1. Agenda Only 7PM

   Documents:

   AGENDA ONLY 08-01-16-7PM.PDF

2. Agenda And Packet 7PM

   Documents:

   AGENDA AND PACKET 2016-08-01 7PM.PDF

AGENDA
SPECIAL CITY COUNCIL MEETING
AUGUST 1, 2016

The Portland City Council will hold a Special City Council Meeting at 7:00 p.m. in City Council Chambers, City Hall. The Honorable Ethan K. Strimling, Mayor, will preside.

PLEDGE OF ALLEGIANCE:

ROLL CALL:

ANNOUNCEMENTS:

RECOGNITIONS:

APPROVAL OF MINUTES OF PREVIOUS MEETING:

PROCLAMATIONS:

APPOINTMENTS:

CONSENT ITEMS:

LICENSES:

BUDGET ITEMS:

COMMUNICATIONS:

RESOLUTIONS:

UNFINISHED BUSINESS:

ORDERS:

Order 37-16/17 (Tab 24)

Order Designating ImmuCell Corporation Municipal Development and Tax Increment Financing District – Sponsored by the Economic Development Committee, Councilor David Brenerman, Chair.

The Economic Development Committee met on June 28, 2016, and voted unanimously (3-0) to forward this item to the City Council with a recommendation for approval.

ImmuCell Corporation is a growing animal health company that develops, manufactures, and sells products that improve animal health and productivity in the dairy and beef industries.

As part of the final stage of its Mast Out drug development strategy, the Company hopes to arrange financing to construct a two-story, 12,625 sq. ft. production facility near its 56 Evergreen Drive facility, in the 1039 Riverside business condominium. ImmuCell estimates the initial land building (shell) costs at approximately $3.0 million and estimates the fit-out and equipment phase at approximately an additional $14.5 million.

This project is consistent with and satisfies the primary purposes of the City's Tax Increment Financing Policy in that it supports economic development; stimulates expansion of the City's commercial and industrial tax base; and creates quality employment.

The project also satisfies three primary general principles of the City's TIF Policy in that a minimum of $1 million in taxable investment property value will be created; jobs will be created; and it will assist the City in maximizing tax sheltering benefits.

The financial impact to the City would be in the form of new tax revenue from the planned expansion, while returning a portion of the new real estate tax revenue back to ImmuCell for financial support over 12 years. The table below provides an overview of the estimated new property tax revenue arrangement.

Years and TIF Capture Rate	Project Financial Support	City General Fund
1-11 @ 65%	$357,369	$192,430
12 @ 30%	$16,853	$39,324
Total	$374,222	$231,754

Additionally, the City of Portland will realize estimated tax shelter benefits or savings associated with the proposed TIF District which total $151,283 over the twelve years.

Tax shelter benefits provided by this TIF District will help mitigate education aide and revenue sharing decreases and limit potential increases in County tax assessments.

This item must be read on two separate days. This is its first reading.

Order 38-16/17 (Tab 25) **Order Approving Credit Enhancement Agreement with ImmuCell Corporation – Sponsored by the Economic Development Committee, Councilor David Brenerman, Chair.**

This order is a companion Order to Order 37-16/17 above.

This item must be read on two separate days. This is its first reading.

Order 39-16/17 (Tab 26) **Order Authorizing the City Manager to Negotiate an Agreement with Revision Energy LLC for Installation of Solar Power Array on Ocean Avenue Landfill – Sponsored by the Energy and Sustainability Committee, Councilor Jon Hinck, Chair.**

The Energy & Sustainability Committee met on July 20, 2016, and voted unanimously to forward this item to the City Council.

During their meeting on July 20, the Energy and Sustainability Committee reviewed proposed terms to develop a solar array on the closed and capped Ocean Avenue Landfill. The project was proposed by Revision Energy in response to an RFP the City issued in June, 2015 to explore solar power generation. Under Revision's proposal, which was the only proposal submitted in response to the RFP, Revision would install and own a 660 KW array. The City would purchase from Revision all power generated by the array under a power purchase agreement. After the first 6 years of the agreement, the City would have the option (but not the obligation) to purchase the array. In January, 2016 the City of South Portland joined the proposal in order to facilitate construction of an identical solar array on their closed landfill and to reduce overall project costs. Moving forward with the project would create one of the largest municipal solar arrays in Maine and underscore the City of Portland's commitment to supporting renewable energy. The Energy and Sustainability Committee unanimously recommends moving forward with this project.

Planning staff is currently revising the zoning ordinance to allow stand-alone solar generation facilities in the City. They presented an outline of their recommendations to the Energy and Sustainability Committee in June in order to get feedback. They will present to the Planning Board on August 9.

The Land Bank Commission approved installation of the solar array during the meeting in January, 2016.

This item must be read on two separate days. This is its first reading.

AMENDENTS:

Order 40-16/17 (Tab 27) **Amendment to Portland City Code Chapter 5 Animals & Fowl Re: Puppy and Kitten Mills – Sponsored by the Health & Human Services Committee, Councilor Edward J. Suslovic, Chair.**

The Health and Human Services Committee met on June 14, 2016, and voted unanimously to forward this item to the City Council.

This ordinance would prohibit the retail sale of dogs and cats, unless sourced from an animal care facility or rescue organization (as defined in the ordinance), in the City of Portland.

The State of Maine Legislature passed a puppy and kitten bill during the FY 2015 session, but it was vetoed by the Governor. Supporters have turned to local communities to provide leadership on this issue.

Although there currently are no retail stores selling dogs or cats in Portland the passage of this ordinance will prohibit any in the future.

This item must be read on two separate days. This is its first reading.

AGENDA
SPECIAL CITY COUNCIL MEETING
AUGUST 1, 2016

The Portland City Council will hold a Special City Council Meeting at 7:00 p.m. in City Council Chambers, City Hall. The Honorable Ethan K. Strimling, Mayor, will preside.

PLEDGE OF ALLEGIANCE:

ROLL CALL:

ANNOUNCEMENTS:

RECOGNITIONS:

APPROVAL OF MINUTES OF PREVIOUS MEETING:

PROCLAMATIONS:

APPOINTMENTS:

CONSENT ITEMS:

LICENSES:

BUDGET ITEMS:

COMMUNICATIONS:

RESOLUTIONS:

UNFINISHED BUSINESS:

ORDERS:

Order 37-16/17 (Tab 24)

Order Designating ImmuCell Corporation Municipal Development and Tax Increment Financing District – Sponsored by the Economic Development Committee, Councilor David Brenerman, Chair.

The Economic Development Committee met on June 28, 2016, and voted unanimously (3-0) to forward this item to the City Council with a recommendation for approval.

ImmuCell Corporation is a growing animal health company that develops, manufactures, and sells products that improve animal health and productivity in the dairy and beef industries.

As part of the final stage of its Mast Out drug development strategy, the Company hopes to arrange financing to construct a two-story, 12,625 sq. ft. production facility near its 56 Evergreen Drive facility, in the 1039 Riverside business condominium. ImmuCell estimates the initial land building (shell) costs at approximately $3.0 million and estimates the fit-out and equipment phase at approximately an additional $14.5 million.

This project is consistent with and satisfies the primary purposes of the City's Tax Increment Financing Policy in that it supports economic development; stimulates expansion of the City's commercial and industrial tax base; and creates quality employment.

The project also satisfies three primary general principles of the City's TIF Policy in that a minimum of $1 million in taxable investment property value will be created; jobs will be created; and it will assist the City in maximizing tax sheltering benefits.

The financial impact to the City would be in the form of new tax revenue from the planned expansion, while returning a portion of the new real estate tax revenue back to ImmuCell for financial support over 12 years. The table below provides an overview of the estimated new property tax revenue arrangement.

Years and TIF Capture Rate	Project Financial Support	City General Fund
1-11 @ 65%	$357,369	$192,430
12 @ 30%	$16,853	$39,324
Total	$374,222	$231,754

Additionally, the City of Portland will realize estimated tax shelter benefits or savings associated with the proposed TIF District which total $151,283 over the twelve years.

Tax shelter benefits provided by this TIF District will help mitigate education aide and revenue sharing decreases and limit potential increases in County tax assessments.

This item must be read on two separate days. This is its first reading.

Order 38-16/17 (Tab 25) **Order Approving Credit Enhancement Agreement with ImmuCell Corporation – Sponsored by the Economic Development Committee, Councilor David Brenerman, Chair.**

This order is a companion Order to Order 37-16/17 above.

This item must be read on two separate days. This is its first reading.

Order 39-16/17 (Tab 26) **Order Authorizing the City Manager to Negotiate an Agreement with Revision Energy LLC for Installation of Solar Power Array on Ocean Avenue Landfill – Sponsored by the Energy and Sustainability Committee, Councilor Jon Hinck, Chair.**

The Energy & Sustainability Committee met on July 20, 2016, and voted unanimously to forward this item to the City Council.

During their meeting on July 20, the Energy and Sustainability Committee reviewed proposed terms to develop a solar array on the closed and capped Ocean Avenue Landfill. The project was proposed by Revision Energy in response to an RFP the City issued in June, 2015 to explore solar power generation. Under Revision's proposal, which was the only proposal submitted in response to the RFP, Revision would install and own a 660 KW array. The City would purchase from Revision all power generated by the array under a power purchase agreement. After the first 6 years of the agreement, the City would have the option (but not the obligation) to purchase the array. In January, 2016 the City of South Portland joined the proposal in order to facilitate construction of an identical solar array on their closed landfill and to reduce overall project costs. Moving forward with the project would create one of the largest municipal solar arrays in Maine and underscore the City of Portland's commitment to supporting renewable energy. The Energy and Sustainability Committee unanimously recommends moving forward with this project.

Planning staff is currently revising the zoning ordinance to allow stand-alone solar generation facilities in the City. They presented an outline of their recommendations to the Energy and Sustainability Committee in June in order to get feedback. They will present to the Planning Board on August 9.

The Land Bank Commission approved installation of the solar array during the meeting in January, 2016.

This item must be read on two separate days. This is its first reading.

<u>AMENDENTS:</u>

Order 40-16/17 (Tab 27)

Amendment to Portland City Code Chapter 5 Animals & Fowl Re: Puppy and Kitten Mills – Sponsored by the Health & Human Services Committee, Councilor Edward J. Suslovic, Chair.

The Health and Human Services Committee met on June 14, 2016, and voted unanimously to forward this item to the City Council.

This ordinance would prohibit the retail sale of dogs and cats, unless sourced from an animal care facility or rescue organization (as defined in the ordinance), in the City of Portland.

The State of Maine Legislature passed a puppy and kitten bill during the FY 2015 session, but it was vetoed by the Governor. Supporters have turned to local communities to provide leadership on this issue.

Although there currently are no retail stores selling dogs or cats in Portland the passage of this ordinance will prohibit any in the future.

This item must be read on two separate days. This is its first reading.

Order 37-16/17
Tab 24 8-1-16

ETHAN K. STRIMLING (MAYOR)
BELINDA S. RAY (1)
SPENCER R. THIBODEAU (2)
EDWARD J. SUSLOVIC (3)
JUSTIN COSTA (4)

CITY OF PORTLAND
IN THE CITY COUNCIL

DAVID H. BRENERMAN (5)
JILL C. DUSON (A/L)
JON HINCK (A/L)
NICHOLAS M. MAVODONES, JR (A/L)

ORDER DESIGNATING IMMUCELL CORPORATION MUNICIPAL DEVELOPMENT AND TAX INCREMENT FINANCING DISTRICT

WHEREAS, the City of Portland is authorized pursuant to Chapter 206 of Title 30-A of the Maine Revised Statutes, as amended, to designate specified areas within the City as a Tax Increment Financing District; and

WHEREAS, there is a need for economic development in the City of Portland and the surrounding region; and

WHEREAS, ImmuCell Corporation intends to expand its operation near its current facility at 56 Evergreen Drive by constructing a two-story, 12,625 square foot production facility at an estimated investment of $3 Million, together with fit-up and equipment phase at an additional $14.5 Million; and

WHEREAS, the City of Portland will invest tax increment financing revenue as detailed in the Development Program in support of ImmuCell's expansion with this Tax Increment Financing District; and

WHEREAS, there is a need to provide continuing employment opportunities for the citizens of Portland and the surrounding region; to improve and broaden the tax base of the City of Portland; and to improve the general economy of the City of Portland, the surrounding region and the State of Maine; and

WHEREAS, the ImmuCell Corporation will help to provide continued employment for the citizens of Portland and the surrounding region; improve and broaden the tax base in the City of Portland; and improve the economy of the City of Portland and the State of Maine; and

WHEREAS, there is a need to encourage the development, expansion and improvement of commercial, retail and light manufacturing facilities within the City through the establishment of Municipal Development and Tax Increment Financing Districts in accordance with the provisions of Chapter 206 of Title 30-A; and

WHEREAS, the City has held a public hearing on the question of establishing the District in accordance with the requirements of 30-A M.R.S.A. § 5223, upon at least ten (10) days prior notice published in a newspaper of general circulation within the City; and

WHEREAS, the City desires to designate the ImmuCell Corporation Municipal Development and Tax Increment Financing District and adopt a Development Program for such District; and

WHEREAS, it is expected that approval will be sought and obtained from the Maine Department of Economic and Community Development, approving the designation of the District and the adoption of the Municipal Development Program for the District;

NOW THEREFORE BE IT HEREBY ORDERED BY THE CITY COUNCIL AS FOLLOWS:

Section 1. The City hereby finds and determines that:

(a) The acquisition, construction and installment of all real and personal property improvements, buildings, structures, fixtures and equipment within the district contemplated by the Municipal Development Program will be completed in accordance with State law; and

(b) The designation of the District and pursuit of the Municipal Development Program will generate substantial economic benefits for the City and its residents, including employment opportunities, broadened and improved tax base and economic stimulus, and therefore constitutes a good and valid public purpose.

Section 2. Pursuant to Chapter 206 of Title 30-A of the Maine Revised Statues, as amended, the City hereby designates the ImmuCell Corporation Municipal Development and Tax Increment Financing District, as more particularly set forth in the document entitled "IMMUCELL CORPORATION MUNICIPAL DEVELOPMENT AND TAX INCREMENT FINANCING DISTRICT" as presented to the City Council in the form attached hereto as Attachment 1 and that document is hereby incorporated by reference into this resolution and approved as the Municipal Development Program for the District (the "Development Program").

Section 3. Pursuant to the provisions of 30-A M.R.S.A. § 5224, the City hereby adopts the statement of the percentage of Assessed Value to be retained by the City set forth as Exhibit A in the ImmuCell Corporation Municipal Development and Tax Increment Financing District Application for purposes of said Section 5224.

Section 4. The City Manager be, and hereby is, authorized, empowered and directed to submit the proposed designation of the District and the proposed Development Program for the District to the State of Maine Department of Economic and Community Development for review and approval pursuant to the requirements of 30-A M.R.S.A. § 5226(2).

Section 5. The City Manager or his or her designee be, and hereby is, authorized to execute and deliver a credit enhancement agreement substantially in the form described in the Development Program and attached as Attachment H thereto.

Section 6. The foregoing designation of the District and the adoption of the Development Program for the District shall automatically become final and shall take full force and effect upon receipt by the City of approval of the designation of the District and adoption of the Development Program by the Department of Economic and Community Development, without requirements of further action by the City, the Council or any other party.

Economic Development Department
Gregory A. Mitchell, Director

TO: Chair and Members of the Economic Development Committee

FROM: Gregory A. Mitchell, Economic Development Director

DATE: June 29, 2016

DISTRIBUTION: City Manager, Mayor, Anita LaChance, Sonia Bean, Danielle West-Chuhta, Nancy English, Julie Sullivan

SUBJECT: Order Authorizing Tax Increment Financing District and Credit Enhancement Agreement with ImmuCell

SPONSOR: Economic Development Committee/Councilor Brenerman, Chair. Vote taken by the Committee on June 28, 2016 was unanimous (3-0).

COUNCIL MEETING DATE ACTION IS REQUESTED:
1st reading: August 1, 2016 **Final Action:** September 7, 2016

Can action be taken at a later date: ____ Yes X-No (If no, why not?) Because of one Council meeting in August, as well as the expected construction schedule for ImmuCell's project, staff is recommending Council action take place on September 7, 2016.

PRESENTATION: Greg Mitchell, Economic Development Director/5 Minutes

I. ONE SENTENCE SUMMARY

ImmuCell is requesting City Council approval to establish a Tax Increment Financing (TIF) District and enter into a Credit Enhancement Agreement (CEA) with the City to support its expansion project near its current facility at 56 Evergreen Drive.

II. AGENDA DESCRIPTION

ImmuCell Corporation is a growing animal health company that develops, manufactures, and sells products that improve animal health and productivity in the dairy and beef industries. Its lead product in development is **Mast Out** which is novel, ground-breaking treatment for mastitis in lactating dairy cows. As part of the final state of its **Mast Out** drug development strategy, the Company hopes to arrange financing to construct a two-story, 12,625 sq. ft. production facility near to its 56 Evergreen Drive facility, in the 1039 Riverside business condominium. ImmuCell estimates the initial land building (shell) costs at approximately $3.0 million and estimates the fit-out and equipment phase at approximately an additional $14.5 million.

This project is consistent with and satisfies the primary purposes of the City's TIF Policy in that it supports economic development; stimulates expansion of the City's commercial and industrial tax base; and creates quality employment. The project also satisfies three primary general principles of the City's TIF Policy in that a minimum of $1 million in taxable investment property value will be created; jobs will be created, and assists the City in maximizing tax sheltering benefits.

III. BACKGROUND

ImmuCell Corporation is a growing animal health company that develops, manufactures, and sells products that improve animal health and productivity in the dairy and beef industries. It has developed products that provide significant, immediate immunity to newborn dairy and beef livestock. Over the last nearly 16 years, ImmuCell has also invested significant resources in excess of $11 Million in the R&D of a product that addresses mastitis, the most significant cause of economic loss to the dairy industry. Its lead product in development is **Mast Out** which is novel, ground-breaking treatment for mastitis in lactating dairy cows.

As part of the final state of its **Mast Out** drug development strategy, the Company hopes to arrange financing to construct a two-story, 12,625 sq. ft. production facility near to its 56 Evergreen Drive facility, in the 1039 Riverside business condominium. ImmuCell estimates the initial land building (shell) costs at approximately $3.0 million and estimates the fit-out and equipment phase at approximately an additional $14.5 million.

IV. INTENDED RESULT OR COUNCIL GOAL ADDRESSED

The intended result is for the City to partner with ImmuCell in supporting this expansion by creating the TIF District and entering into a CEA with ImmuCell for financial support.

V. FINANCIAL IMPACT

The financial impact to the City would be in the form of new tax revenue from the planned expansion, while returning a portion of the new real estate tax revenue back to ImmuCell for financial support over 12 years. The table below provides an overview of the estimated new property tax revenue arrangement.

Years and TIF Capture Rate	Project Financial Support	City General Fund
1-11 @ 65%	$357,369	$192,430
12 @ 30%	$16,853	$39,324
Total	$374,222	$231,754

Additionally, the City of Portland will realize estimated tax shelter benefits or savings associated with the proposed TIF District which total $151,283 over the twelve years. Tax shelter benefits provided by this TIF District will help mitigate education aide and revenue sharing decreases and limit potential increases in County tax assessments.

