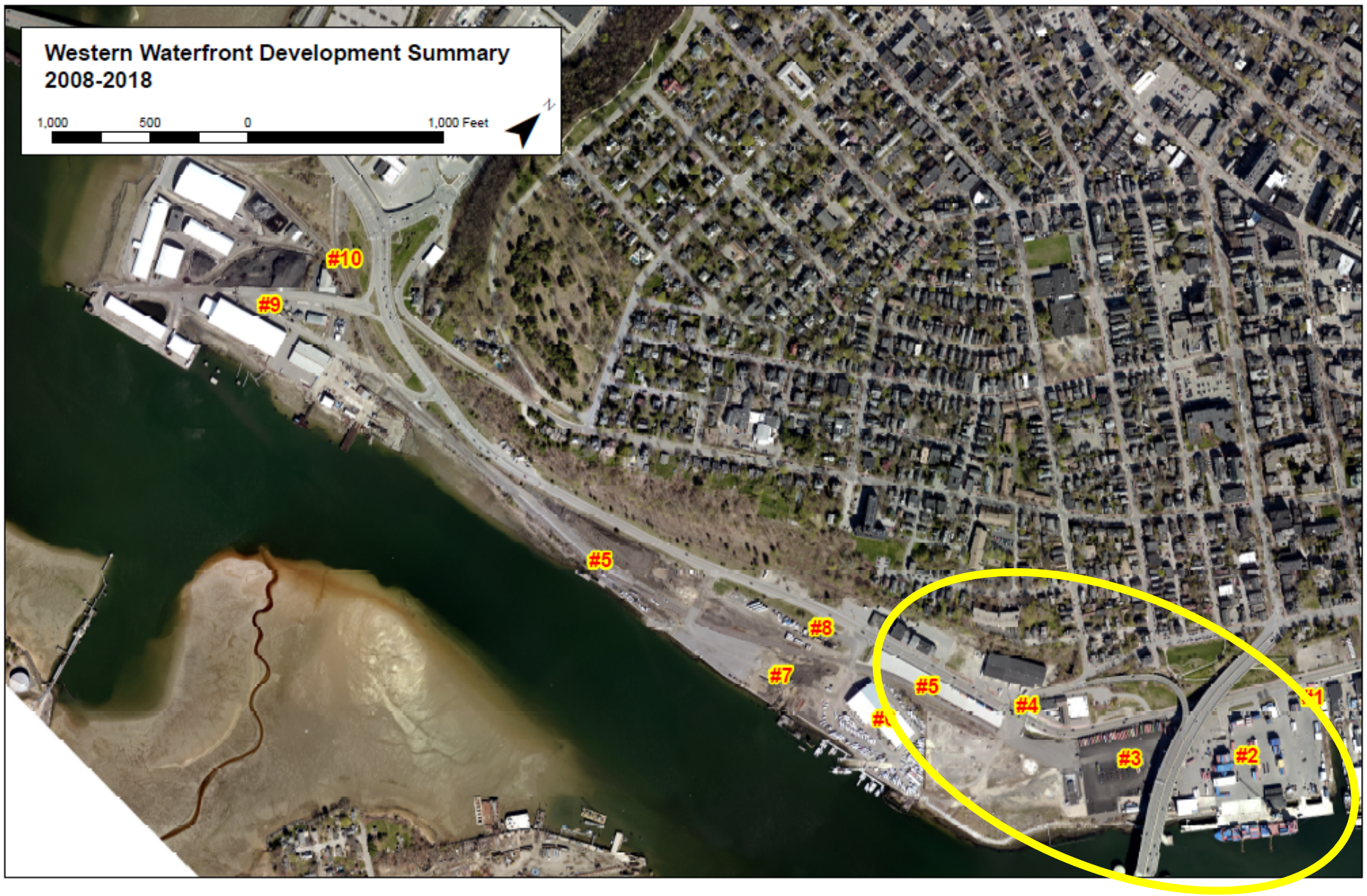
Western Waterfront Development Summary 2008-2018

1,000 500 0 1,000 Feet



**Western Waterfront Development Summary
2008-2018**

1,000 500 0 1,000 Feet



International Marine Terminal

#1 Admin Offices

#1a Ops and Maintenance Bldg

#2 Pier infill and yard improvements

#3 Drop and Pick Lot

#4 Intersection Improvements

#5 Rail extension and improvements



International Marine Terminal
#1 Admin Offices
#2 Pier and Yard improvements
2011



