

Minutes
Economic Development Committee
August 20, 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, August 20, 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 (arriving during Item #2 on the Agenda), Nicholas Mavodones, and Councilor Spencer Thibodeau. Present from the City staff were Public Buildings Director Kathy Alves, Public Works Director Christopher Branch, Housing and Neighborhood Services Division Director Mary Davis, Associate Corporation Counsel Michael Goldman, City Manager Jon Jennings, Economic Development Director Greg Mitchell, and Office of Economic Opportunity Director Julia Trujillo.

Item #1: Review and accept Minutes of previous meeting held on June 18, 2019.

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

Item #2: Overview and outcome of the City Request for Proposals (RFP) to invest City Pilot Workforce Training Program funds.

Mr. Mitchell provided an update on this Pilot program to invest Tax Increment Financing (TIF) funds for workforce training. One aspect is investing in Portland Adult Education with \$100,000 in pilot TIF funds to enhance its workforce training, and the other is a

\$150,000 City pilot program to invest in Portland employer workforce training needs. Mr. Mitchell said that this is an update only on the results from the RFP process and steps for staff implementation of the program.

Ms. Trujillo then spoke to marketing and outreach efforts to the business community for responses to the RFP. As of the deadline, the City received one response from Coastal Counties Workforce, Inc., and staff is recommending entering into a contract for its ***Proposed Frontline Health Care Careers for New Immigrants Program***. She then described the proposed program that has the goal of training 65 new immigrants for health care careers that do not require a Bachelor's degree.

The consensus of the Committee was for staff to move forward in that direction.

Item #3: Public hearing and vote, in the form of a recommendation to the City Council, on an Option and Lease Agreement of City owned property located at 83 Middle Street with Community Housing of Maine (CHOM) to support a 49-unit affordable housing rental project (for seniors aged 55 and older, with preference for 11 units for long-term stayers).

a) See enclosed memo from Mary Davis.

NOTE: Pursuant to 1 M.R.S.A. 405(6)(C), the Committee may go into executive session to provide City staff general policy guidance this real estate matter.

Ms. Davis provided the Committee with an overview of this item noting that 83 Middle Street is a vacant piece of land that has been utilized for parking by the Police Department for a number of years. A lease is being proposed with CHOM for 99 years at \$1/year to develop 49 units of affordable rental housing for seniors aged 55 and older, with a preference for 11 units for long-term shelter stayers, parking, and ground level commercial space. Ms. Davis also noted that CHOM is applying for low-income tax credits next month, and that this would be a taxable project.

Chair Costa then opened the meeting for public comments.

A neighborhood resident had a question related to tenant leasing, and CHOM indicated that to be one year leases with renewal options.

A second neighborhood resident had a question related to project development and its relation to real estate values in the area, while also noting the neighborhood's growing issues with the homeless population.

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

Chair Costa commented that there will be a separate process with the Planning Board as the project moves forward with regulatory approvals.

Mr. Jennings provided an overview of the recent shelter process in choosing the City's Riverside Street property as the site.

Ms. Davis noted models for affordable housing projects and connections to social service providers.

Councilor Mavodones asked about other project financing and explained that site plan review process is different from this level regarding project development.

Ms. Davis noted that Maine State Housing Association would also be providing some project financing.

Councilor Thibodeau said that he supports mixed use and 11 units for long-term shelter stayers, noting that it is not intended to be an emergency shelter.

Chair Costa noted that staff recommends an option period for this lease through June 30, 2021.

Councilor Mavodones indicated that the structure of the deal makes sense, and it was good for taxpayers and supports more housing.

Councilor Thibodeau made a motion to forward this item to the City Council with a recommendation for approval. Councilor Mavodones seconded that motion and it then passed unanimously.

Item #4: Overview and discussion of required property acquisitions to support the Somerset Street Extension Project, in Bayside, from Elm to Brattle Streets.

b) See enclosed memo from Chris Branch

NOTE: Pursuant to 1 M.R.S.A. 405(6)(C), the Committee will go into executive session to provide City staff general policy guidance this real estate matter.

Mr. Branch provided an overview of the proposed extension of Somerset Street, noting that Federal highway funds are being utilized for the project.

Mr. Mitchell added that there are two affected property owners, and the City has drafted agreements which the Committee can review in executive session if it so chooses.

After Committee discussion, consensus was to not go into executive session and to take this up at the next meeting for a public hearing and vote on a recommendation to the City Council.

Item #5: Executive session: Pursuant to 1 M.R.S.A. 405(6)(C), the Committee will go into executive session to provide City staff general policy guidance on the following real estate matters:

- a) **Possible City interest to lease property;**
- b) **Possible public-private partnership to attract post secondary education investment to Portland; and,**
- c) **Possible extension of the Portland Technology Park Lot 1 Real Estate Option.**

On motion made by Councilor Mavodones, seconded by Councilor Thibodeau, the Committee voted unanimously at approximately 6:35 p.m. to go into executive session pursuant to 1 M.R.S.A. 405(6)(C) to provide City staff general policy guidance on the real estate matters listed directly above. At approximately 7:10 p.m., the Committee came out of executive session and the meeting then adjourned.

Respectfully, Greg Mitchell