VI. STAFF ANALYSIS

This project is consistent with and satisfies the primary purposes of the City's TIF Policy in that it supports economic development; stimulates expansion of the City's commercial and industrial tax base; and creates quality employment. The project also satisfies three primary general principles of the City's TIF Policy in that a minimum of $1 million in taxable investment property value will be created; jobs will be created, and assists the City in maximizing tax sheltering benefits.

Also, per the City's TIF Policy, the City's participation in the project appears to be financially necessary in order for it to proceed.

Lastly, supporting growth of the life or bioscience industry is a targeted economic sector in the City's Economic Development Plan + Vision.

VII. RECOMMENDATION

Staff presented this to the Economic Development Committee at its meeting on June 28, 2016. The Committee voted unanimously (3-0) to forward this to the City Council with a recommendation that it authorize the establishment of the TIF District and enter into a CEA with ImmuCell due to the economic benefits and increased quality bioscience manufacturing type employment.

VIII. LIST ATTACHMENTS

Municipal Tax Increment Financing Cover Sheet

Employment Goals Form

ImmuCell Corporation Municipal Development Tax Increment Financing District Program Application dated June 23, 2016

Credit Enhancement Agreement between City of Portland and ImmuCell Corporation

APPLICATION COVER SHEET

MUNICIPAL TAX INCREMENT FINANCING

A. General Information

1. Municipality Name: City of Portland, Maine		
2. Address: 389 Congress Street, Portland, ME 04101-3509		
3. Telephone: (207) 874-8945	4. Fax: (207) 756-8217	5. Email: gmitchell@portlandmaine.gov
6. Municipal Contact Person: Gregory A. Mitchell, Director, Economic Development Department		
7. Business Name: ImmuCell Corporation		
8. Address: 56 Evergreen Drive, Portland, ME 04103		
9. Telephone: (207) 878-2770 x3106	10. Fax: (207) 878-2117	11. Email: mbrigham@immucell.com
12. Business Contact Person: Michael F. Brigham, President and CEO		
13. Principal Place of Business: 56 Evergreen Drive, Portland, ME 04103		
14. Company Structure (e.g. corporation, sub-chapter S, etc.): Corporation		
15. Place of Incorporation: Delaware		
16. Names of Officers: See attached		
17. Principal Owner(s) Name: N/A		
18. Address: 56 Evergreen Drive, Portland, ME 04103		

B. Disclosure

1. Check the public purpose that will be met by the business using this incentive (any that apply):		
☑ job creation	☐ job retention	☑ capital investment
☐ training investment	☑ tax base improvement	☐ public facilities improvement
☐ other (list):		
2. Check the specific items for which TIF revenues will be used (any that apply):		
☑ real estate purchase	☑ machinery & equipment purchase	☐ training costs
☑ debt reduction	☐ other (list):	

C. Employment Data

List the company's goals for the number, type and wage levels of jobs to be created or retained as part of this TIF development project (*please use next page*).

ImmuCell 2016 TIF Application: Directors, Officers and Owners

Directors and Officers:
Michael F. Brigham, President and CEO
Joseph H. Crabb, VP and Chief Scientific Officer

Directors:
David S. Cunningham
Linda Rhodes
Jonathan E. Rothschild
David S. Tomsche
Paul R. Wainman

Officers:
Bobbi Jo Brockmann, VP of Sales and Marketing
Elizabeth L. Williams, VP of Manufacturing Operations

Owners:
ImmuCell Corporation is a publicly-held corporation with approximately 2,500 stockholders.

EMPLOYMENT GOALS

Company Goals for Job Creation and Job Retention

A. Job Creation Goals			
*Occupational Cluster**	*Full-time*	*Part-time*	*Wage Level*
1. Executive, Professional & Technical	6		**Average Total Annual Compensation $105,500
2. Administrative Support, inc. Clerical			$
3. Sales & Service			$
4. Agriculture, Forestry & Fishing			$
5. Maintenance, Construction, Production, & Transportation	8		**Average Total Annual Compensation $63,000
B. Job Retention Goals			
*Occupational Cluster**	*Full-time*	*Part-time*	*Wage Level*
1. Executive, Professional & Technical			$
2. Administrative Support, inc. Clerical			$
3. Sales & Service			$
4. Agriculture, Forestry & Fishing			$
5. Maintenance, Construction, Production, & Transportation			$
**Please use the Occupational Cluster descriptions on the next page to complete this form.*			

**** Average Total Annual Compensation=Average Employee Salary + Benefits.**

INSTRUCTIONS

A. Job Creation Goals. *Please list the number, type and wage level of jobs created as a result of the economic development incentive. NOTE: For this form, "full-time" employment means 30 hours or more; "part-time" employment means less than 30 hours. "Wage level" means the average annual wage paid for jobs created within an occupational cluster, e.g. either their annual salary, or their hourly wage times their annual hours. Also, "type" means "occupational cluster" which refers to the 12 categories defined below. Please include the number of your employees (both full-time and part-time) working within the category that most closely reflects their job duties.*

B. Job Retention Goals. *Please list the number, type and wage level of jobs retained as a result of the economic development incentive. Part B should be completed using same definitions in Part A.*

OCCUPATIONAL CLUSTERS

1. EXECUTIVE, PROFESSIONAL & TECHNICAL

Executive, administrative and managerial. Workers in executive, administrative and managerial occupations establish policies, make plans, determine staffing requirements, and direct the activities of businesses and other organizations. Workers in management support occupations, such as accountant and auditor or underwriter, provide technical assistance to managers.
Professional specialty. This group includes engineers; architects and surveyors; computer, mathematical, and operations research occupations; life, physical, and social scientists; lawyers and judges; social, recreational, and religious workers; teachers, librarians, and counselors; health diagnosing, assessment, and treating occupations; and communications, visual arts, and performing arts occupations.
Technicians and related support. This group includes health technologists and technicians, engineering and science technicians, computer programmers, tool programmers, aircraft pilots, air traffic controllers, paralegals, broadcast technicians, and library technicians.

2. ADMINISTRATIVE SUPPORT, INCLUDING CLERICAL

Administrative support, including clerical. Workers in this group prepare and record memos, letters and reports; collect accounts; gather and distribute information; operate office machines; and handle other administrative tasks.

3. SALES AND SERVICE

Marketing and sales. Workers in this group sell goods and services, purchase commodities and property for resale, and stimulate consumer interest.
Service. This group includes a wide range of workers in protective, food and beverage preparation, health, personal, private household, and cleaning and building services.

4. AGRICULTURE, FORESTRY AND FISHING

Agriculture, forestry and fishing. Workers in these occupations cultivate plants, breed and raise animals, and catch fish.

5. MAINTENANCE, CONSTRUCTION, PRODUCTION & TRANSPORTATION

Mechanics, installers, and repairers. Workers in this group adjust, maintain, and repair automobiles, industrial equipment, computers, and many other types of machinery.
Construction trades and extractive. Workers in this group construct, alter, and maintain buildings and other structures or operate drilling and mining equipment.
Production. These workers set up, adjust, operate, and tend machinery and/or use hand tools and hand-held power tools to make goods and assemble products.
Transportation and material moving. Workers in this group operate the equipment used to move people and materials. This group also includes handlers, equipment cleaners, helpers, and laborers who assist skilled workers and perform routine tasks.

CITY OF PORTLAND, MAINE

ImmuCell Corporation Municipal Development and Tax Increment Financing District Program Application

Prepared By:

The City of Portland Economic Development Department

July 23, 2016

{W5590892.3}

TABLE OF CONTENTS

ImmuCell Corporation Municipal Development and Tax Increment Financing District Development Program

I. Introduction

The Maine Legislature established municipal tax increment financing ("TIF") as an economic development tool to be used by municipalities to: (a) provide new employment opportunities; (b) improve and broaden its tax base; and (c) improve the general economy of the State. The Legislature recognizes that the State and its municipalities benefit from a municipality's economic development partnership with a local business to promote responsible new development that (a) enhances local efforts for economic, industrial or commercial development; and (b) retains and expands the local tax base and employment opportunities. The City of Portland (the "City" or "Portland") now has the opportunity to enter into such an undertaking with ImmuCell Corporation (the "Company" or "ImmuCell").

Portland desires to establish the proposed ***ImmuCell Corporation Municipal Development and Tax Increment Financing District*** (the "District" or "TIF District") to support ImmuCell Corporation's expansion from its existing facility at 56 Evergreen Drive to a new two-story, 12,625 square foot (approx.) production facility on Caddie Lane (the "ImmuCell Project").

By designating the proposed TIF District consistent with the provisions of 30-A M.R.S.A. §5223, adopting this Development Program, and authorizing a credit enhancement agreement, the City will accomplish a variety of goals. The public benefits associated with the ImmuCell Project and the TIF District include:

- Provide support for Portland's ***continued economic development***;
- Create ***new property tax revenue*** averaging an estimated $50,498 annually while maintaining all existing tax revenues generated within the City;
- Produce ***Tax Shift Benefits*** averaging an estimated savings to the City of $12,607 annually, resulting from the portion of the new increased assessed value to be captured in the District[1];
- Create ***employment opportunities*** for area residents;
- ***Improve the general economy*** of the City and the State of Maine.

---

[1] By creating a TIF District, the City can "shelter" all or a portion of the very significant increase in valuation that the ImmuCell Project will bring about. The tax shelter provided by this TIF will help mitigate revenue sharing and education aid decreases, and limit potential increases in its County tax assessments. Together the tax shift benefits are estimated at approximately $151,283 over the 12-year term of the District with an average annual savings of $12,607.

II. Development Program Narrative

A. The ImmuCell Project

ImmuCell Corporation is a growing animal health company that develops, manufactures and sells products that improve animal health and productivity in the dairy and beef industries. ImmuCell has developed products that provide significant, immediate immunity to newborn dairy and beef livestock. ImmuCell currently produces **First Defense®**, the best-in-class treatment for calf scours. Over the last nearly 16 years, the Company has also invested significant resources (in excess of $11 million) in the research and development of a product that addresses mastitis, the most significant cause of economic loss to the dairy industry. This lead product in development is **Mast Out®**, a novel, ground-breaking treatment for mastitis in lactating dairy cows.

As part of the final stage of its **Mast Out®** drug development strategy, the Company plans to construct a two-story, 12,625 square foot production facility near to its 56 Evergreen Drive facility (in the 1039 Riverside business condominium). The Company hopes to break ground during the second half of 2016 and would expect to complete construction of the building shell by the end of 2016 or early 2017. Work on the building infrastructure, equipping this building shell with an ISO-8 manufacturing room, installing and validating all the necessary process equipment and other equipment installation will then continue over the winter and through the balance of 2017. ImmuCell estimates the initial land and building (shell) costs at approximately $3.0 million and estimates the fit-out and equipment phase at approximately an additional $14.5 million.

Due to the recent, significant increase in sales of First Defense®, the Company is utilizing every square foot of its existing facility at 56 Evergreen Drive to increase production capacity. This includes utilizing a 7,100 square foot addition that was added to their building in early 2015. If this new facility is constructed, the Company plans to relocate all Mast Out® activities out of the current facility to make room for additional growth in First Defense® production. All Mast Out® activities would be located in the new facility.

Once completed, the project will enable the Company to complete its New Animal Drug Application (NADA) to the FDA for **Mast Out®** and to manufacture pharmaceutical-grade Nisin at commercial-scale. ImmuCell intends to take all appropriate steps to pursue a successful commercialization of **Mast Out®**.

As you are aware, manufacturing in Maine has been in a lengthy decline over the last several decades. Recent papers and reports document how Maine manufacturing jobs have dropped from one of every three jobs in 1960 to less than one in six today. Furthermore, economists predict that Maine has little potential for growth; while U.S. manufacturing employment will recover somewhat, Maine's is forecast to continue a modest decline and will see little in the way of job growth in the recovery. (See *Maine Economic Outlook: New England Economic Partnership October 2014: Maine*, Charles S. Colgan, Professor of Public Policy & Management at the Muskie School of Public Service, University of Southern Maine.) In 2012, the Maine Department of Labor estimated that employment in manufacturing accounted for just 8.5 percent of nonfarm jobs. (See Research Brief entitled *Manufacturing Jobs: Trends, Issues, and Outlook*, Maine Department of Labor - Center for Workforce Research and Information, July 2012.)

However, notwithstanding this decline, manufacturing still remains an important part of the Maine economy, contributing annual economic output of $6 billion and accounting for approximately 10% percent of the gross state product. (See *2014 Manufacturing Summit Report*, Manufacturers Association of Maine.) Indeed, the same *Manufacturing Summit Report* notes one bright spot in the manufacturing area is the Bioscience / Technology sector. Specifically to that sector, the report states that:

> Maine's bioscience industry employs nearly 6,200 Mainers in 225 business establishments across the state. Maine has a specialized employment concentration in drugs and pharmaceuticals, a sector which has also seen strong job growth since 2007 (17% increase). In Maine, the bioscience sector total employment impact is 27,915 and average annual wage of $62,303.

Commercial introduction of a product like **Mast Out®** in the United States is a costly, time and labor-intensive, multi-step process. Production of the product requires approval of a New Animal Drug Application (NADA) by the U.S. Food and Drug Administration's Center for Veterinary Medicine (FDA). (In addition, foreign regulatory approvals would be required for sales in key markets outside of the United States, which would involve some different requirements.)

ImmuCell's NADA is subject to the FDA's phased review of the following five principal Technical Sections:

1. Environmental Impact (completed - 2008);
2. Target Animal Safety (completed - 2012);
3. Effectiveness (completed - 2012);
4. Human Food Safety (expected completion in 2017)
5. Chemistry, Manufacturing and Controls – Drug Substance / Drug Product (anticipated submission when this new production facility is complete)

The Company believes that it can be in a position to achieve FDA approval in 2019. In light of the lengthy, difficult and expensive process that ImmuCell faces, a TIF arrangement with the City is critical in order to make the economics of the ImmuCell project work. This sort of economic development assistance will help the Company through the next phase of its animal drug development goal. In addition, the City would help to achieve the important economic development goal of preserving and expanding manufacturing jobs in the City of Portland.

ImmuCell currently employs 47 people. In addition to the above-described capital investment, ImmuCell estimates that the expansion project could lead to the creation of up to 14 jobs, including a Vice President of Engineering / Operations, a Plant Manager and other technical and production jobs.

B. *The TIF District*

The TIF District is depicted on City Tax Map 331, Block A, Lot 001-011, consisting of Lot 11 in the Second Tee Business Park Condominium. The TIF District is comprised of approximately 1.11 acres. The captured value will be calculated on only the new real property tax value generated within the TIF District from the development and will not affect the current property tax base. Please see Exhibit A and Exhibit B for maps depicting the District.

1. Area map showing site location of TIF district in relation to geographic location of municipal boundaries (Exhibit A).

2. Tax map showing TIF District (Exhibit B).

C. *The Development Program*

The City of Portland, by designating the ImmuCell TIF District, will capture a certain percentage, as shown in Exhibit C, of the new assessed value created within the District over the original assessed value and retain from the District the new tax revenues generated from the captured assessed value. A portion of these revenues will be allocated based upon the terms of the Credit Enhancement Agreement ("CEA") with ImmuCell for the sole, express purpose of offsetting a portion of the actual and verifiable costs associated with the ImmuCell Project.

D. Municipal Use of TIF Revenues

The City of Portland will utilize no tax revenues generated from the TIF District, over and above what is allocated through the Credit Enhancement Agreement, for City projects. Rather, the portion of the increased assessed value that is not captured for the TIF will produce tax revenue for the City's General Fund.

E. Operational Components

1. Public Facilities.

None.

2. Uses of Private Property within District.

The Credit Enhancement Agreement will allow for the development of the ImmuCell Project on private property controlled by ImmuCell.

3. Plans for relocation of persons displaced by development activities.

No displacement or relocation of persons is associated with this project and the proposed TIF District.

4. Environmental Controls

The Development Program proposes improvements that will comply with all federal, state, and local rules and regulations and applicable land use requirements; the results of any Phase I, Phase II, or related environmental diligence on the site as may be conducted by the Company shall be made available to the City for review upon request.

5. Proposed Operation of District

The ImmuCell Project will be owned by ImmuCell, its successors, affiliates and partners, or assigns, who will be responsible for payment of all maintenance expenses, insurance, and taxes on the ImmuCell Project.

During the twelve-year term of the TIF District, the City of Portland City Council, or its designee, will be responsible for the administration of the District. ImmuCell will be solely responsible for completion of the ImmuCell Project.

III. Physical Description

The total acreage of the proposed ImmuCell District is 1.11 acres. Exhibit I contains financial and statistical information relating to the District required as a prerequisite to designation of the District by the City and approval by DECD.

IV. Financial Plan

A. *Costs and Sources of Revenues*

The TIF District comprises an area of approximately 1.11 acres of taxable real property with an original assessed value of $52,600 as of March 31, 2016 (i.e., April 1, 2015). The development within the District is estimated to add just under an additional $2.2 million of new assessed real property taxable value to the City. The new assessed real property taxable value for the uncaptured portion of the ImmuCell Project is estimated to be approximately $750,000. This revenue is based upon preliminary construction cost estimates prepared in good faith by the Company and its consultants, which have been reviewed and approved by the City, but final values may be higher or lower depending upon the ultimate cost of construction which may not be determined until construction is complete.

As depicted in Exhibit A and Exhibit B, the District is comprised of 1.11 acres of private property. The City will enter into a Credit Enhancement Agreement with the Company in which the City will agree to reimburse the Company a portion of the property taxes paid on the new real property value resulting from the ImmuCell Project. The term of the TIF reimbursement is a period of twelve (12) years. The captured value/reimbursement percentages are outlined below in Section IV.C.

The attached Exhibit C details the projections based upon the anticipated assessed value increases within the District. Exhibit C is a projection based upon best available information and is included for demonstration purposes only. No assurances are provided as to the resulted reflected therein.

B. *Development Program Fund*

The Development Program requires the establishment of the ImmuCell Corporation Development Program Fund pledged to, and charged with, the payment of the project costs in the manner outlined in 30-A M.R.S.A. §5227(3).

The ImmuCell Corporation Development Program Fund is established consisting of a Project Cost Account, which includes a sub-account designated as the "Company TIF Account" pledged to, and charged with, payment of eligible project costs.

C. *Financing Plan*

The percentage of the increased assessed value within the District that will be captured as captured assessed value is identified in the table below. The CEA between the Company and the City will begin in TIF year 1 of the District so as to maximize the economic development impact of the District. TIF revenues will be allocated generally as described on Exhibit C and summarized below:

CEA Years:	Percentage of Increased Assessed Value to be Captured as Captured Assessed Value (and Reimbursed to Company):
Years 1-11	65%
Year 12	30%

Actual payments to the Project Cost Account will be determined based upon the actual increased assessed value retained within the District and by the terms of the Credit Enhancement Agreement. Taxes paid on any new taxable value not captured in the District will flow to the City's General Fund, as in the normal course.