**International Marine Terminal
#1 Admin Offices
Current**



**International Marine Terminal
#1a Ops and Maintenance Bldg
Under construction
New Crane 2018**



International Marine Terminal

#3 Drop and Pick Lot +/-2015

#4 Intersection Improvements +/-2015

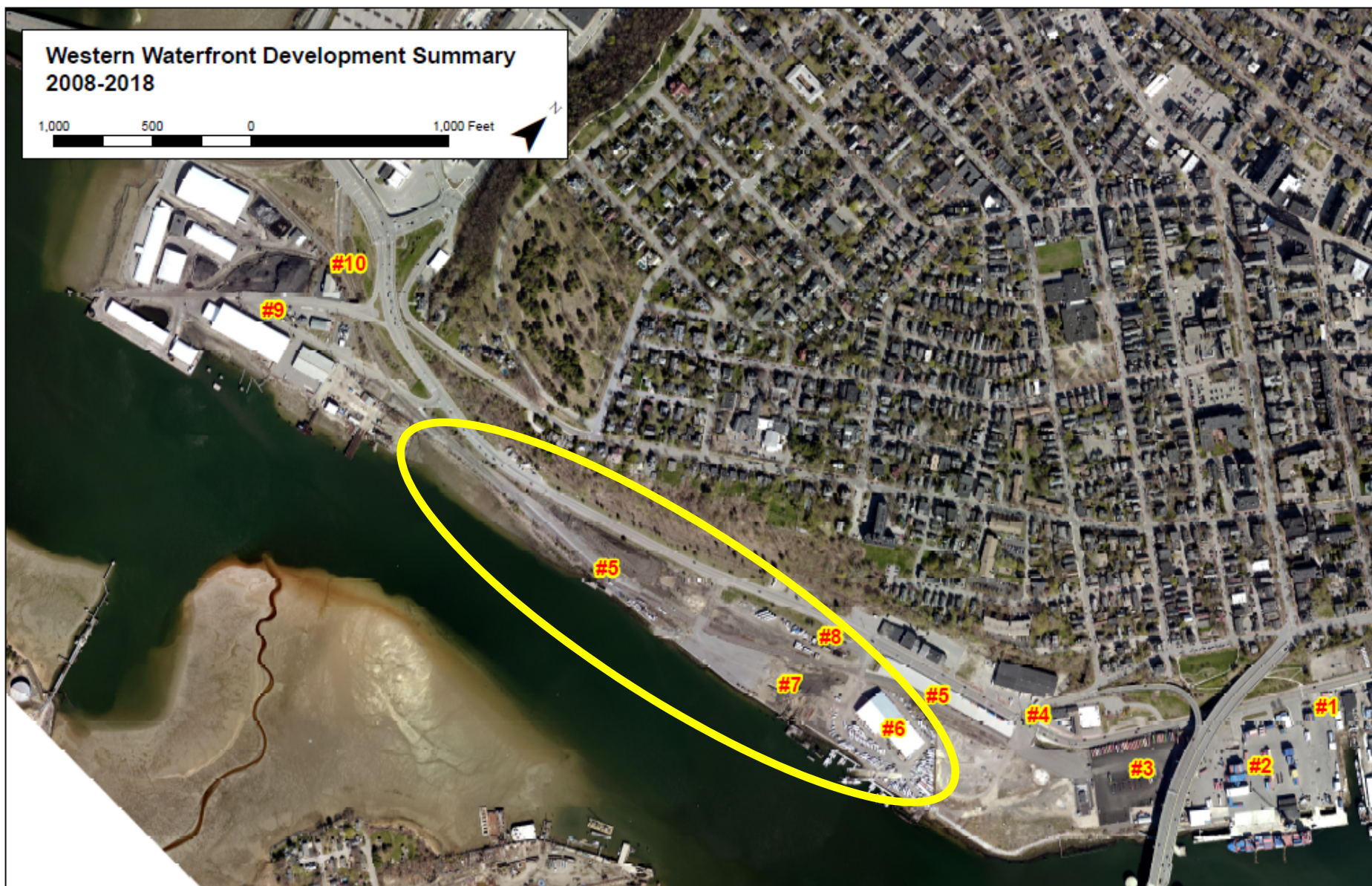


**International Marine Terminal
#5 Rail extension and improvements
2015-2017**



**Western Waterfront Development Summary
2008-2018**

1,000 500 0 1,000 Feet