The TIF District is to be established for a period of twelve (12) years.

V. **Financial Data**

Exhibit I contains financial and statistical information relating to the District required as a prerequisite to designation of the District by the City and approval by DECD.

VI. Tax Shifts

In accordance with Maine statutes governing the establishment of Tax Increment Financing Districts, the table set forth in Exhibit C identifies the tax shifts that are expected to result during the term of this District from the establishment of the District. A summary of the annual average tax shift impacts follows:

General Purpose Aid to Education Tax Shift:	$11,065
Municipal Revenue Sharing Tax Shift:	815
County Tax Shift:	726
Total Average Annual Savings:	$12,607

VII. Municipal Approvals

A. Public Hearing Notice

The City of Portland did give proper Notice of Public Hearing in accordance with the requirements of 30-A M.R.S.A. Section 5226. Attached as Exhibit D, is a copy of the Notice of Public Hearing published in the *Portland Press Herald*, a newspaper of general circulation in the City on _________, 2016, a date at least ten (10) days prior to the public hearing.

B. Public Hearing

A Public Hearing at which the Proposed ImmuCell Corporation and TIF District was discussed and held in accordance with the requirements of 30-A M.R.S.A. § 5225(1) on the ____day of __________, 2016, in the Portland City Council Chambers. A copy of the minutes of that meeting is included as Exhibit E.

C. Authorizing Votes

An attested copy of the Order of the Portland City Council designating the ImmuCell Corporation and TIF District is included as Exhibit F.

D. Assessor's Certificate

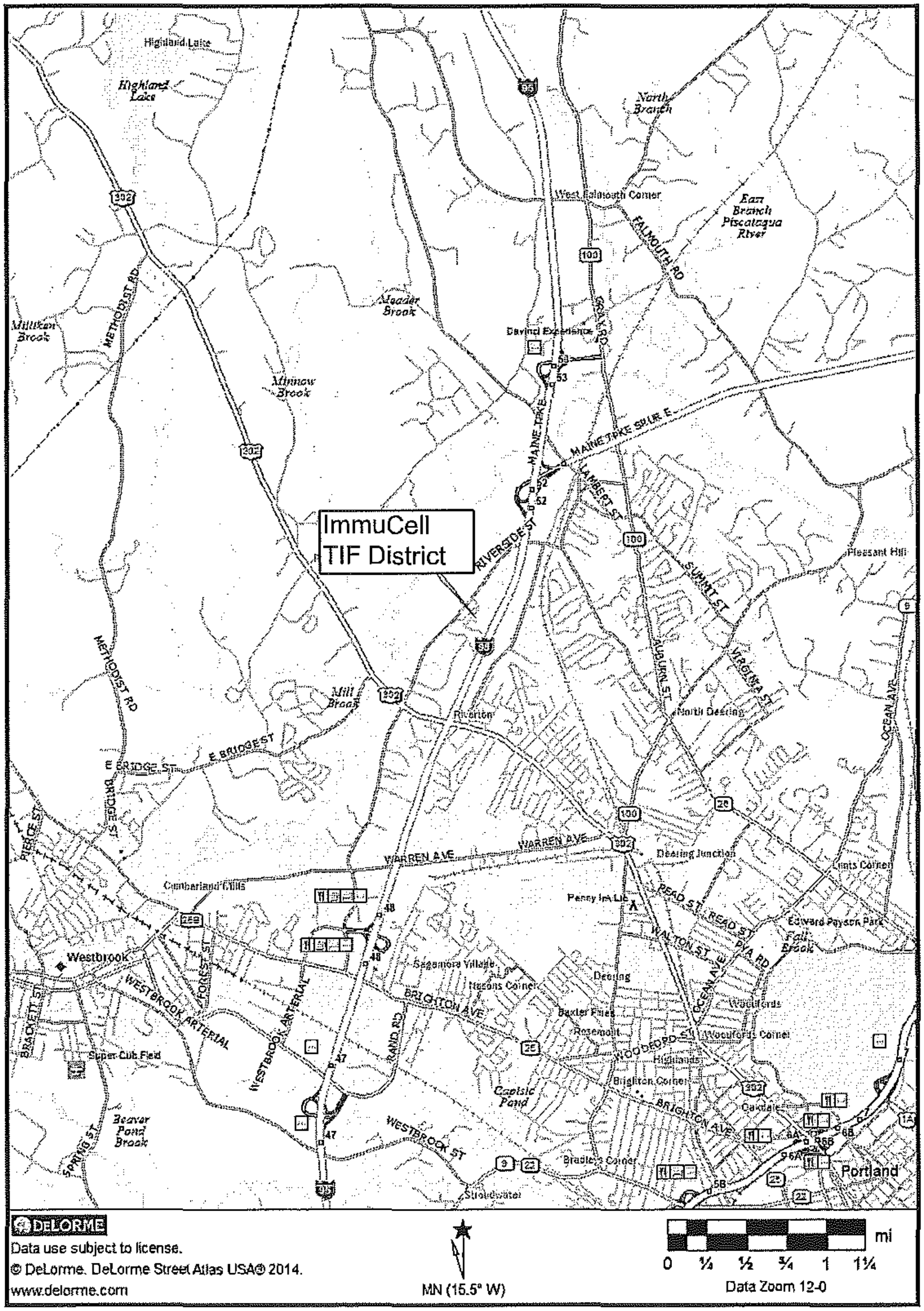
A letter from the Tax Assessor of the City of Portland certifying that the Original Assessed Value of the District as of March 31, 2016 (i.e., April 1, 2015) is $52,600 is included as Exhibit G.

Exhibit A

CITY OF PORTLAND
IMMUCELL CORPORATION MUNICIPAL DEVELOPMENT AND TAX INCREMENT FINANCING DISTRICT

TIF DISTRICT LOCATION MAP

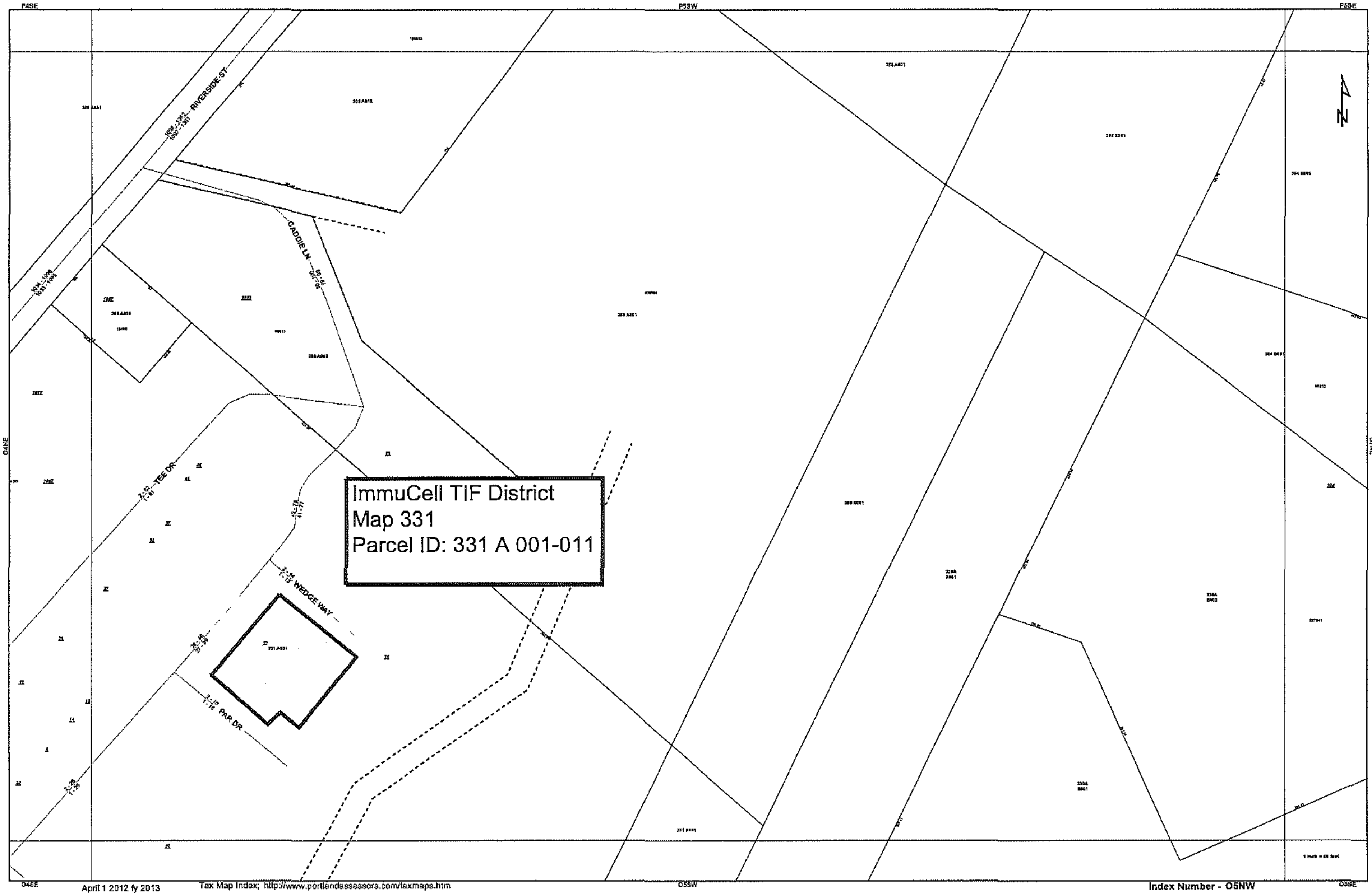
SUBJECT PROPERTY LOCATION MAP



<u>Exhibit B</u>

CITY OF PORTLAND
IMMUCELL CORPORATION MUNICIPAL DEVELOPMENT AND TAX INCREMENT FINANCING DISTRICT

TIF DISTRICT TAX MAP



P4SE
P5SW
P5SE
RIVERSIDE ST
CADDIE LN
TEE DR
WEDGE WAY
PAR DR
O4NE
O7NE
ImmuCell TIF District
Map 331
Parcel ID: 331 A 001-011
O4SE
O5SW
O6SE
April 1 2012 fy 2013
Tax Map Index; http://www.portlandassessors.com/taxmaps.htm
Index Number - O5NW

Exhibit C

CITY OF PORTLAND
IMMUCELL CORPORATION MUNICIPAL DEVELOPMENT AND TAX INCREMENT FINANCING DISTRICT

TIF PROJECTIONS & TAX SHIFT CALCULATIONS

City of Portland - TIF Model
ImmuCell Corporation

			A	B	C	D	E	F	G	H	I	J
TIF Year	Assessing Date 1-Apr	Fiscal Year	Estimated Taxable Value	Increased Value	Total New Taxes	CAV % Retained	Increased Value Retained as CAV	Projected Mill Rate	Total Tax Increment	Tax Increment to Developer %	Tax Increment to Developer $	City General Fund Revenue $
1	2016	2016-2017	2,200,000	2,147,400	45,181	65%	1,395,810	$21.04	29,368	100%	29,368	15,813
2	2017	2017-2018		2,147,400	46,085	65%	1,395,810	$21.46	29,955	100%	29,955	16,130
3	2018	2018-2019		2,147,400	47,007	65%	1,395,810	$21.89	30,554	100%	30,554	16,452
4	2019	2019-2020		2,147,400	47,947	65%	1,395,810	$22.33	31,165	100%	31,165	16,781
5	2020	2020-2021		2,147,400	48,906	65%	1,395,810	$22.77	31,789	100%	31,789	17,117
6	2021	2021-2022		2,147,400	49,884	65%	1,395,810	$23.23	32,424	100%	32,424	17,459
7	2022	2022-2023		2,147,400	50,881	65%	1,395,810	$23.69	33,073	100%	33,073	17,809
8	2023	2023-2024		2,147,400	51,899	65%	1,395,810	$24.17	33,734	100%	33,734	18,165
9	2024	2024-2025		2,147,400	52,937	65%	1,395,810	$24.65	34,409	100%	34,409	18,528
10	2025	2025-2026		2,147,400	53,996	65%	1,395,810	$25.14	35,097	100%	35,097	18,899
11	2026	2026-2027		2,147,400	55,076	65%	1,395,810	$25.65	35,799	100%	35,799	19,277
12	2027	2027-2028		2,147,400	56,177	30%	644,220	$26.16	16,853	100%	16,853	39,324
13	2028	2028-2029										
14	2029	2029-2030										
Total					605,976				374,222		374,222	231,754
Avg. Annual					50,498				31,185		31,185	19,313

TIF ASSUMPTIONS		
Mill Rate		$21.04
Years in TIF Term		12
OAV	$	52,600

*Increased assessed value of real property value of new investment retained in the TIF District.

Tax Shift*

TIF Year	Fiscal Year	Tax Shift Benefits Total	Education Shift	Rev. Sharing Shift	County Tax Shift
1	2016-2017	$0	$0	$0	$0
2	2017-2018	$0	$0	$0	$0
3	2018-2019	$13,199	$11,585	$854	$760
4	2019-2020	$13,199	$11,585	$854	$760
5	2020-2021	$13,199	$11,585	$854	$760
6	2021-2022	$13,199	$11,585	$854	$760
7	2022-2023	$13,199	$11,585	$854	$760
8	2023-2024	$13,199	$11,585	$854	$760
9	2024-2025	$13,199	$11,585	$854	$760
10	2025-2026	$13,199	$11,585	$854	$760
11	2026-2027	$13,199	$11,585	$854	$760
12	2027-2028	$13,199	$11,585	$854	$760
13	2028-2029	$13,199	$11,585	$854	$760
14	2029-2030	$6,092	$5,347	$394	$351
		$151,283	$132,784	$9,784	$8,714

*Estimate of additional State Education Subsidy and Municipal Revenue Sharing and reduced County Tax to City as a result of sheltering incremental value in the Districts.

Exhibit D

CITY OF PORTLAND
IMMUCELL CORPORATION MUNICIPAL DEVELOPMENT AND TAX INCREMENT FINANCING DISTRICT

PUBLIC HEARING NOTICE

Exhibit E

CITY OF PORTLAND
IMMUCELL CORPORATION MUNICIPAL DEVELOPMENT AND TAX INCREMENT FINANCING DISTRICT

CITY COUNCIL MEETING MINUTES

Exhibit F

CITY OF PORTLAND
IMMUCELL CORPORATION MUNICIPAL DEVELOPMENT AND TAX INCREMENT FINANCING DISTRICT

CITY COUNCIL ORDER

Exhibit G

CITY OF PORTLAND
IMMUCELL CORPORATION MUNICIPAL DEVELOPMENT AND TAX INCREMENT FINANCING DISTRICT

ASSESSOR'S CERTIFICATE

The undersigned Tax Assessor for the City of Portland, Maine, does hereby certify pursuant to the provisions of 30-A M.R.S.A. § 5254 that the assessed value of the ImmuCell TIF District as described in the ImmuCell Corporation Municipal Development and Tax Increment Financing District Development Program to which this certificate is included, was $52,600 as of March 31, 2016 (i.e., April 1, 2015).

IN WITNESS WHEREOF, this certificate has been executed as of this ___ day of ____________, 2016.

CITY ASSESSOR

By:______________________________
Richard W. Blackburn

Exhibit H

CITY OF PORTLAND
IMMUCELL CORPORATION MUNICIPAL DEVELOPMENT AND TAX INCREMENT FINANCING DISTRICT

FORM OF CREDIT ENHANCEMENT AGREEMENT

CREDIT ENHANCEMENT AGREEMENT

between

CITY OF PORTLAND, MAINE

and

IMMUCELL CORPORATION

Dated as of _____________, 2016

TABLE OF CONTENTS

THIS CREDIT ENHANCEMENT AGREEMENT (the "Agreement) dated as of __________, 2016, between the City of Portland, Maine, a municipal body corporate and politic and a political subdivision of the State of Maine, a corporation duly organized and existing under the laws of the State of Maine (the "City"), with a place of business in Portland, Maine, and ImmuCell Corporation, a Delaware corporation (the "Company"), having a place of business at 56 Evergreen Drive, Portland, Maine 04103

WITNESSETH

WHEREAS, the City designated the ImmuCell Corporation Municipal Development and Tax Increment Financing District (the "District") and adopted a development program therefor (the "Development Program") pursuant to Chapter 206 of Title 30-A of the Maine Revised Statutes, as amended, by action of the Portland City Council on __________, 2016; and

WHEREAS, upon submission of an application to the State Department of Economic and Community Development ("DECD"), the City expects DECD to review and approve the ImmuCell Corporation Municipal Development and Tax Increment Financing District and Development Program; and

WHEREAS, the City designated the ImmuCell Corporation Municipal Development and Tax Increment Financing District, adopted the Development Program and entered into this Agreement in order to induce the Company to move forward with ImmuCell's expansion from its existing facility at 56 Evergreen Drive to a new two-story, 12,625 square foot (approx.) production facility on Caddie Lane in the District (the "Project"); and

WHEREAS, in connection with the Development Program, and as contemplated thereby, the City and the Company have agreed to execute and deliver this Agreement; and

WHEREAS, the City and the Company desire and intend that this Agreement be and constitute the credit enhancement agreement contemplated by and described in the Development Program;

NOW, THEREFORE, in consideration of the foregoing and in consideration of the mutual promises and covenants set forth herein, the parties hereby agree as follows:

ARTICLE I
DEFINITIONS

Section 1.1. <u>Definitions</u>.

The terms defined in this Article I shall, for all purposes of this Agreement, have the meanings herein specified, unless the context clearly requires otherwise. All other capitalized terms not otherwise defined herein shall have the meaning given such terms in the Development Program.

"Act" means Chapter 206 of Title 30-A of the Maine Revised Statutes, as amended.

"Agreement" shall mean this Credit Enhancement Agreement dated as of the date set forth above between the City and the Company, as such may be amended by the parties from time to time.

"Captured Assessed Value" means the percentage of Increased Assessed Value retained in the ImmuCell Corporation Municipal Development and Tax Increment Financing District in each year during the term of the ImmuCell Corporation Municipal Development and Tax Increment Financing District as specified in Section 3.1 below.

"City" shall have the meaning given such term in the recitals hereto.

"Current Assessed Value" means the then current assessed value of the Property located within the ImmuCell Corporation Municipal Development and Tax Increment Financing District to be determined by the City's Assessor as of April 1 of each year that this Agreement remains in effect.

"Company" shall have the meaning given such term in the first paragraph hereto, and shall also mean and include any assignee or successor thereof, including but not limited to any future limited partnership formed by Company.

"Company Tax Increment Revenues" means in each year this Agreement is in effect an amount of money equal to the Retained Tax Increment Revenues allocated to the Company pursuant to Section 3.1 hereof.

"Company TIF Account" means the account described in the Financial Plan section of the Development Program and established and maintained pursuant to the Development Program and Article II hereof.

"DECD" shall have the meaning given such term in the recitals hereto.

"Development Program" means the development program and financial plan for the District and attached hereto as <u>Exhibit A</u>.

"Development Program Fund" shall have the meaning given such term in Section 2.1 hereto.

"District" shall have the meaning given such term in the recitals hereto, which District is depicted on the maps contained in Exhibits A and B to the Development Program.

"Effective Date" shall have the meaning given such term in Section 6.1 hereto.

"Financial Plan" means the financial plan described in the "Financial Plan" section of the Development Program.

"Increased Assessed Value" means the valuation amount by which the Current Assessed Value exceeds the Original Assessed Value. If the Current Assessed Value is less than or equal to the Original Assessed Value in any year, there is no Increased Assessed Value in that year.

"Original Assessed Value" means $52,600, the assessed value of the Property as of April 1, 2015.

"Project" shall have the meaning given such term in the recitals hereto.

"Project Cost Account" means the account in the Development Program Fund described in Section IV(B) of the Development Program and established and maintained pursuant to the Development Program and Article II hereof.

"Project Costs" means all costs incurred by the Company on the Project within the meaning set forth in 30-A M.R.S.A. §5222(14), as amended.

"Property" means the land and all real property improvements located in the District and taxable by the City.

"Property Taxes" means any and all ad valorem property taxes levied, charged or assessed against the Property by the City or on its behalf and actually paid to the City, but excluding any county, state or special district taxes that are separately levied, charged or assessed against the Property.

"Qualified Investments" shall mean any and all securities, obligations or accounts in which municipalities may invest their funds under applicable Maine law, and which are of the same type and tenor as the investments in which the City invests its own funds.

"Retained Tax Increment Revenues" means that portion of Property Taxes paid with respect to the Captured Assessed Value.

"Tax Payment Date" means the later of the date(s) on which Property Taxes assessed by the City with respect to the Property are due or are paid, or if any such day is not a business day, the next succeeding business day.

Tax Year" shall have the meaning given such term in 30-A M.R.S.A. §5222(18), as amended, to wit: April 1 to March 31.

Section 1.2. Interpretation and Construction.

In this Agreement, unless the context otherwise requires:

a. The terms "hereby," "hereof," "hereto," "herein," "hereunder" and any similar terms, as used in this Agreement, refer to this Agreement, and the term "hereafter" means after, and the term "heretofore" means before, the date of delivery of this Agreement.

b. Words importing a particular gender mean and include correlative words of every other gender.

c. Words importing persons mean and include firms, associations, partnerships (including limited partnerships), trusts, corporations and other legal entities, including public or governmental bodies, as well as any natural persons.

d. Any headings preceding the texts of the several Articles and Sections of this Agreement, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this Agreement, nor shall they affect its meaning, construction or effect.

e. All notices to be given hereunder shall be given in writing and, unless a certain number of days is specified, within a reasonable time.

ARTICLE II
DEVELOPMENT PROGRAM FUND AND FUNDING REQUIREMENTS

Section 2.1. Creation of Development Program Fund.

Within sixty (60) days after the Effective Date, the City shall create and establish a segregated fund designated as the "ImmuCell Corporation TIF Development Program Fund" (hereinafter the "Development Program Fund") pursuant to, and in accordance with the terms and conditions of, the Development Program and 30-A M.R.S.A. § 5227(3). The Development Program Fund shall consist of a Project Cost Account that is pledged to and charged with the payment of project costs as outlined in the Financial Plan of the Development Program and as provided in 30-A M.R.S.A. § 5227(3)(A)(1). The Project Cost Account shall also contain a single subaccount designated as the "Company TIF Account".

Section 2.2. Deposits into Company TIF Account.

Each year during the term of this Agreement, commencing with the City's 2016-2017 fiscal year and continuing thereafter for the remaining term of this Agreement, through and including the City's 2027-2028 fiscal year, there shall be deposited into the Company TIF Account contemporaneously with each payment of Property Taxes an amount equal to that portion of the Property Taxes constituting Company Tax Increment Revenues for the period to which the payment relates. Any and all revenues, if any, resulting from investment of monies on deposit shall be retained by the City and withdrawn from the Company TIF Account contemporaneously with payment to the Company.

Section 2.3. Use of Monies in Company TIF Account.

Monies deposited in the Company TIF Account shall be used and applied exclusively to fund the City's payment obligation to the Company described in Article III hereof.

Section 2.4. Monies Held in Trust.

All monies required to be paid into the Company TIF Account under the provisions hereof and the provisions of the Development Program, other than investment earnings thereon, shall be held by the City, in trust, for the benefit of the Company.

Section 2.5. Investments.

Any monies in the Company TIF Account shall be invested and reinvested in Qualified Investments as determined by the City. The City shall have discretion regarding the investment of such monies, provided such monies are at all times invested in Qualified Investments. As and when any amounts thus invested may be needed for disbursements, the City shall cause a sufficient amount of such investments to be sold or otherwise converted into cash to the credit of such account. The City shall have the sole and exclusive right to designate the investments to be sold and to otherwise direct the sale or conversion to cash of investments made with monies in the Company TIF Account. If the City experiences any losses in association with these investments related to the Company TIF Account, the City shall still pay to the Company the amounts required under Section 3.1 hereof.

Section 2.6. Tax Payments.

The Company shall pay or cause to be paid when due all Property Taxes assessed by the City unless contested by the Company by appropriate proceedings pursuant to Maine law. No payments shall be made by the City under this Agreement at any time any such taxes or amounts are due and unpaid.

ARTICLE III
PAYMENT OBLIGATIONS

Section 3.1. <u>Captured Assessed Value; Retained Tax Increment Revenues.</u>

During the term of the Development Program, the City shall annually retain the percentage of Increased Assessed Value and Increased Assessed Value indicated on <u>Exhibit B</u> attached hereto as Captured Assessed Value.

The Property Taxes paid with respect to the Captured Assessed Value shall be retained as Retained Tax Increment Revenues. The City agrees that all one hundred percent (100%) of the Retained Tax Increment Revenues shall constitute Company Tax Increment Revenues. Each year during the term of this Agreement, the City shall deposit into the Company TIF Account contemporaneously with each payment of Property Taxes an amount equal to one hundred percent (100%) of that portion of the property tax payment constituting Company Tax Increment Revenues, in accordance with the provisions of Section 2.2 of this Agreement and the priorities established by 30-A M.R.S.A. § 5227(3)(B), starting with taxes assessed for the 2013-2014 Tax Year and continuing thereafter for the remaining term of this Agreement, ending with taxes assessed for the City's 2027-2028 fiscal year, based on the April 1, 2027 Current Assessed Value.

Section 3.2. <u>Credit Enhancement Payments.</u>

The City shall pay to the Company all Company Tax Increment Revenues due and owing pursuant to Section 3.1 and then on deposit in the Company TIF Account within thirty (30) days following the last Tax Payment Date in each fiscal year during the term of this Agreement, or within thirty (30) days of receipt of the Company's request for annual payment submitted in accordance with Section 3.4(b) hereof, whichever shall occur last.

Section 3.3. <u>Failure to Make Payment.</u>

In the event the City should fail to, or be unable to, make any of the payments required under the foregoing provisions of this Article III, the item or installment so unpaid shall continue as a limited obligation of the City, under the terms and conditions hereinafter set forth, until the amount unpaid shall have been fully paid. The Company shall have the right to initiate and maintain an action to specifically enforce the City's obligations hereunder, including without limitation, the City's obligation to establish and maintain the Account and to deposit Company Tax Increment Revenues to the Account and its obligation to make required payment to the Company.

Section 3.4. <u>Manner of Payments.</u>

a. The payments provided for in this Article III shall be paid in immediately available funds in the manner provided hereinabove for its own use and benefit. Notwithstanding the above, no payments shall be made unless used to satisfy debt service on indebtedness incurred to finance qualified "Project Costs" as that term is defined under Chapter

206 of Title 30-A of the Maine Revised Statutes and as described as part of the Project in the Development Program or used to pay directly, or to reimburse the Company for payment of such Project Costs.

b. The City shall make required payments in response to requests for annual payment submitted by the Company setting forth the amount of the payment and containing a certification in the form attached hereto as Exhibit C.

Section 3.5. <u>Obligations Unconditional</u>.

Except as otherwise expressly provided in this Agreement, the obligations of the City to make the payments described in this Agreement in accordance with the terms hereof shall be absolute and unconditional irrespective of any defense or any rights of setoff, recoupment or counterclaim it might otherwise have against the Company. Notwithstanding the above, the City reserves the right to terminate this Agreement upon a final judgment by a court of competent jurisdiction to the effect that the Agreement or Development Program adopted in connection herewith or any payment made thereunder is or would be illegal or invalid. In such event, the termination shall relate back to the original date of the Agreement which shall be deemed void ab initio, and neither party shall have any obligations or liability hereunder, under the Development Program or in respect of any of the transactions contemplated thereby, and shall be left in whatever positions, financial or otherwise, they may be in as of the date of termination.

Section 3.6. <u>Limited Obligation</u>.

Except as otherwise expressly provided in this Agreement, the City's obligations of payment hereunder shall be limited obligations of the City payable solely from Retained Tax Increment Revenues and any earnings thereon, pledged therefor under this Agreement. The City's obligations hereunder shall not constitute a general debt or a general obligation on the part of the City or a charge against or pledge of the faith and credit or taxing power of the City, but shall be payable solely from the Retained Tax Increment Revenues received by the City, and any earnings thereon. This Agreement shall not directly or indirectly or contingently obligate the City to levy or to pledge any form of taxation whatever therefor or to make any appropriation for their payment, excepting the City's obligation to assess property taxes upon the Project and the pledge of the Retained Tax Increment Revenues established under this Agreement.

ARTICLE IV
PLEDGE AND SECURITY INTEREST

Section 4.1. Pledge of Company TIF Account.

In consideration of this Agreement and other valuable consideration and for the purpose of securing the City's payment of the amounts provided for hereunder, according to the terms and conditions contained herein, and in order to secure the performance and observance of all of the City's covenants and agreements contained herein, the City does hereby grant a security interest in and pledge to the Company the Company TIF Account and all sums of money and other securities and investments therein.

Section 4.2. Perfection of Interest.

To the extent deemed necessary or desirable by the Company, the City shall cooperate with the Company in executing certain control or three party agreements, and also consent to appropriate financing statements and continuation statements being duly filed and recorded in the appropriate state offices, as required by and permitted under the provisions of the Maine Uniform Commercial Code or other similar law as adopted in the State of Maine and any other applicable jurisdiction, as from time to time amended, in order to perfect and maintain the security interests in the funds in the Company TIF Account.

Section 4.3. Further Instruments.

The parties hereto shall, from time to time execute and deliver such further instruments and take such further action as may be reasonable and as may be required to carry out the provisions of this Agreement, provided, however that no such instruments or agreements shall pledge the credit of the City.

Section 4.4. Liens.

Except as permitted hereunder, the City shall not sell, lease, pledge, assign or otherwise dispose, encumber or hypothecate any interest in the Account and will promptly pay or cause to be discharged or make adequate provision to discharge any lien, charge or encumbrance on any part thereof not permitted hereby.

Section 4.5. Access to Books and Records.

All books, records, notes and documents in the possession of the City relating to the District, the Development Program, this Agreement and the monies, revenues and receipts on deposit or required to be deposited into the Account shall at all reasonable times be open to inspection by the Company, its agents and employees.

ARTICLE V
DEFAULTS AND REMEDIES

Section 5.1. Events of Default.

Each of the following events shall constitute and be referred to in this Agreement as an "Event of Default":

a. Any failure by the City to pay any amounts due under Section 3 above when the same shall become due and payable;

b. Any failure by the City to make deposits into the Company TIF Account as and when due;

c. Other than as provided in paragraph (a) and (b) above, any failure by the City or the Company to observe and perform in all material respects any respective covenant, condition, agreement or provision contained herein on the part of the City or the Company respectively to be observed or performed, including any failure of the Company to use payments made under this Agreement as required in Section 3.6 of this Agreement, which failure is not cured within thirty (30) days following written notice thereof; provided, however, that this subsection (c) shall not be construed to include the Company's failure to pay Property Taxes on the Property in the District for any reason as an Event of Default hereunder; and

d. If a decree or order of a court or agency or supervisory authority having jurisdiction in the premises shall appoint a conservator or receiver or liquidator for the City, or if any insolvency, readjustment of debt, marshaling of assets and liabilities or similar proceedings for the winding up or liquidation of the City's affairs shall have been entered against the City or if the City shall have consented to the appointment of a conservator or receiver or liquidator in any such proceedings of or relating to the City or of or relating to all or substantially all of its property, including without limitation the filing of a voluntary petition in bankruptcy by the City or the failure by the City to have a petition in bankruptcy dismissed within a period of 90 consecutive days following its filing or in the event an order for release has been entered under the Bankruptcy Code with respect to the City.

Section 5.2. Remedies on Default.

Whenever any Event of Default referred to in Section 5.1 hereof shall have occurred and be continuing, the non-defaulting party may take any one or more of the following remedial steps: (a) the non-defaulting party may take whatever action at law or at equity as may appear necessary or desirable to collect any amount then due and thereafter to become due, to specifically enforce the performance or observance of any obligations, agreements or covenants of the non-defaulting party under this Agreement and any documents, instruments and agreements contemplated hereby or to enforce any rights or remedies available hereunder; and (b) the Company shall also have the right to exercise any rights and remedies available to a secured party under the laws of the State of Maine. No party has the right to terminate this Agreement.

Section 5.3. Remedies Cumulative.

No remedy herein conferred upon or reserved by any party is intended to be exclusive of any other available remedy or remedies but each and every such remedy shall be cumulative and shall be in addition to the remedy given under this Agreement or now or hereafter existing at law, in equity or by statute. Delay or omission to exercise any right or power accruing upon any Events of Default or to insist upon the strict performance of any of the covenants and agreements herein set forth or to exercise any rights or remedies upon the occurrence of an Event of Default shall not impair any such right or power or be considered or taken as a waiver or relinquishment for the future of the rights to insist upon and to enforce, from time to time and as often as may be deemed expedient, by injunction or other appropriate legal or equitable remedy, strict compliance by the parties hereto with all of the covenants and conditions hereof, or of the rights to exercise any such rights or remedies, if such Events of Default be continued or repeated.

Section 5.4. Enforcement Rights.

The City and the Company agree that each party hereto shall have the right to initiate a legal proceeding to enforce the specific performance of this Agreement, it being understood and agreed that this Agreement is a material inducement to the Company continuing its pursuit of the Project. The parties agree that in the event of any dispute or disagreement hereunder the Company and the City shall continue to make payment of all amounts due hereunder in the manner and at the times specified herein until final resolution of such dispute, whether by mutual agreement or final decision of a court, arbitrator or other dispute resolution mechanism.

ARTICLE VI
EFFECTIVE DATE, TERM AND TERMINATION

Section 6.1. Effective Date and Term.

This Agreement shall become effective upon its execution and delivery by the parties hereto (the "Effective Date") and shall remain in full force from the date hereof and shall expire on the later of the completion of deposits and payments required pursuant to Articles II and III hereof with respect to the City's 2027-2028 fiscal year relating to Current Assessed Value as of April 1, 2027, or upon the performance of all obligations on the part of the City and the Company hereunder, including without limitation payment of all amounts to be paid to Company.

Section 6.2. Cancellation and Expiration of Term.

At the termination or other expiration of this Agreement in accordance with the provisions of this Agreement, the City and the Company shall each execute and deliver such documents and take or cause to be taken such actions as may be necessary to evidence the termination of this Agreement.

ARTICLE VII
ASSIGNMENT

Section 7.1. Consent to Pledge and/or Assignment.

The City hereby acknowledges that the Company may from time to time pledge and assign its right, title and interest in, to and under this Agreement as collateral for financing for the Project, although no obligation is hereby imposed on the Company to make such assignment or pledge. Recognizing this possibility, the City does hereby consent and agree to the pledge and assignment of all the Company's right, title and interest in, to and under this Agreement and in, and to the payments to be made to Company hereunder, to third parties as collateral or security for financing the Development Program, on one or more occasions during the term hereof. The City agrees to execute and deliver any assignments, pledge agreements, consents or other confirmations required by such prospective pledgee or assignee, including without limitation recognition of the pledgee or assignee as the holder of all right, title and interest herein and as the payee of amounts due and payable hereunder. The City agrees to execute and deliver any other documentation including, without limitation, any reasonable three-party control agreement, as shall confirm to such pledgee or assignee the position of such assignee or pledgee and the irrevocable and binding nature of this Agreement and provide to such pledgee or assignee such rights and/or remedies as the Company or such pledgee or assignee may reasonably deem necessary for the establishment, perfection and protection of its interest herein.

Section 7.2. Assignment.

Except as provided in Section 7.1, and except for the purpose of securing financing for the Project or for an assignment to a successor entity or an affiliate entity, the Company shall not transfer or assign any portion of its rights in, to and under this Agreement without the consent of the City, which consent shall not be unreasonably withheld, conditioned or delayed.

ARTICLE VIII
MISCELLANEOUS

Section 8.1. Successors.

In the event the City or the Company are dissolved, merged into or consolidated with another entity, or undergo any form of corporate reorganization, the covenants, stipulations, promises and agreements set forth herein, by or on behalf of or for the benefit of such party shall bind or inure to the benefit of the successors and assigns thereof from time to time and any entity, officer, board, commission, agency or instrumentality to whom or to which any power or duty of such party shall be transferred.

Section 8.2. Parties in Interest.

Except as herein otherwise specifically provided, nothing in this Agreement expressed or implied is intended or shall be construed to confer upon any person, firm or corporation other than the City and the Company any right, remedy or claim under or by reason of this Agreement, it being intended that this Agreement shall be for the sole and exclusive benefit of the City and the Company; provided, however, that if the payment obligations of the City hereunder are held by a final and binding proceeding to be illegal or invalid, this Agreement shall terminate. In such event all obligations of the parties shall terminate, and no party shall have any further liability to the other hereunder.

Section 8.3. Severability.

Except as otherwise provided herein, in case any one or more of the provisions of this Agreement shall, for any reason, be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Agreement and this Agreement shall be construed and enforced as if such illegal or invalid provision had not been contained herein.

Section 8.4. No Personal Liability.

(a) No covenant, stipulation, obligation or agreement of the City contained herein shall be deemed to be a covenant, stipulation or obligation of any present or future elected or appointed official, officer, agent, servant or employee of the City in his or her individual capacity and neither the members of the City Council of the City, or any official, officer, agent, servant or employee of the City shall be liable personally with respect to this Agreement or be subject to any personal liability or accountability by reason hereof.

(b) No covenant, stipulation, obligation or agreement of the Company contained herein shall be deemed to be a covenant, stipulation or obligation of any present or future director, member, officer, agent, servant or employee of the Company in his or her individual capacity and neither the directors, members, officers, agents, servants or employees of the Company shall be liable personally with respect to this Agreement or be subject to any personal liability or accountability by reason hereof.

Section 8.5. Counterparts.

This Agreement may be executed in any number of counterparts, each of which, when so executed and delivered, shall be an original, but such counterparts shall together constitute but one and the same Agreement.

Section 8.6. Governing Law.

The laws of the State of Maine shall govern the construction and enforcement of this Agreement in all respects.

Section 8.7. Notices.