Portland Shipyard, PYS

#6 PYS Service and Storage sheds

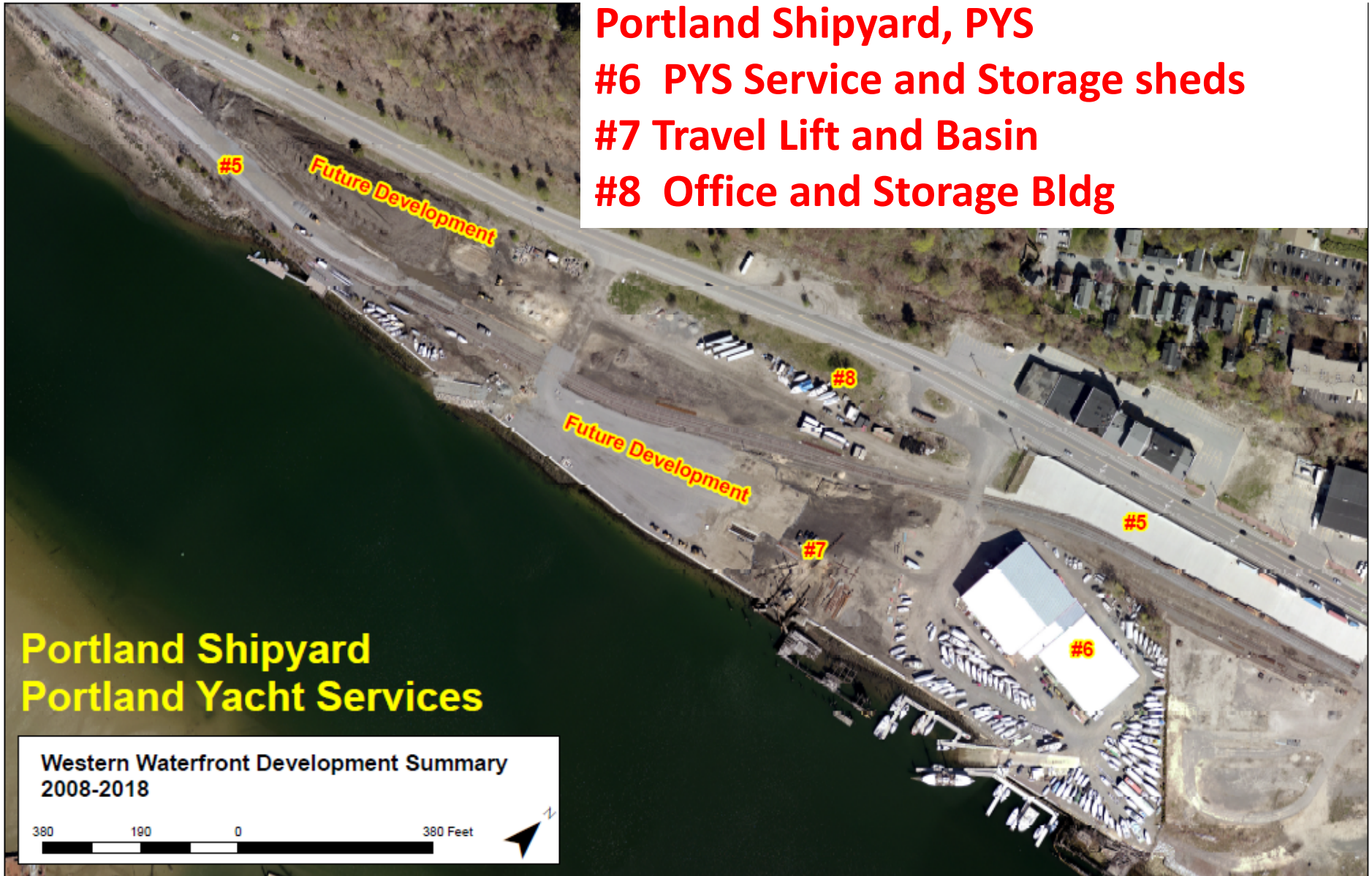
#7 Travel Lift and Basin

#8 Office and Storage Bldg

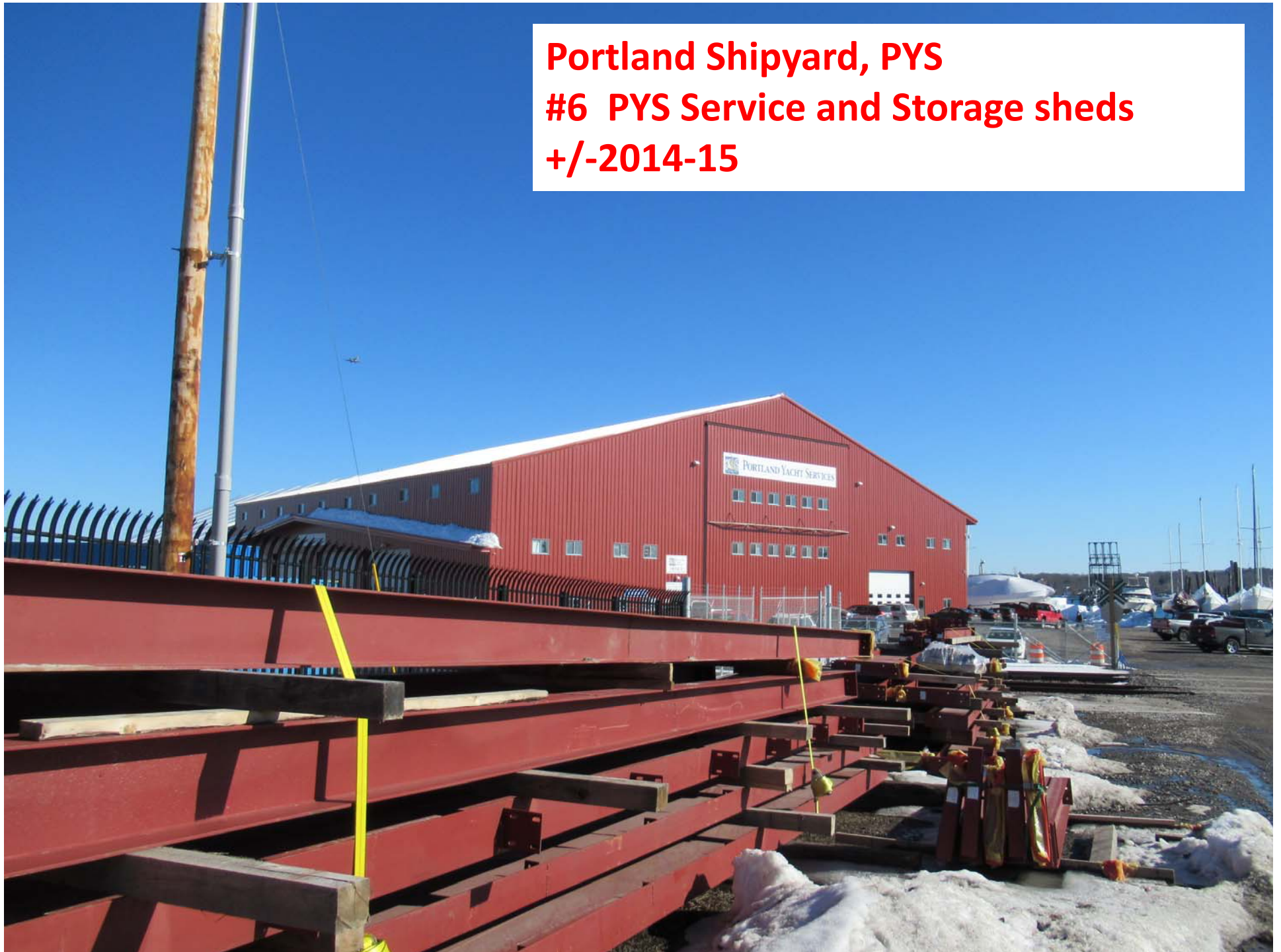
**Portland Shipyard
Portland Yacht Services**