All notices, certificates, requests, requisitions or other communications by the City or the Company pursuant to this Agreement shall be in writing and shall be sufficiently given and shall be deemed given when mailed by first class mail, postage prepaid, or, for any notice of an Event of Default, by registered or certified mail, return receipt requested, addressed as follows:

If to the City:

Corporation Counsel's Office
City of Portland
389 Congress Street
Portland, ME 04101

If to the Company:

ImmuCell Corporation
56 Evergreen Drive
Portland, ME 04103
Attn: Michael F. Brigham, President

With a copy to:
Pierce Atwood LLP
254 Commercial Street
Portland, ME 0410
Attn: James M. Saffian, Esq.

Either of the parties may, by notice given to the other, designate any further or different addresses to which subsequent notices, certificates, requests or other communications shall be sent hereunder.

Section 8.8. Amendments.

Neither this Agreement nor the Development Program may be amended without the express written consent of all of the parties hereto, which consent shall not be unreasonably withheld, conditioned or delayed. Provided, however, the parties agree to amend this Agreement in order to fulfill such reasonable requirement that a lender may require in connection with financing of the Project. This Agreement may only be amended in compliance with the provisions of 30-A M.R.S.A. §5211 et seq., as amended.

Section 8.9. Net Agreement.

This Agreement shall be deemed and construed to be a "net agreement," and the City shall pay absolutely net during the term hereof all payments required hereunder, free of any deductions, and without abatement, or setoffs; provided, it is understood that the City's payment obligations are to be satisfied solely from Retained Tax Increment Revenues and actually paid in by the Company and received by the City.

Section 8.10. Integration.

This Agreement completely and fully supersedes all other prior or contemporaneous understandings or agreements, both written and oral, between the City and the Company relating to the specific subject matter of this Agreement and the transactions contemplated hereby.

Section 8.11. Project Responsibility.

The parties hereto agree, and the City hereby acknowledges that the Company shall have no obligation to go forward with the Project referred to herein or in the Development Program. Such Project is subject to final approval by the Company.

Section 8.12. Benefit of Assignees or Pledgees.

The City agrees that this Agreement is executed in part to induce assignees or pledgees to provide financing for the Project and accordingly all covenants and agreements on the part of the City as to the amounts payable hereunder are hereby declared to be for the benefit of any such assignee or pledgee from time to time of the Company's right, title and interest herein.

Section 8.13. No Third Party Benefits.

Except as otherwise expressly authorized herein, this Agreement is entered into solely between, and may be enforced only by the City and the Company and its assignees or pledgees, and this Agreement will not be deemed to create any rights in other third parties, or to create any obligations of a party to this Agreement to any such third parties. In clarification of the foregoing, no tenant at the Property obligated under its lease or rental agreement with the Company to pay all or any portion of the property taxes associated with the Property shall be entitled to any of the funds in the Company TIF Account or to the benefit thereof without a formal assignment or pledge from the Company of the rights and duties to this Agreement.

Section 8.14. Indemnification.

a. The Company agrees to defend, indemnify and hold harmless the City, its officers, agents and employees from any and all claims and expenses, including its attorney fees, arising out of or associated with the City's approval of the District and its preparation of and participation in this Agreement, including expenses arising from any default hereunder by the Company but excluding any such claims or expenses as may relate to actions or proceedings resulting from a default hereunder by the City. This indemnification obligation shall survive termination of this Agreement or a finding that this Agreement is void or invalid.

b. The City agrees to defend, indemnify and hold harmless the Company, its officers, agents and employees from any and all claims and expenses, including its attorney fees, arising out of or associated with any default hereunder by the City. This indemnification obligation shall survive termination of this Agreement or a finding that this Agreement is void or invalid.

Section 8.15. Waiver of Recapture.

In order to induce Company to construct the Project, in the event this Credit Enhancement Agreement, the Development Program or designation of the District is found or held void or invalid or if for any reason the payments made by the City hereunder are held contrary to law or improper by a Court of law with final jurisdiction over this Agreement, the City irrevocably waives its rights to reclaim, recapture or otherwise recover any Company Tax Increment Revenues paid to the Company or any assignee pursuant to this Agreement.

(Signature page break.)

IN WITNESS WHEREOF, the City and the Company have caused this Agreement to be executed in their respective corporate names and their respective corporate seals to be hereunto affixed and attested by the duly authorized officers or members, as the case may be, all as of the date first above written.

WITNESS

CITY OF PORTLAND, MAINE

____

By:______________________________
Jon P. Jennings
Its City Manager

IMMUCELL CORPORATION

____

By:______________________________
Michael F. Brigham
Its President

<u>Exhibit A</u> to Credit Enhancement Agreement – ImmuCell Corporation Municipal Development and Tax Increment Financing District Development Program

<u>EXHIBIT B</u> to Credit Enhancement Agreement: Company Tax Increment Revenues

CEA Years:	Increased Assessed Value to be captured as Captured Assessed Value (and Reimbursed to Company):
Years 1-11 (FY2016-2017 to FY2026-2027)	65%
Years 12 (FY2027-2028	30%

<u>EXHIBIT C</u> to Credit Enhancement Agreement – Certification of Costs Form (ImmuCell Corporation TIF District)

The undersigned does hereby certify the following project costs were incurred in the Tax Year starting April 1, 20__ and ending March 31, 20__ as follows:

Improvements	**Actual Costs**
Total:	___________

Date:____________________

By:_______________________________
Name: ____________________________
Its: ______________________________

Exhibit I

CITY OF PORTLAND
IMMUCELL CORPORATION MUNICIPAL DEVELOPMENT AND TAX INCREMENT FINANCING DISTRICT

DECD STATUTORY REQUIREMENTS TABLE

SECTION A. | Acreage Caps			
1. Total **municipal** acreage;			12,386
2. Acreage of **proposed** Municipal TIF District;			1.11
3. **Downtown-designation**[2] acres in proposed Municipal TIF District;			0
4. **Transit-Oriented Development**[3] acres in proposed Municipal TIF District;			0
5. **Total acreage [=A2-A3-A4]** of proposed Municipal TIF District counted toward 2%			1.11
6. **Percentage [=A5÷A1]** of total acreage in proposed Municipal TIF District (CANNOT			0.009%
7. **Total acreage** of all existing/proposed Municipal TIF districts in municipality **including** Municipal Affordable Housing Development districts:[4] (See attached table)		Existing	599.882
		Proposed	1.11
		Total:	600.992
30-A § 5223(3) EXEMPTIONS[5]			
8. Acreage of an existing/proposed **Downtown** Municipal TIF district;			422
9. Acreage of all existing/proposed **Transit-Oriented Development** Municipal TIF districts:			30
10. Acreage of all existing/proposed **Community Wind Power** Municipal TIF districts:			0
11. Total acreage of all existing or proposed of all existing/proposed **Single Taxpayer/High Valuation**[6] Municipal TIF districts:			0
12. Acreage in all existing/proposed Municipal TIF districts **common to**[7] Pine Tree Development Zones per 30-A § 5250-I (14)(A) **excluding** any such acreage also factored in Exemptions 8-10 above:			0
13. **Total acreage [=A7-A8-A9-A10-A11-A12]** of all existing/proposed Municipal TIF districts counted toward 5% limit;			148.982
14. **Percentage of total acreage [=A12÷A1]** of all existing/proposed Municipal TIF districts (CANNOT EXCEED 5%).			1.203%
15. **Real property** in proposed Municipal TIF District that is:	ACRES	**% [=Acres÷A2]**	
a. A blighted area;	0	0	
b. In need of rehabilitation, redevelopment or conservation;	0	0	
c. Suitable for commercial or arts district uses.	1.11	100%	
TOTAL (except for § 5223 (3) exemptions a., b. OR c. must be at least 25%)			

[2] Before final designation, the Commissioner will seek advice from MDOACF and MDOT per 30-A § 5226(2).
[3] For Transit-Oriented Development (TOD) definitions see 30-A § 5222 sub-§§ 19-24.
[4] For AH-TIF acreage requirement see 30-A § 5247(3)(B) because that Program has its own/separate valuation limit.
[5] Downtown/TOD overlap nets single acreage/valuation caps exemption.
[6] For this exemption see 30-A §5223(3)(C) sub-§§ 1-4.
[7] PTDZ districts approved through December 31, 2008.

SECTION B. | Valuation Cap		
1. **Total TAXABLE** municipal valuation—use most recent April 1		$7,707,200,000
2. **Taxable Original Assessed Value (OAV)** of proposed Municipal TIF District as of March 31 preceding municipal designation—same as April 1 prior to such March 31;		$52,600
3. **Taxable OAV of all** existing/proposed Municipal TIF districts in municipality: (See attached table)	Existing	$1,106,390,070
	Proposed	$52,600
	Total:	$1,106,442,670
30-A § 5223(3) EXEMPTIONS		
4. **Taxable OAV** of an existing/proposed **Downtown** Municipal TIF district;		$968,136,850
5. **Taxable OAV** of all existing/proposed **Transit-Oriented Development** Municipal TIF districts:		$4,970,470
6. **Taxable OAV** of all existing/proposed **Community Wind Power** Municipal TIF districts:		0
7. **Taxable OAV** of all existing/proposed **Single Taxpayer/High Valuation**[8] Municipal TIF districts:		0
8. **Taxable OAV** in all existing/proposed Municipal TIF districts **common to** Pine Tree Development Zones per 30-**A** § 5250-I (14)(**A**) **excluding** any such OAV also factored in Exemptions 4-7 above:		0
9. **Total taxable OAV [=B3-B4-B5-B6-B7-B8]** of all existing/proposed Municipal TIF districts counted toward 5% limit;		$133,335,350
10. **Percentage of total taxable OAV [=B9÷B1]** of all existing/proposed Municipal TIF districts (CANNOT EXCEED 5%).		1.730%

[8] For this exemption see 30-A §5223(3)(C) sub-§§ 1-4.

TIF No.	District Name	Acreage	2% Limit	OAV
1	Bramhall/Holt Hall	1.065	0.009%	$349,110
2	Waterfront and Sub District	4.95	0.040%	$7,667,310
3	Bayside Expanded TIF District	129.18	1.043%	$122,318,180
4	Riverwalk/Ocean Gateway	3.68	0.030%	$1,085,550
5	Pearl Place/Avesta-AH TIF	1.035	0.008%	exempt - AH
6	Baxter Library TIF District	0.37	0.003%	$0
7	Public Market/Power Pay	1.07	0.009%	$1,862,600
8	McAuley Place	5.32	0.043%	$0
9	Avesta/409 Cumberland Ave-AH TIF	0.410	0.003%	exempt - AH
10	Thompson's Pt TOD/TIF II	30.00	0.242%	$4,970,470
11	134 Washington Avenue/AH TIF	0.230	0.002%	exempt - AH
12	17 Carleton St/AH TIF	0.572	0.005%	exempt - AH
13	Downtown TOD and Omnibus TIF District	422.00	3.407%	$968,136,850
	Sub-Total - Existing	599.882		1,106,390,070
14	ImmuCell	1.11	0.009%	52,600
	TOTAL ACREAGE / OAV	600.992		1,106,442,670.00
	Excluded Acreage			
	Downtown TIF Acreage	(422.00)		($968,136,850)
	Transit-Oriented TIF Acreage	(30.00)		($4,970,470)
	Community Wind Power Acreage	0.00		0
	Single Taxpayer/High Valuation	0.00		0
	Pine Tree Zone Acreage	0.00		0
	TOTAL ACREAGE / OAV - Countable	**148.992**		**133,335,350**
	5% Limit		**1.203%**	**1.730%**
	Municipal Acreage	12,386.00		
	Taxable Valuation (4/1/16)			7,707,200,000
	Remaining Amount that can be TIF'd	470.308		252,024,650

NOTE: ☐ Proposed TIF District
☐ Affordable Housing TIFs

Order 38-16/17
Tab 25 8-1-16

ETHAN K. STRIMLING (MAYOR)
BELINDA S. RAY (1)
SPENCER R. THIBODEAU (2)
EDWARD J. SUSLOVIC (3)
JUSTIN COSTA (4)

CITY OF PORTLAND
IN THE CITY COUNCIL

DAVID H. BRENERMAN (5)
JILL C. DUSON (A/L)
JON HINCK (A/L)
NICHOLAS M. MAVODONES, JR (A/L)

ORDER APPROVING CREDIT ENHANCEMENT AGREEMENT WITH IMMUCELL CORPORATION

ORDERED, that the Credit Enhancement Agreement between the City of Portland and ImmuCell Corporation is hereby approved in substantially the form attached hereto; and

BE IT FURTHER ORDERED, that the City Council hereby authorizes the City Manager or his or her designee to execute said documents and any other related documents necessary or convenient to carry out the intent of said documents.

Order 39-16/17
Tab 26 8-1-16

ETHAN K. STRIMLING (MAYOR)
BELINDA S. RAY (1)
SPENCER R. THIBODEAU (2)
EDWARD J. SUSLOVIC (3)
JUSTIN COSTA (4)

CITY OF PORTLAND
IN THE CITY COUNCIL

DAVID H. BRENERMAN (5)
JILL C. DUSON (A/L)
JON HINCK (A/L)
NICHOLAS M. MAVODONES, JR (A/L)

ORDER AUTHORIZING THE CITY MANAGER TO NEGOTIATE AN AGREEMENT WITH REVISION ENERGY LLC FOR INSTALLATION OF SOLAR POWER ARRAY ON OCEAN AVENUE LANDFILL

ORDERED, that the City Manager or his or her designees, in consultation with the Corporation Counsel, are hereby authorized to negotiate a power purchase agreement and a related lease or license agreement with Revision Energy LLC for the installation of a solar power array on the Ocean Avenue Landfill substantially in accordance with the provisions of the term sheet attached hereto, and which agreement shall not become effective without subsequent review and approval by the City Council.

MEMORANDUM
City Council Agenda Item

TO: Mayor and City Council

FROM: Troy Moon

DATE: 7/21/2016

DISTRIBUTION: City Manager, Mayor, Anita LaChance, Sonia Bean, Danielle West-Chuhta, Nancy English, Julie Sullivan

SUBJECT: Order ...

SPONSOR: Jon Hinck, Chair, Energy and Sustainability Committee

COUNCIL MEETING DATE ACTION IS REQUESTED:
1st reading_____X________ Final Action________

Can action be taken at a later date: ___X_ Yes _ _ No (If no why not?)

PRESENTATION: (List the presenter(s), type and length of presentation)

SUMMARY OF ISSUE (Agenda Description)

During their meeting on July 20, the Energy and Sustainability Committee reviewed proposed terms to develop a solar array on the closed and capped Ocean Avenue Landfill. The project was proposed by Revision Energy in response to an RFP the City issued in June, 2015 to explore solar power generation. Under Revision's proposal, which was the only proposal submitted in response to the RFP, Revision would install and own a 660 KW array. The City would purchase from Revision all power generated by the array under a power purchase agreement. After the first 6 years of the agreement, the City would have the option (but not the obligation) to purchase the array. In January, 2016 the City of South Portland joined the proposal in order to facilitate construction of an identical solar array on their closed landfill and to reduce overall project costs. Moving forward with the project would create one of the largest municipal solar arrays in Maine and underscore the City of Portland's commitment to supporting renewable energy. The Energy and Sustainability Committee unanimously recommends moving forward with this project.

Planning staff is currently revising the zoning ordinance to allow stand-alone solar generation facilities in the City. They presented an outline of their recommendations to the Energy and Sustainability Committee in June in order to get feedback. They will present to the Planning Board on August 9.

The Land Bank Commission approved installation of the solar array during the meeting in January, 2016.

II. REASON FOR SUBMISSION (Summary of Issue/Background)

To move forward, the City Council will need to authorize the City Manager or his designees to negotiate terms of a power purchase agreement, an appropriate lease or license agreement, and to issue permits necessary to construct the solar array. The order would authorize the City Manager to negotiate these documents within the parameters of the attached term sheet presented by Revision Energy, which would subsequently be presented to the City Council for approval.

III. INTENDED RESULT

Approving the order authorize the City Manager to negotiate a power purchase agreement with Revision Energy in order to create 660 kW solar array on the closed and capped Ocean Avenue Landfill.

IV. COUNCIL GOAL ADDRESSED

The City Council has a stated goal of promoting renewable energy in the City of Portland.

V. FINANCIAL IMPACT

In order to monetize the value of a federal investment tax credit, the City cannot take ownership of the solar array for at least six years and would purchase the power generated by the private owner – Revision Energy – under the terms of a power purchase agreement. The term of the proposed contract sets an initial rate of $0.1056 kWh with a 2.5% annual escalation. This is approximately $0.02 higher than the City currently pays for electricity. In addition to purchasing power under the agreement, the City would also be responsible for the cost of installing electrical cable to connect the array to a nearby CMP pole, which is expected to cost about $50,000.00. Once the City executes its option to purchase the array the cash flow becomes positive. Assuming the buy-out occurs in year seven, the City would recoup its costs and the project would become revenue positive in year 10. We project the array to accrue a financial benefit to the City of over $3 million during the 40 year projected life of the project. In year 7, the optional buyout cost would be $1.6 million dollars. Given projected constraints on the Capital Improvement Budget, the City Council at that time may choose to defer the buyout option to a future year. As time passes, the buyout cost declines but this would be offset by the costs associated with the power purchase agreement.

VI. STAFF ANALYSIS

City staff members from Portland and South Portland have worked closely with the principals of Revision Energy to develop the proposal to develop solar arrays on each city's closed landfills. After considerable work, we have arrived at financial terms that make moving forward with the project feasible.

Closed landfills are ideal hosts for solar arrays because it allows a beneficial use of an area that cannot otherwise be developed. As proposed, the project would preserve the existing recreational uses in the area such as dog walking, bike riding, and bird watching. The Land Bank Commission approved siting the array at this location in January, 2016.

The City Council has established supporting renewable energy as a goal. Implementing this project would allow the City to host a facility generating 660 kWs of electricity. The annual output of 1.2 million kWh per year represents approximately 3% of the City's annual consumption and is roughly equivalent to the power consumed by City Hall and Merrill Auditorium.

VII. RECOMMENDATION

We recommend approval of the order authorizing the City Manager to negotiate and execute the agreements necessary to implement the Ocean Avenue Solar Project within the parameters of the term sheet offered by Revision Energy.

VIII. LIST ATTACHMENTS

Project Term Sheet

Prepared by: Troy Moon

Date: 7/22/2016

Professional design, installation and service of solar energy systems

Troy Moon, Sustainability Director
City of Portland
389 Congress St.
Portland, Maine 04101

July 27, 2016

Dear Troy,

On behalf of ReVision Energy, I am pleased to provide the following terms for a proposed Power Purchase Agreement (PPA) for a photovoltaic solar energy project at the former Ocean Avenue landfill site.

Project Description: 920.7 kWdc solar array, with estimated production of 1,203,570 kwh/year.

- (2,970) Q-cell 310-watt solar electric modules, or equivalent, with 25-year performance warranty;
- (25) SMA STP24000TL-US-10 and (3) SMA STP20000TL-US-10 inverters, or equivalent, with 15-year performance warranty;
- Revenue grade electric metering and remote system monitoring to allow real-time online access to solar energy generation;
- Maine DEP approved site design with ballasted ground mounted array, wind rating of 120 mph;
- Balance of system components including all wiring, hardware and fittings needed to provide a National Electrical Code and NABCEP compliant installation.

Power Purchase Agreement: ReVision Energy and/or its financing partner will finance, build, own and operate the system for life of PPA. The City will provide for a line extension and new electrical service to access the landfill and will purchase all power produced under the following terms:

Power price: 10.56¢/kWh in year one, to increase by 2.5% annually.

Term: 25 years, with option to extend to 30 years. At end of term, City can elect to take over system or have it removed and the property restored to prior conditions at no cost

Buyout Options: The City will have an option to purchase in Year 7 or 10, and at regular intervals thereafter, at fair market value or the following schedule, whichever is higher.

Estimated Y7 Buyout: $1,598,423

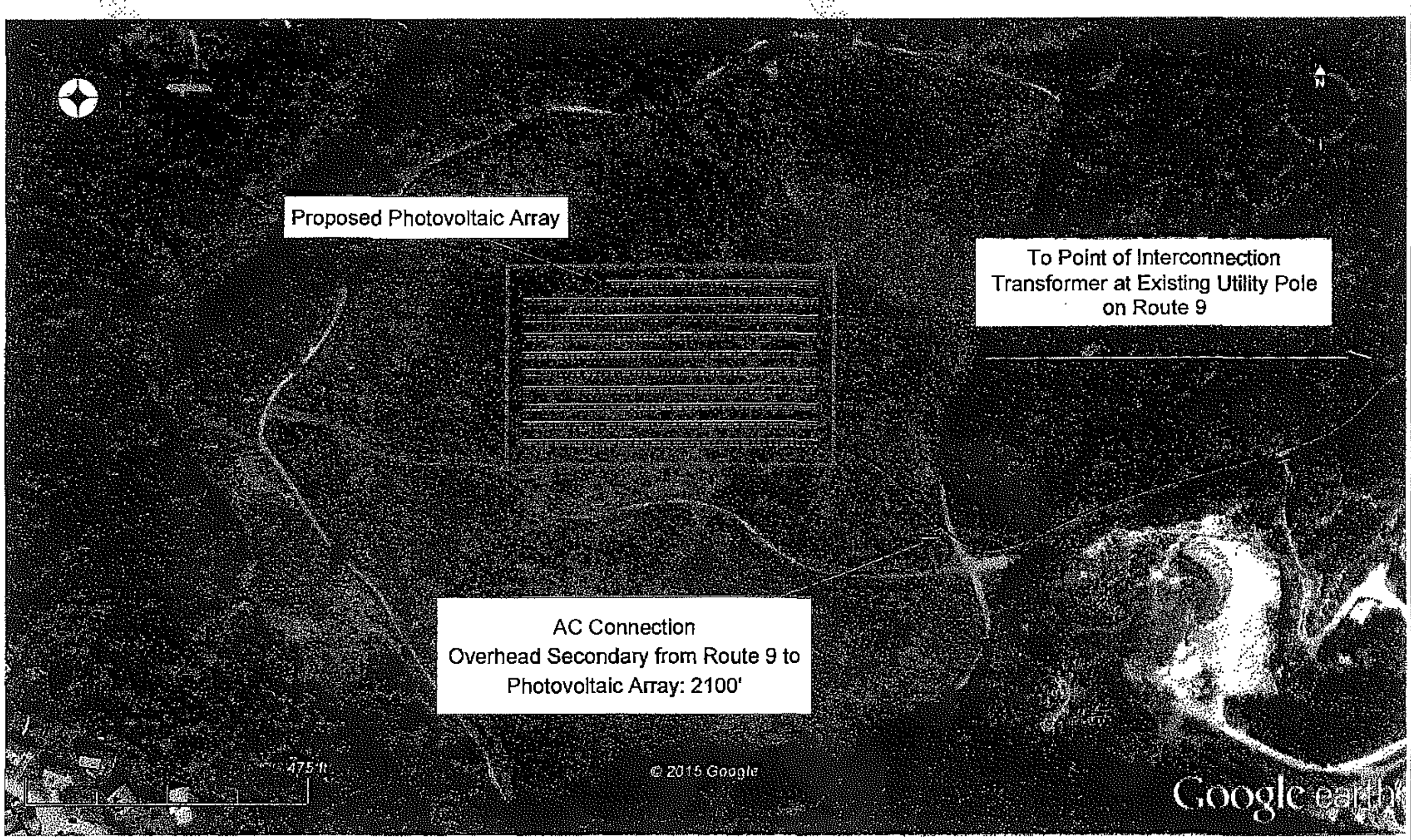
Estimated Y10 Buyout: $1,365,670

ReVision Energy is the largest full service renewable energy contractor in northern New England. Since 2003, ReVision has installed more than 5,000 solar systems for commercial, residential, municipal, educational and non-profit clients. Our professional installation team includes master electricians and NABCEP certified solar installers and technicians, and is backed by a 24-hour service guarantee.

Sincerely,

Stephen F. Hinchman

Steve Hinchman, Director of Financing
ReVision Energy, LLC
207.837.8637
steveh@revisionenergy.com



ReVision Energy
142 Presumpscot Street
Portland, ME 04103
(207) 221-6342

Project Information

Old City Landfill
Ridge Road
Portland, ME 04103

System Type:

903.96 kW$_{DC}$ Photovoltaic Array

Drawing Name:

Site Map

Page:	1 of 4
Drawn By:	L Brosbek
Date:	August 20, 2016
Rev. Number:	0

Project Design Notes:

Preliminary Design Plan, Not for Construction

Professional Engineer Stamp of Approval

Total DC System Size: 903.96 kW$_{DC}$

2,916 Modules in Portrait, 10 Rows Total
9 Rows of 150, 1 Row of 108, Columns of 2 High

Module Type: ReneSola 310W JC310M-24/Ab
Module Dimensions: 77.01" x 39.06" x 1.57"

First Year kWh Production: 1,244,475 kWh

Degradation Percentage: 0.5% per year

Total AC System Size:
(27) 24kW Inverters, 648 kW$_{AC}$

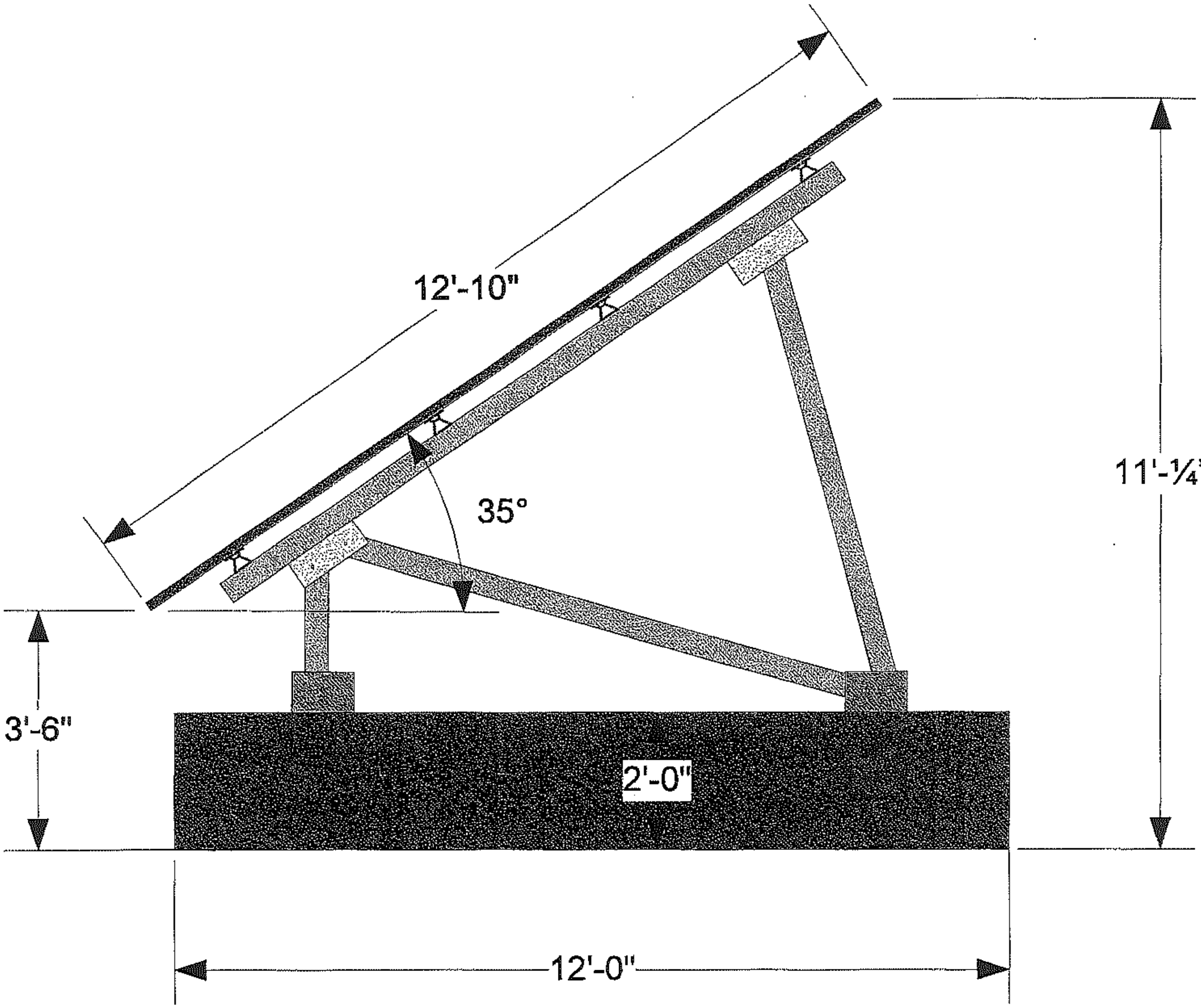
Inverter Type and Specifications:
SMA STP 24000TL-US-10
Max AC Power per Inverter: 24 kWAC
Max AC Output Current per Inverter: 29A
Nominal AC Voltage: 480 / 277 V WYE

Racking System: Ground Mount, Ballasted Block
Wind Rating of Mounting System: 120 mph

Array Tilt: 35° Array Azimuth: 180°
Ground Slope: -3% Grade (-2°) to the North

Array Dimensions: 500'-0" x 283'-7"
Array Perimeter: 550'-0" x 350'-0" (Fencing)
Inter-row Spacing: 20'-2"

Dimensions of Photovoltaic Array, Ground Mount Racking System, Side View:



ReVision Energy
142 Presumpscot Street
Portland, ME 04103
(207) 221-6342

Project Information

Old City Landfill
Ridge Road
Portland, ME 04103

System Type:

903.96 kWdc Photovoltaic Array

Drawing Name:

Ground Mount Profile:
Ballasted Block Racking System

Page:	2 of 4
Drawn By:	L. Brostek
Date:	August 20, 2015
Rev. Number:	0

Project Design Notes:

Preliminary Design Plan, Not for Construction

2,916 Modules in Portrait, 10 Rows Total
9 Rows of 150, 1 Row of 108, Columns of 2 High

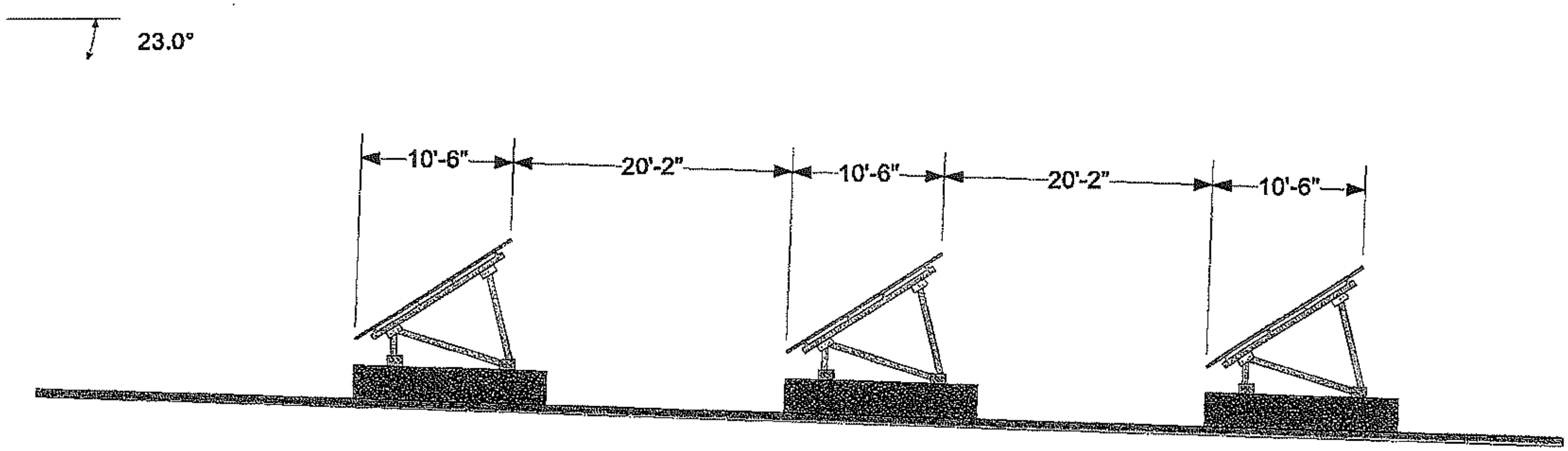
Module Type: ReneSola 310W JC310M-24/Ab
Module Dimensions: 77.01" x 39.06" x 1.67"

Racking System: Ground Mount, Ballasted Block
Wind Rating of Mounting System: 120 mph
Array Tilt: 35° Array Azimuth: 180° (True)
Concrete Ballasted Blocks
Leading Edge, 3'-6" from ground

Professional Engineer Stamp of Approval:

Inter-row Spacing Requirement (Shadow Distance):

To eliminate shading during peak sun hours, distance between rows shall be a minimum of **20'-2"** from the top of the front panel to the bottom of the back panel. Shading calculations are based on the sun's position and altitude angle over Portland, ME on Winter Solstice (21 December).



ReVision Energy
142 Presumpscot Street
Portland, ME 04103
(207) 221-6342

Project Information

Old City Landfill
Ridge Road
Portland, ME 04103

System Type:

903.96 kW$_{DC}$ Photovoltaic Array

Drawing Name:

Inter-Row Spacing Requirements

Page:	3 of 4
Drawn By:	L. Brostek
Date:	August 20, 2015
Rev. Number:	0

Project Design Notes:

Preliminary Design Plan, Not for Construction

Module Type: ReneSola 310W JC310M-24/Ab
Module Dimensions: 77.01" x 39.05" x 1.57"

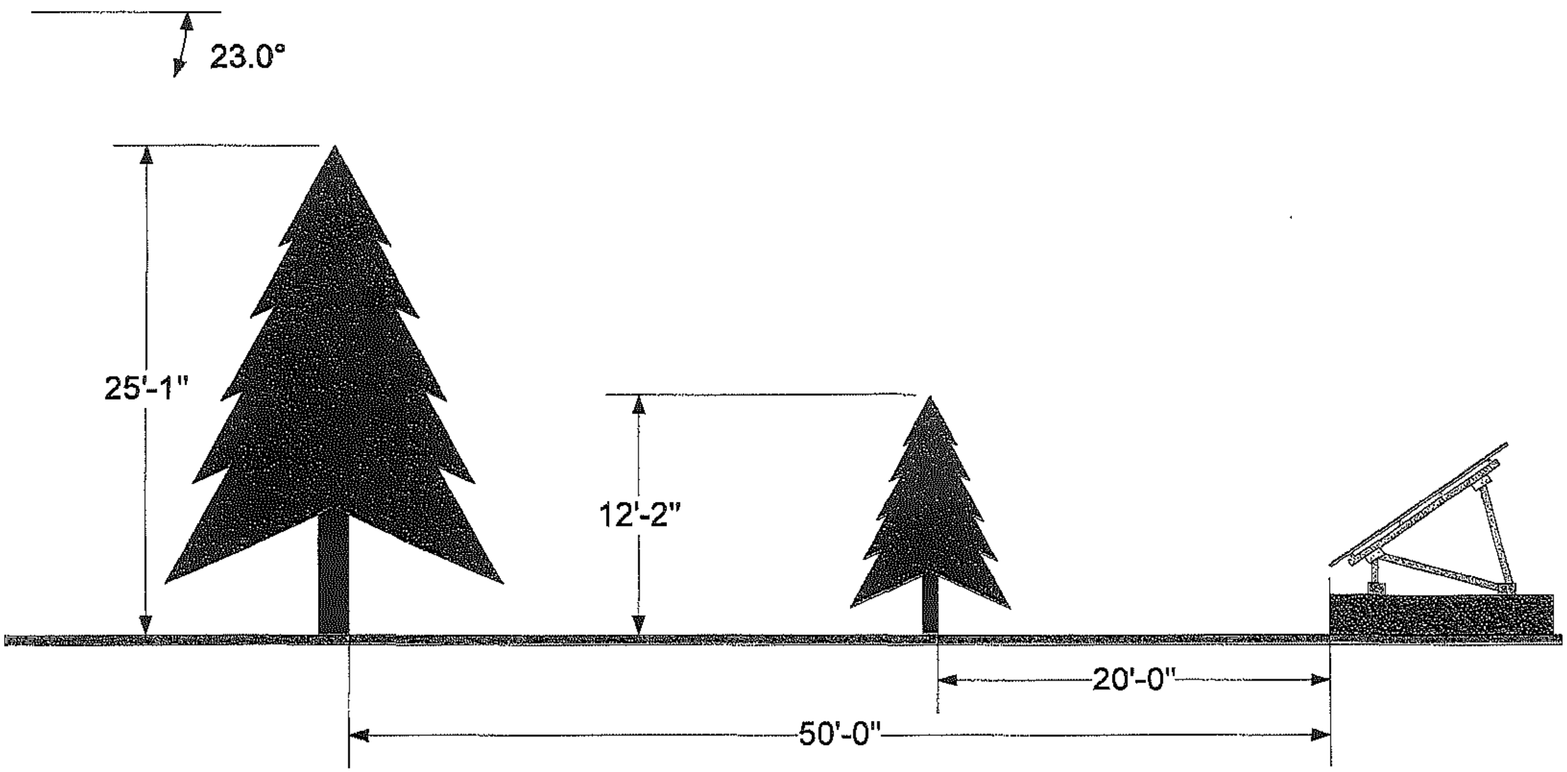
Racking System: Ground Mount, Ballasted Block
Wind Rating of Mounting System: 120 mph

Array Tilt: 35° Array Azimuth: 180°
Ground Slope: -3% Grade (-2°) to the North

Array Dimensions: 500'-0" x 283'-7"
Inter-row Spacing: 20'-2"

Professional Engineer Stamp of Approval:

Irradiance Spacing (Shade-free Zone):
Keeping the solar array shade-free optimizes annual energy production. Shade elimination requires a zone that extends from the East, South, and West edges of the array that is free of any obstacles (buildings, vegetation, or other) that would cast a shadow. This irradiance spacing varies with height and distance as shown.