Western Waterfront Development Summary
2008-2018

380 190 0 380 Feet



Portland Shipyard, PYS
#6 PYS Service and Storage sheds
+/-2014-15

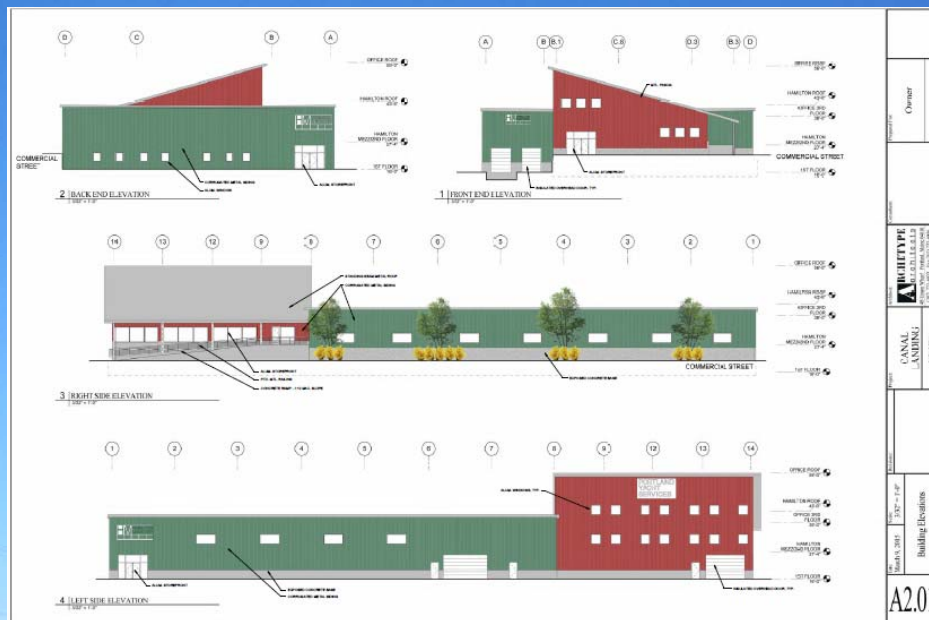




**Portland Shipyard, PYS
#7 Travel Lift and Basin 2018**

**Portland Shipyard, PYS
#6 , #7 Associated yard, floats and
ramps 2014-present**





**Portland Shipyard, PYS
#8 Office and Storage Bldg
Under construction**

**Western Waterfront Development Summary
2008-2018**

1,000 500 0 1,000 Feet





This aerial photograph shows the Cassidy Point waterfront area. On the left, a large industrial facility with several white-roofed buildings is situated along the water. To the right, a multi-lane highway with a complex interchange runs diagonally. Further right, a residential area with houses and trees is visible. Two specific locations are highlighted with yellow labels: '#9' is located near the waterfront, and '#10' is located near the highway interchange. The terrain is a mix of developed land, open fields, and wooded areas.