ReVision Energy
142 Presumpscot Street
Portland, ME 04103
(207) 221-6342

Project Information

Old City Landfill
Ridge Road
Portland, ME 04103

System Type:

903.96 kWdc Photovoltaic Array

Drawing Name:

Irradiance Shading

Page:	4 of 4
Drawn By:	L. Brodak
Date:	August 20, 2016
Rev. Number:	0

Project Design Notes:

Preliminary Design Plan, Not for Construction

Module Type: ReneSola 310W JC310M-24/Ab
Module Dimensions: 77.01" x 39.06" x 1.57"

Racking System: Ground Mount, Ballasted Block
Wind Rating of Mounting System: 120 mph

Array Tilt: 35° Array Azimuth: 180°
Ground Slope: -3% Grade (-2°) to the North

Array Dimensions: 500'-0" x 283'-7"
Inter-row Spacing: 20'-2"

Professional Engineer Stamp of Approval:

Ocean Avenue Landfill

Acreage

660.00 kW_{AC} Photovoltaic Array – Site Plan

Total DC System Size: 920.70 kW_{DC}

(2,970) Modules, As Shown
6 Rows of 216, 1 Row of 189
Columns of 2 High in Portrait

Module Type: Q.CELL 310W Q.PRO L-G3

First Year kWh Production: 1,203,570 kWh
(Specific Yield: 1307 kWh / kW)

Degradation Percentage: 0.5% per year

Total AC System Size: 660.00 kW_{AC}

(28) Grid-tied Inverters, Mounted to Racking:
Inverter Types and Specifications:

(25) SMA STP24000TL-US-10
- Max AC Power per Inverter: 24 kW_{AC}
- Max AC Output Current per Inverter: 29A
- Nominal AC Voltage: 480Y / 277 V
- 108 Modules per Inverter

(3) SMA STP20000TL-US-10
- Max AC Power per Inverter: 20 kW_{AC}
- Max AC Output Current per Inverter: 24A
- Nominal AC Voltage: 480Y / 277 V
- 90 Modules per Inverter

Racking System: Ground Mount, Ballasted
Wind Rating of Mounting System: 120 mph

Array Tilt: 35°
Array Azimuth: 180°
Ground Slope: Negligible

Array Area: 800'-0" x 300'-0"
Array Perimeter: 2,000'-0"
Inter-row Spacing: 22'-5" between rows

To account for thermal expansion of racking, 2" gaps shall be installed at the array every 100'.

ReVision Energy

142 Presumpscot Street
Portland, ME 04103
(207) 221-6342

Customer Name:

Old City Landfill
Ridge Road
Portland, ME 04103

System Type:

Photovoltaic Array

Designed by: LB

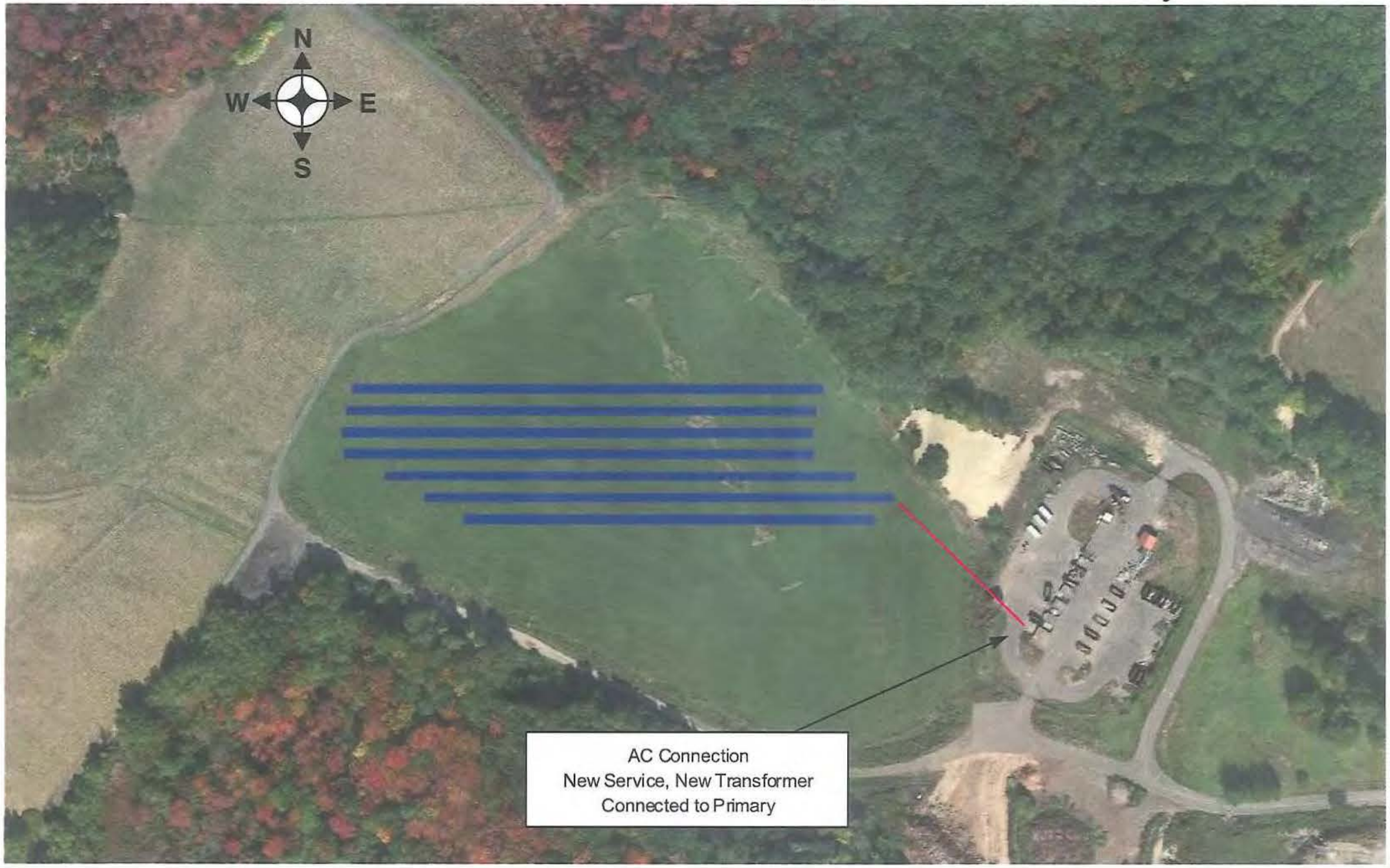
Date: January 26, 2016

SITE PLAN

SHEET A01

This diagram is provided as a service and is based on the understanding of the information supplied. It is subject to change based on actual conditions, applicable edition of the National Electric Code, and local governmental authorities.

660.00 kW_{AC} Photovoltaic Array – Site Plan



Total DC System Size: 920.70 kW_{DC} (2,970) Modules, As Shown Columns of 2 High in Portrait Module Type: Q.CELL 310W Q.PRO L-G3 First Year kWh Production: 1,204,020 kWh (Specific Yield: 1,307 kWh / kW) Degradation Percentage: 0.5% per year	Total AC System Size: 660.00 kW_{AC} (28) Grid-tied Inverters, Mounted to Racking: Inverter Types and Specifications: (25) SMA STP24000TL-US-10 Max AC Power per Inverter: 24 kW_{AC} Max AC Output Current per Inverter: 29A Nominal AC Voltage: 480Y / 277 V 108 Modules per Inverter (3) SMA STP20000TL-US-10 Max AC Power per Inverter: 20 kW_{AC} Max AC Output Current per Inverter: 24A Nominal AC Voltage: 480Y / 277 V 90 Modules per Inverter	Racking System: Ground Mount, Ballasted Wind Rating of Mounting System: 120 mph Array Tilt: 35° Array Azimuth: 180° Ground Slope: Negligible Array Area: 800'-0" x 300'-0" Array Perimeter: 2,200'-0" Inter-row Spacing: 22'-5" between rows To account for thermal expansion of racking, 2" gaps shall be installed at the array every 100'.

ReVision Energy

142 Presumpscot Street
Portland, ME 04103
(207) 221-6342

Customer Name:

Capped Landfill
929 Highland Ave
South Portland, ME 04106

System Type:

Photovoltaic Array

Designed by: LB

Date: January 26, 2016

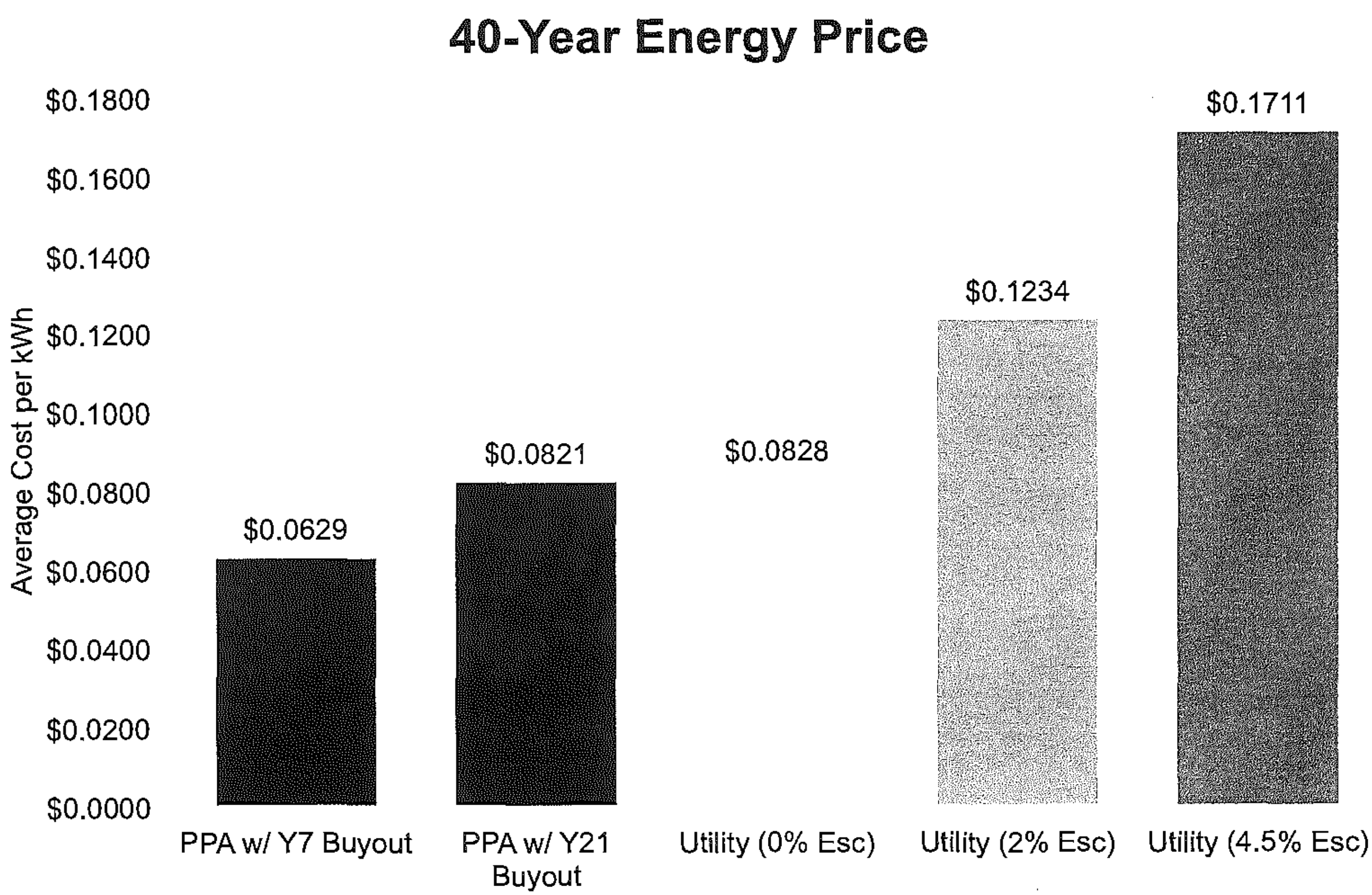
SITE PLAN

SHEET A01

Landfills PPA Comparison

1st Price Schedule			Revised Offer		PPA Comparison		
Year	PPA $/kWh	Est. Purchase Price	PPA $/kWh	Est. Purchase Price	Difference	Cumulative	Purchase
1	$ 0.11500	$ 2,895,655	$ 0.12450	$ 2,569,950	$6,703	$6,703	**$325,705**
2	$ 0.11730		$ 0.12699		$6,803	$13,506	
3	$ 0.11965		$ 0.12953		$6,904	$20,410	
4	$ 0.12204		$ 0.13212		$7,007	$27,417	
5	$ 0.12448		$ 0.13476		$7,112	$34,529	
6	$ 0.12697		$ 0.13746		$7,218	**$41,747**	
7	**$ 0.15400**	**$ 2,001,969**	**$ 0.14021**	**$ 1,570,000**	$22,251	$19,496	**$431,969**
8	$ 0.15708	$ 1,890,303	$ 0.14301		$22,582	$3,086	
9	$ 0.16022	$ 1,769,396	$ 0.14587		$22,919	$26,005	
10	$ 0.16343	$ 1,638,650	$ 0.14879		$23,260	$49,265	
11	$ 0.16669	$ 1,542,560	$ 0.15176		$23,607	$72,872	
12	$ 0.17003	$ 1,437,809	$ 0.15480		$23,959	$96,831	
13	$ 0.17343	$ 1,323,832	$ 0.15790		$24,316	$121,146	
14	$ 0.17690	$ 1,200,003	$ 0.16105		$24,678	$145,824	
15	$ 0.18044	$ 1,065,779	$ 0.16428		$25,046	$170,870	
16	$ 0.18404	$ 920,395	$ 0.16756		$25,419	$196,288	
17	$ 0.18773	$ 763,170	$ 0.17091		$25,797	$222,086	
18	$ 0.19148	$ 593,346	$ 0.17433		$26,182	$248,268	
19	$ 0.19531	$ 410,119	$ 0.17782		$26,572	$274,840	
20	$ 0.19922	$ 212,639	$ 0.18137		$26,968	**$301,808**	
					Net with buyout		**$390,222**

Landfill Array – Solar v. CMP



City of Portland -Landfill

Year 1 Purchase Vs. Year 7 Purchase

Portland Year 1 Purchase						
Year	Portland Bond PMT	Operating Expenses	REC Value	Utility Bill	Annual Savings	Cumulative Savings
1	$ (195,581)	$ (31,779)	$ 47,214	$ 105,780	$ (74,366)	$ (74,366)
2	$ (195,581)	$ (30,877)	$ 46,978	$ 108,935	$ (70,545)	$ (144,911)
3	$ (195,581)	$ (30,020)	$ 46,742	$ 112,184	$ (66,675)	$ (211,586)
4	$ (195,581)	$ (29,207)	$ 46,508	$ 115,530	$ (62,749)	$ (274,335)
5	$ (195,581)	$ (28,434)	$ 46,275	$ 118,976	$ (58,764)	$ (333,099)
6	$ (195,581)	$ (27,700)	$ 46,044	$ 122,524	$ (54,713)	$ (387,811)
7	$ (195,581)	$ (37,850)	$ 45,813	$ 126,179	$ (61,439)	$ (449,250)
8	$ (195,581)	$ (37,187)	$ 45,584	$ 129,942	$ (57,243)	$ (506,493)
9	$ (195,581)	$ (36,558)	$ 45,355	$ 133,817	$ (52,967)	$ (559,460)
10	$ (195,581)	$ (35,961)	$ -	$ 137,809	$ (93,733)	$ (653,193)
11	$ (195,581)	$ (35,393)	$ -	$ 141,919	$ (89,055)	$ (742,248)
12	$ (195,581)	$ (34,854)	$ -	$ 146,151	$ (84,284)	$ (826,532)
13	$ (195,581)	$ (34,342)	$ -	$ 150,510	$ (79,413)	$ (905,945)
14	$ (195,581)	$ (33,856)	$ -	$ 154,999	$ (74,438)	$ (980,382)
15	$ (195,581)	$ (33,394)	$ -	$ 159,622	$ (69,353)	$ (1,049,735)
16	$ (195,581)	$ (31,456)	$ -	$ 164,383	$ (62,654)	$ (1,112,389)
17	$ (195,581)	$ (31,039)	$ -	$ 169,286	$ (57,335)	$ (1,169,724)
18	$ (195,581)	$ (30,644)	$ -	$ 174,335	$ (51,890)	$ (1,221,614)
19	$ (195,581)	$ (30,268)	$ -	$ 179,534	$ (46,315)	$ (1,267,929)
20	$ (195,581)	$ (29,911)	$ -	$ 184,889	$ (40,604)	$ (1,308,532)
Total Net Savings					$ (1,308,532)	

Portland Year 7 Purchase						
Year	Portland PPA/Bond PMT	Operating Expenses	REC Value	Utility Bill	Annual Savings	Cumulative Savings
1	$ (143,115)	$ -	$ -	$ 105,780	$ (37,334)	$ (37,334)
2	$ (145,247)	$ -	$ -	$ 108,935	$ (36,312)	$ (73,646)
3	$ (147,411)	$ -	$ -	$ 112,184	$ (35,227)	$ (108,873)
4	$ (149,608)	$ -	$ -	$ 115,530	$ (34,077)	$ (142,950)
5	$ (151,837)	$ -	$ -	$ 118,976	$ (32,861)	$ (175,811)
6	$ (154,099)	$ -	$ -	$ 122,524	$ (31,575)	$ (207,386)
7	$ (143,614)	$ (37,850)	$ 45,813	$ 126,179	$ (9,472)	$ (216,858)
8	$ (143,614)	$ (37,187)	$ 45,584	$ 129,942	$ (5,276)	$ (222,134)
9	$ (143,614)	$ (36,558)	$ 45,355	$ 133,817	$ (999)	$ (223,134)
10	$ (143,614)	$ (35,961)	$ -	$ 137,809	$ (41,766)	$ (264,900)
11	$ (143,614)	$ (35,393)	$ -	$ 141,919	$ (37,088)	$ (301,988)
12	$ (143,614)	$ (34,854)	$ -	$ 146,151	$ (32,317)	$ (334,305)
13	$ (143,614)	$ (34,342)	$ -	$ 150,510	$ (27,446)	$ (361,750)
14	$ (143,614)	$ (33,856)	$ -	$ 154,999	$ (22,471)	$ (384,221)
15	$ (143,614)	$ (33,394)	$ -	$ 159,622	$ (17,386)	$ (401,607)
16	$ (143,614)	$ (31,456)	$ -	$ 164,383	$ (10,687)	$ (412,294)
17	$ (143,614)	$ (31,039)	$ -	$ 169,286	$ (5,367)	$ (417,661)
18	$ (143,614)	$ (30,644)	$ -	$ 174,335	$ 77	$ (417,584)
19	$ (143,614)	$ (30,268)	$ -	$ 179,534	$ 5,652	$ (411,932)
20	$ (143,614)	$ (29,911)	$ -	$ 184,889	$ 11,363	$ (400,569)
Total Net Savings					$ (400,569)	