Cassidy Point Hagge and Dana Projects

Western Waterfront Development Summary
2008-2018

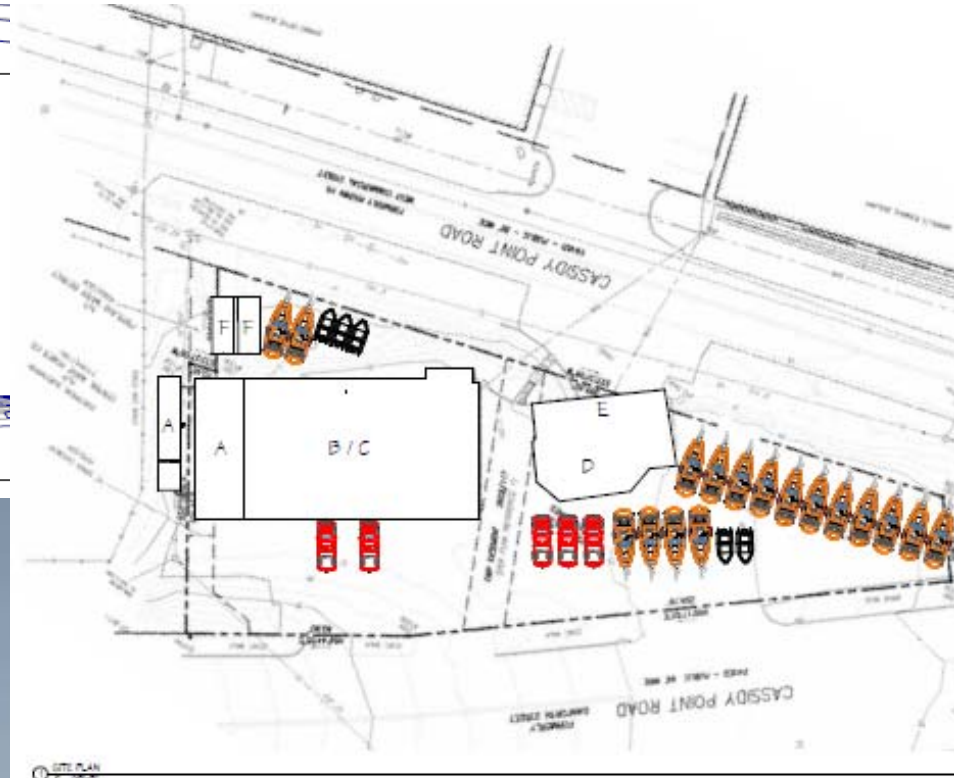
380 190 0 380 Feet



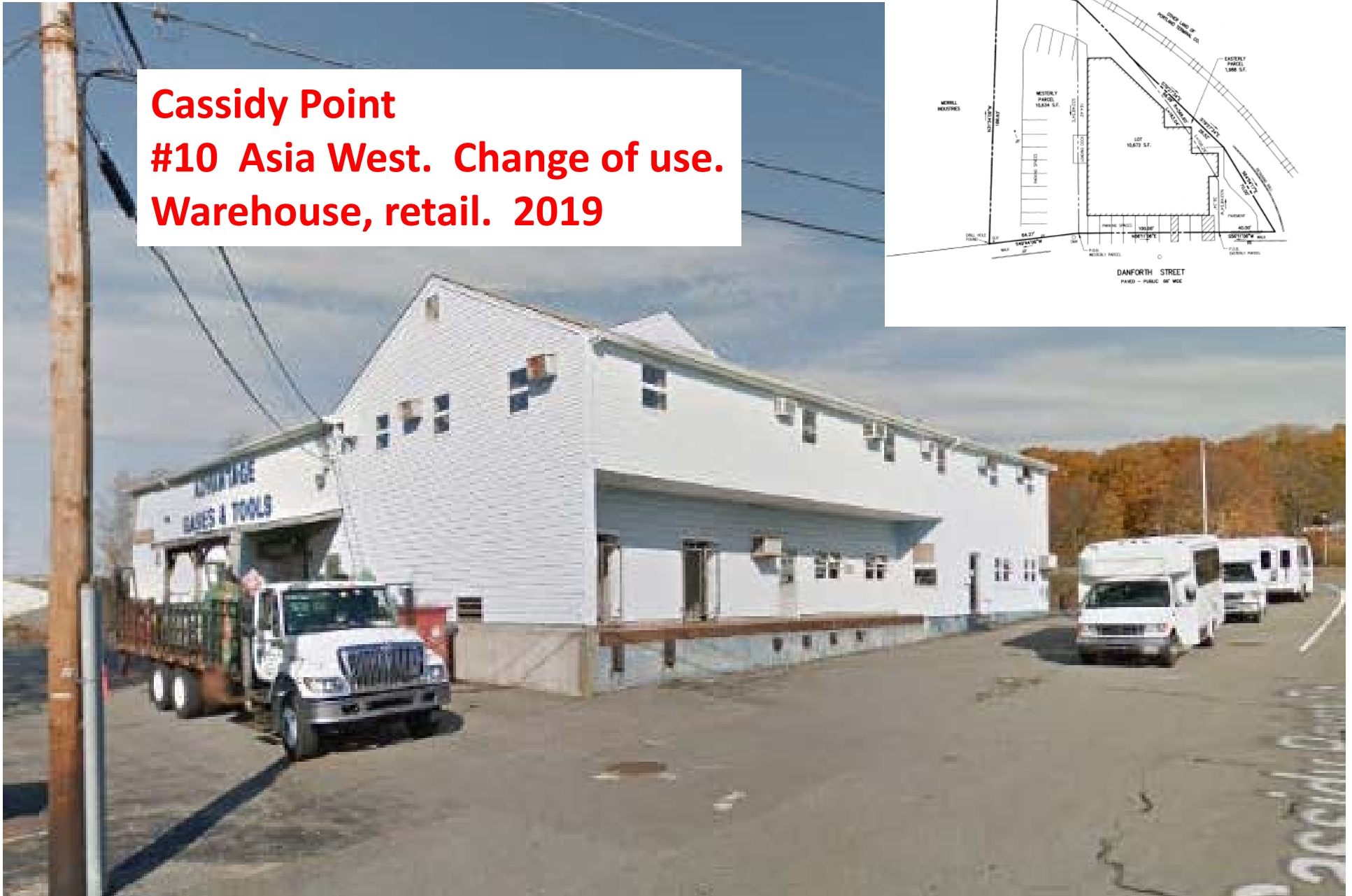
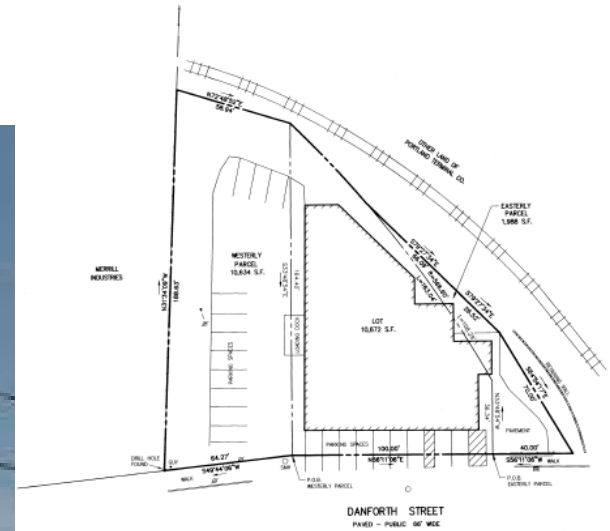


UPPER CASSIDY

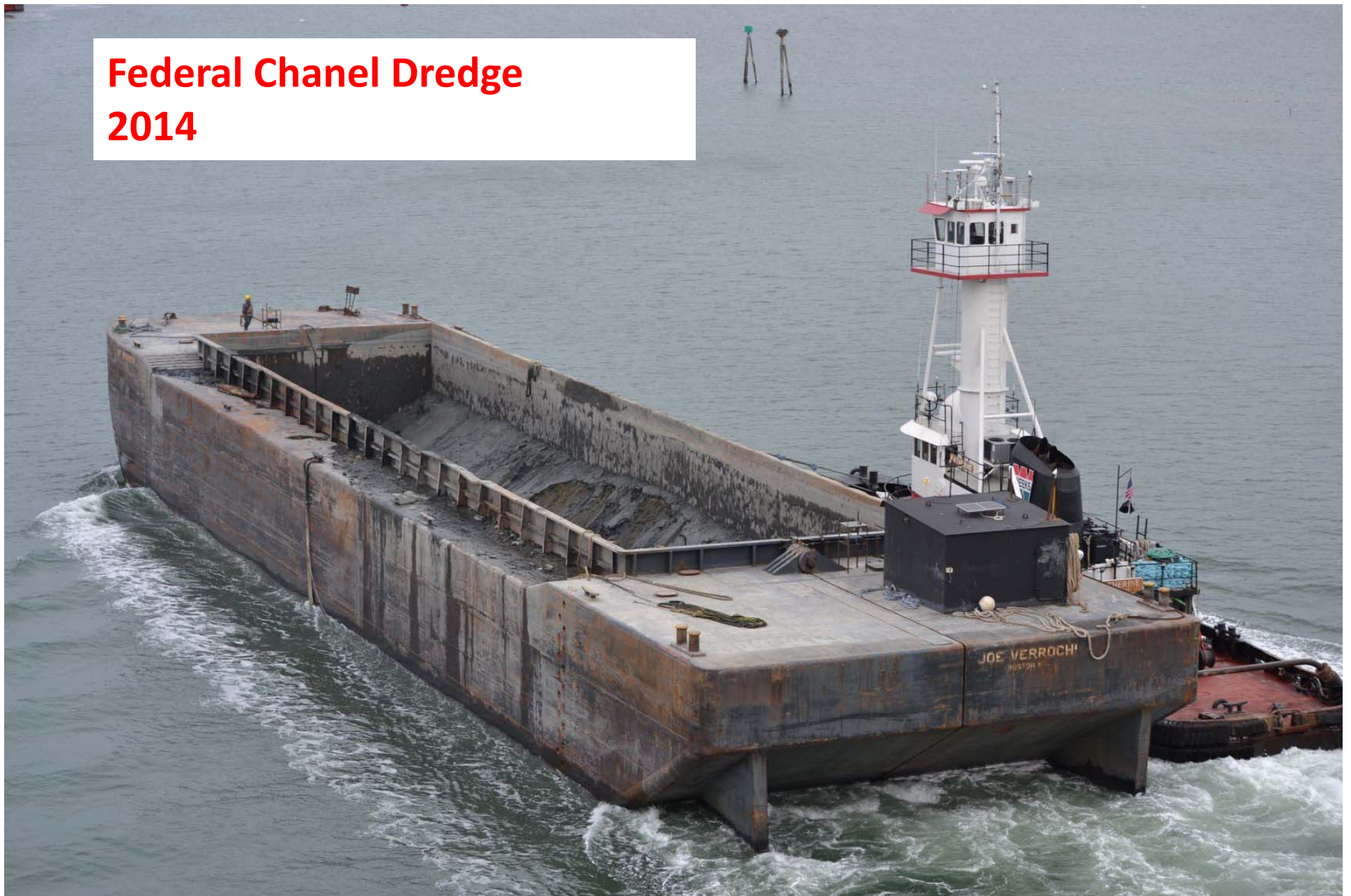
Cassidy Point #9 Hagge light industrial and marine complex. 2019



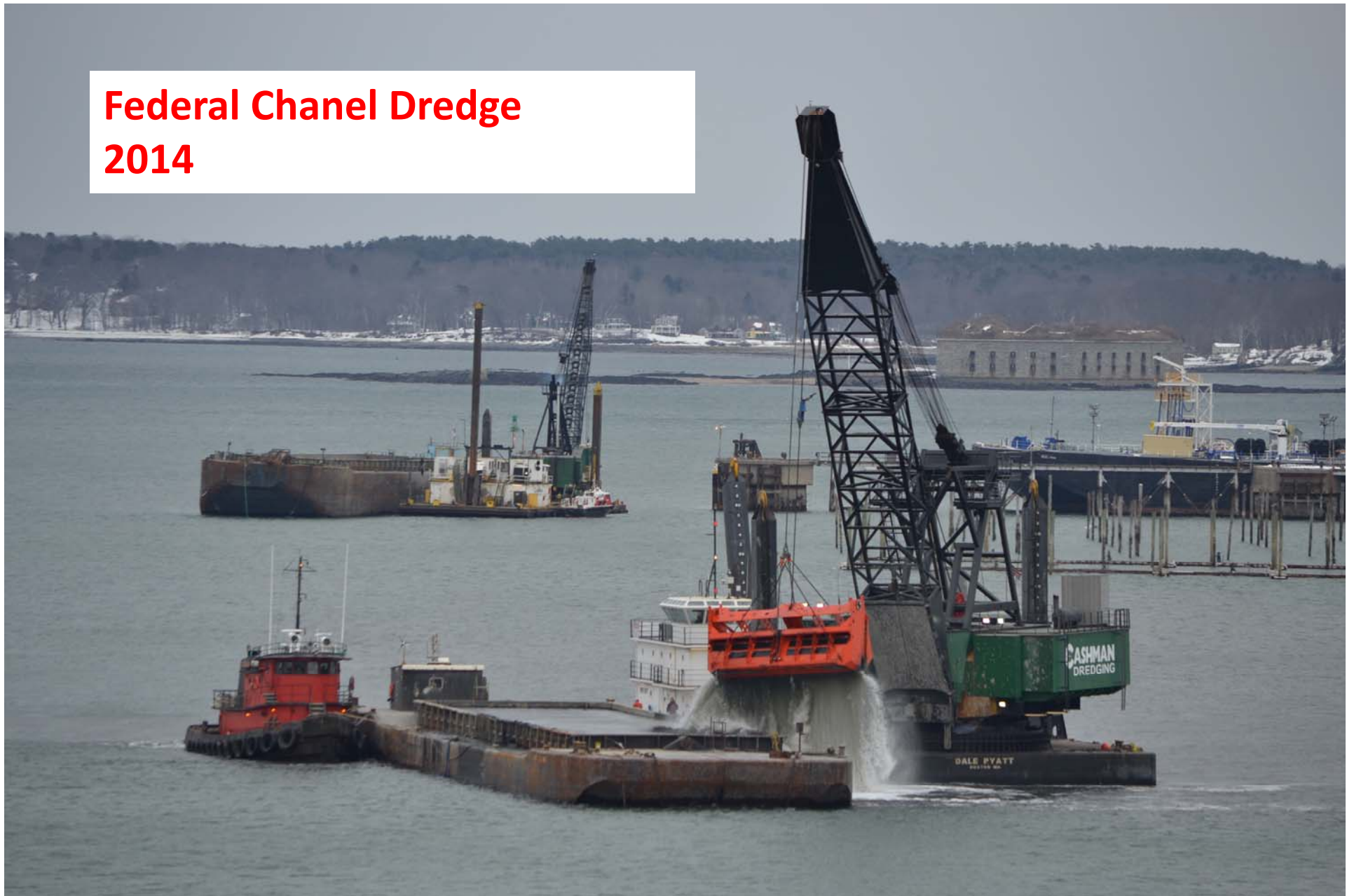
**Cassidy Point
#10 Asia West. Change of use.
Warehouse, retail. 2019**



Federal Channel Dredge 2014



Federal Channel Dredge 2014



**Pier and Berthing Dredge
Planning underway**



Central and Western Waterfront Development Summary

2008 to Present

Questions?