Proposals Assume an Annual 3.5% Utility Rate Increase
Bond Assumptions: 20 Year Amortization Schedule @ 3.5%

Inputs

System Size in kW	920.70
Kwh/kW/year	1307
Annual Degradation %	0.5%
Year 1 PPA Rate	$0.1245
PPA Escalator %	2%
Year 1 Utility Rate	$0.083
Utility Escalator	3.5%
Year 7 Premium	$0.000
Turnkey Price	$2,569,950
Buyout Price	$1,570,000

Year	Annual Generation	Utility $/kWh	Utility Price	PPA $/kWh Price	ReVision Price	Annual PPA Savings	Cumulative PPA Savings	O&M	Annual PPA Savings with buyout	Cumulative PPA Savings with buyout
1	1203355	$0.0828	$99,604	$0.1245	$149,818	($50,214)	($50,214)		($50,214)	($50,214)
2	1197338	$0.0857	$102,575	$0.1245	$149,069	($46,494)	($96,707)		($46,494)	($96,707)
3	1191351	$0.0887	$105,634	$0.1270	$151,290	($45,656)	($142,363)		($45,656)	($142,363)
4	1185395	$0.0918	$108,785	$0.1295	$153,544	($44,759)	($187,122)		($44,759)	($187,122)
5	1179468	$0.0950	$112,029	$0.1321	$155,832	($43,803)	($230,925)		($43,803)	($230,925)
6	1173570	$0.0983	$115,370	$0.1348	$158,154	($42,783)	($273,708)		($42,783)	($273,708)
7	1167703	$0.1017	$118,811	$0.1375	$160,510	($41,699)	($315,407)	($4,604)	($1,455,792)	($1,729,500)
8	1161864	$0.1053	$122,355	$0.1402	$162,902	($40,547)	($355,954)	($4,604)	$117,751	($1,611,749)
9	1156055	$0.1090	$126,004	$0.1430	$165,329	($39,325)	($395,279)	($4,604)	$121,401	($1,490,349)
10	1150274	$0.1128	$129,762	$0.1459	$167,792	($38,030)	($433,309)	($4,604)	$125,159	($1,365,190)
11	1144523	$0.1168	$133,632	$0.1488	$170,292	($36,660)	($469,969)	($4,604)	$129,029	($1,236,161)
12	1138800	$0.1208	$137,618	$0.1518	$172,830	($35,212)	($505,181)	($4,604)	$133,014	($1,103,147)
13	1133106	$0.1251	$141,722	$0.1548	$175,405	($33,683)	($538,864)	($4,604)	$137,119	($966,028)
14	1127441	$0.1295	$145,949	$0.1579	$178,019	($32,069)	($570,933)	($4,604)	$141,346	($824,682)
15	1121804	$0.1340	$150,302	$0.1611	$180,671	($30,369)	($601,302)	($4,604)	$145,699	($678,983)
16	1116195	$0.1387	$154,785	$0.1643	$183,363	($28,578)	($629,880)	($4,604)	$150,181	($528,802)
17	1110614	$0.1435	$159,401	$0.1676	$186,095	($26,694)	($656,574)	($4,604)	$154,798	($374,004)
18	1105061	$0.1485	$164,156	$0.1709	$188,868	($24,712)	($681,286)	($4,604)	$159,552	($214,452)
19	1099535	$0.1537	$169,051	$0.1743	$191,682	($22,631)	($703,917)	($4,604)	$164,448	($50,004)
20	1094038	$0.1591	$174,093	$0.1778	$194,538	($20,445)	($724,361)	($96,674)	$77,420	$27,416
21	1088567	$0.1647	$179,286	$0.1814	$197,437	($18,151)	($742,512)	($4,604)	$174,682	$202,098
22	1083125	$0.1705	$184,633	$0.1850	$200,379	($15,746)	($758,258)	($4,604)	$180,029	$382,127
23	1077709	$0.1764	$190,140	$0.1887	$203,364	($13,225)	($771,482)	($4,604)	$185,536	$567,664
24	1072320	$0.1826	$195,811	$0.1925	$206,394	($10,584)	($782,066)	($4,604)	$191,207	$758,871
25	1066959	$0.1890	$201,651	$0.1963	$209,470	($7,819)	($789,885)	($4,604)	$197,047	$955,918
26	1061624	$0.1956	$207,665	$0.2003	$212,591	($4,926)	($794,811)	($4,604)	$203,061	$1,158,979
27	1056316	$0.2025	$213,858	$0.2043	$215,758	($1,900)	($796,711)	($4,604)	$209,255	$1,368,234
28	1051034	$0.2095	$220,237	$0.2083	$218,973	$1,264	($795,447)	($4,604)	$215,633	$1,583,867
29	1045779	$0.2169	$226,805	$0.2125	$222,236	$4,570	($790,878)	($4,604)	$222,202	$1,806,069
30	1040550	$0.2245	$233,570	$0.2168	$225,547	$8,023	($782,855)	($4,604)	$228,966	$2,035,035
31	1035348	$0.2323	$240,536	$0.2211	$228,908	$11,628	($771,227)	($4,604)	$235,933	$2,270,968
32	1030171	$0.2405	$247,710	$0.2255	$232,318	$15,392	($755,835)	($4,604)	$243,106	$2,514,074
33	1025020	$0.2489	$255,098	$0.2300	$235,780	$19,318	($736,517)	($4,604)	$250,494	$2,764,569
34	1019895	$0.2576	$262,706	$0.2346	$239,293	$23,413	($713,104)	($4,604)	$258,103	$3,022,672
35	1014795	$0.2666	$270,541	$0.2393	$242,859	$27,683	($685,421)	($4,604)	$265,938	$3,288,610
36	1009721	$0.2759	$278,610	$0.2441	$246,477	$32,133	($653,288)	($4,604)	$274,007	$3,562,616
37	1004673	$0.2856	$286,920	$0.2490	$250,150	$36,770	($616,518)	($4,604)	$282,316	$3,844,933
38	999649	$0.2956	$295,477	$0.2540	$253,877	$41,600	($574,918)	($4,604)	$290,874	$4,135,807
39	994651	$0.3059	$304,290	$0.2590	$257,660	$46,630	($528,287)	($4,604)	$299,686	$4,435,493
40	989678	$0.3166	$313,365	$0.2642	$261,499	$51,867	($476,421)	($4,604)	$308,762	$4,744,255

40 Year Lifecycle Cash Flow Analysis - Portland & South Portland Landfill Solar
July 7, 2016

Assumptions (black fixed, blue variable)

Solar kW	920.7	REC Income $	25
Solar kwp	1307	REC Term	10
Solar kWh	1,203,355	REC Exp	2%
Derate	0.50%	O&M ($/kW)	$5
PPA Rate	0.1056	Loan Term	20
PPA Escalator	2.5%	Loan Rate	3.00%
Market Rate	0.0856	Buyout Amount $	1,598,423
Market Escalator	2.68%	Inverter ($/watt) $	0.10

Market Rates		Supply	T&D	Total
CMP SGS	20%	0.06443	0.059564	0.1239940
CMP MGS	80%	0.0692	0.006815	0.076015
Weighted Average				0.0856108
CO2 Emission Reduction Factor			**1.09**	1,311,657
				655.83

Pro Forma

	Solar kWh	PPA Rate	PPA Cost	Market Rate	Market Cost	Net Energy Cost	Rec Income	**Total Income**	**O&M**	Interest	Principal	Inverter Replacement	**Total Expenses**	Annual	**Cumulative**
1	1,203,355	$0.1056	$127,087	$0.0856	$103,020	-$24,067		**-$24,067**					**$0**	-$24,067	**-$24,067**
2	1,197,338	$0.1083	$129,613	$0.0879	$105,252	-$24,361		**-$24,361**					**$0**	-$24,361	**-$48,428**
3	1,191,351	$0.1110	$132,189	$0.0903	$107,533	-$24,657		**-$24,657**					**$0**	-$24,657	**-$73,085**
4	1,185,395	$0.1137	$134,816	$0.0927	$109,862	-$24,954		**-$24,954**					**$0**	-$24,954	**-$98,039**
5	1,179,468	$0.1166	$137,496	$0.0952	$112,243	-$25,253		**-$25,253**					**$0**	-$25,253	**-$123,292**
6	1,173,570	$0.1195	$140,229	$0.0977	$114,675	-$25,554		**-$25,554**					**$0**	-$25,554	**-$148,846**
7	1,167,703			$0.1003	$117,159	$117,159	$28,609	**$145,768**	-$4,604	-$47,953	-$59,486		**-$112,043**	$33,725	**-$115,121**
8	1,161,864			$0.1030	$119,697	$119,697	$28,466	**$148,163**	-$4,604	-$46,168	-$61,271		**-$112,043**	$36,120	**-$79,000**
9	1,156,055			$0.1058	$122,291	$122,291	$28,323	**$150,614**	-$4,604	-$44,330	-$63,109		**-$112,043**	$38,572	**-$40,429**
10	1,150,274			$0.1086	$124,940	$124,940	$28,182	**$153,122**	-$4,604	-$42,437	-$65,002		**-$112,043**	$41,079	**$651**
11	1,144,523			$0.1115	$127,647	$127,647	$0	**$127,647**	-$4,604	-$40,487	-$66,953		**-$112,043**	$15,605	**$16,255**
12	1,138,800			$0.1145	$130,413	$130,413	$0	**$130,413**	-$4,604	-$38,478	-$68,961		**-$112,043**	$18,370	**$34,626**
13	1,133,106			$0.1176	$133,238	$133,238	$0	**$133,238**	-$4,604	-$36,409	-$71,030		**-$112,043**	$21,196	**$55,821**
14	1,127,441			$0.1207	$136,125	$136,125	$0	**$136,125**	-$4,604	-$34,278	-$73,161		**-$112,043**	$24,083	**$79,904**
15	1,121,804			$0.1240	$139,074	$139,074	$0	**$139,074**	-$4,604	-$32,083	-$75,356		**-$112,043**	$27,032	**$106,936**
16	1,116,195			$0.1273	$142,088	$142,088	$0	**$142,088**	-$4,604	-$29,823	-$77,616		**-$112,043**	$30,045	**$136,981**
17	1,110,614			$0.1307	$145,166	$145,166	$0	**$145,166**	-$4,604	-$27,494	-$79,945		**-$112,043**	$33,124	**$170,104**
18	1,105,061			$0.1342	$148,311	$148,311	$0	**$148,311**	-$4,604	-$25,096	-$82,343		**-$112,043**	$36,269	**$206,373**
19	1,099,535			$0.1378	$151,525	$151,525	$0	**$151,525**	-$4,604	-$22,626	-$84,813		**-$112,043**	$39,482	**$245,855**
20	1,094,038			$0.1415	$154,808	$154,808	$0	**$154,808**	-$4,604	-$20,081	-$87,358	-$92,070	**-$204,113**	-$49,305	**$196,550**
21	1,088,567			$0.1453	$158,162	$158,162	$0	**$158,162**	-$4,604	-$17,461	-$89,979		**-$112,043**	$46,119	**$242,669**
22	1,083,125			$0.1492	$161,588	$161,588	$0	**$161,588**	-$4,604	-$14,761	-$92,678		**-$112,043**	$49,546	**$292,215**
23	1,077,709			$0.1532	$165,089	$165,089	$0	**$165,089**	-$4,604	-$11,981	-$95,458		**-$112,043**	$53,047	**$345,261**
24	1,072,320			$0.1573	$168,666	$168,666	$0	**$168,666**	-$4,604	-$9,117	-$98,322		**-$112,043**	$56,624	**$401,885**
25	1,066,959			$0.1615	$172,320	$172,320	$0	**$172,320**	-$4,604	-$6,167	-$101,272		**-$112,043**	$60,278	**$462,163**
26	1,061,624			$0.1658	$176,054	$176,054	$0	**$176,054**	-$4,604	-$3,129	-$104,310		**-$112,043**	$64,011	**$526,174**
27	1,056,316			$0.1703	$179,868	$179,868	$0	**$179,868**	-$4,604	$0	$0		**-$4,604**	$175,265	**$701,439**
28	1,051,034			$0.1748	$183,765	$183,765	$0	**$183,765**	-$4,604	$0	$0		**-$4,604**	$179,162	**$880,601**
29	1,045,779			$0.1795	$187,747	$187,747	$0	**$187,747**	-$4,604	$0	$0		**-$4,604**	$183,143	**$1,063,744**
30	1,040,550			$0.1843	$191,815	$191,815	$0	**$191,815**	-$4,604	$0	$0		**-$4,604**	$187,211	**$1,250,955**
31	1,035,348			$0.1893	$195,970	$195,970	$0	**$195,970**	-$4,604	$0	$0		**-$4,604**	$191,367	**$1,442,322**
32	1,030,171			$0.1944	$200,216	$200,216	$0	**$200,216**	-$4,604	$0	$0		**-$4,604**	$195,613	**$1,637,935**
33	1,025,020			$0.1996	$204,554	$204,554	$0	**$204,554**	-$4,604	$0	$0		**-$4,604**	$199,951	**$1,837,886**
34	1,019,895			$0.2049	$208,986	$208,986	$0	**$208,986**	-$4,604	$0	$0		**-$4,604**	$204,383	**$2,042,268**
35	1,014,795			$0.2104	$213,514	$213,514	$0	**$213,514**	-$4,604	$0	$0		**-$4,604**	$208,910	**$2,251,179**
36	1,009,721			$0.2160	$218,140	$218,140	$0	**$218,140**	-$4,604	$0	$0		**-$4,604**	$213,536	**$2,464,715**
37	1,004,673			$0.2218	$222,866	$222,866	$0	**$222,866**	-$4,604	$0	$0		**-$4,604**	$218,263	**$2,682,978**
38	999,649			$0.2278	$227,695	$227,695	$0	**$227,695**	-$4,604	$0	$0		**-$4,604**	$223,091	**$2,906,069**
39	994,651			$0.2339	$232,628	$232,628	$0	**$232,628**	-$4,604	$0	$0		**-$4,604**	$228,025	**$3,134,093**
40	989,678			$0.2401	$237,668	$237,668	$0	**$237,668**	-$4,604	$0	$0		**-$4,604**	$233,065	**$3,367,158**

Order 40-16/17
Tab 27 8-1-16

ETHAN K. STRIMLING (MAYOR)
BELINDA S. RAY (1)
SPENCER R. THIBODEAU (2)
EDWARD J. SUSLOVIC (3)
JUSTIN COSTA (4)

CITY OF PORTLAND
IN THE CITY COUNCIL

DAVID H. BRENERMAN (5)
JILL C. DUSON (A/L)
JON HINCK (A/L)
NICHOLAS M. MAVODONES, JR (A/L)

AMENDMENT TO PORTLAND CITY CODE
CHAPTER 5 ANIMALS & FOWL
RE: PUPPY AND KITTEN MILLS

WHEREAS, around the United States significant number of puppies and kittens sold at pet stores come from large-scale, commercial breeding facilities (hereinafter "puppy mills" and "kitten mills," respectively); and

WHEREAS, according to The Humane Society of the United States, it is estimated that 10,000 puppy mills produce more than 2,400,000 puppies a year in the United States and that most pet store dogs and cats come from puppy mills and kitten mills; and

WHEREAS, the documented abuses endemic to puppy and kitten mills include over-breeding; inbreeding; minimal to non-existent veterinary care; lack of adequate and nutritious food, water and shelter; lack of socialization; lack of adequate space; and lack of adequate exercise; and

WHEREAS, the inhumane conditions in puppy and kitten mill facilities lead to health, welfare and behavioral issues in the animals bred in those facilities; and

WHEREAS, current Federal and State of Maine regulations do not thoroughly address the sale of puppy and kitten mill dogs and cats in pet stores; and

WHEREAS, restricting the retail sale of puppies and kittens to those sourced from shelters or rescue organizations is likely to decrease the demand for puppies and kittens bred in puppy and kitten mills; and

WHEREAS, restricting the retail sale of puppies and kittens to only those that are sourced from animal shelters and rescue organizations will likely reduce pet overpopulation and thus the burden on such agencies and financial costs on local taxpayers; and

WHEREAS, the City Council for the City of Portland hereby finds that it is in the best interests of the City of Portland to adopt reasonable regulations to reduce costs to the City and its residents, protect the citizens of the City who may purchase cats or dogs from a pet store or other business establishment, help prevent inhumane breeding conditions, promote community awareness of animal welfare, and foster a more humane environment in the City;

NOW, THEREFORE, BE IT ORDAINED *that, pursuant to the City's home rule powers provided for in 30-A M.R.S. section 3001 and 7 M.R.S. section 3950, the City of Portland Code of Ordinances is hereby amended by adding Article V. and sections to be numbered 500 to 505, which said sections read as follows:*

ARTICLE V. RESTRICTIONS ON THE SALE OF DOGS AND CATS

Sec. 5-500. Definitions.

The following words when used in this article shall have the following meanings:

Animal care facility shall mean an animal control center or animal shelter, maintained by or under contract with any state, county, or municipality, whose mission or practice is, in whole or significant part, protecting the welfare of animals and placing animals in permanent homes or with animal rescue organizations.

Animal rescue organization shall mean any not-for-profit organization which has tax-exempt status under Section 501(c)(3) of the United States Internal Revenue Code, whose mission and practice is, in whole or in significant part, the rescue of animals and the placement of those animals in permanent homes, and which does not obtain dogs or cats from a breeder or broker for payment or compensation.

Breeder shall mean a person who maintains dogs or cats for the purpose of breeding and selling their offspring.

Broker shall mean a person who transfers dogs or cats at wholesale for resale by another.

Cat shall mean a member of the Felis catus family.

Dog shall mean a member of the Canis familiaris family, or resultant hybrid.

Offer for sale shall mean to sell, offer for sale or adoption, barter, auction, give away or otherwise dispose of a dog or cat.

Pet shop shall mean any place, business, establishment or vehicle required to be licensed under 7 M.R.S. § 3933. Such definition shall not include an animal care facility or animal rescue organization, as defined.

Sec. 5-501. Prohibition on Pet Shop Sales.

(a) A pet shop shall offer for sale only those dogs and cats that:

(i) Are older than eight (8) weeks; and

(ii) Have been obtained from or are displayed in cooperation with:

(1) An animal care facility; or

(2) An animal rescue organization; and

(b) A pet shop shall not offer for sale a dog or cat that is younger than eight (8) weeks old;

(c) Each pet shop shall maintain records sufficient to document the source of each dog or cat the pet shop acquires, for at least one (1) year following the date of acquisition. Such records shall be made available, immediately upon request, to any designated representative of the City including, but not limited to, the Chief of Police or his or her designee, any animal control officer, any designated representative of the Animal Welfare Program or any state humane agent as defined in 17 M.R.S. §1011.

(d) Each pet shop offering dogs or cats for sale shall post, in a conspicuous location on the cage or enclosure of each animal, a sign listing the name of the animal care facility or animal rescue organization from which each dog or cat in the cage or enclosure was acquired.

Sec. 5-502. Prohibition on Sales in Public Places.

(a) It shall be unlawful for any person to sell, exchange, trade, barter, lease or display any dog or cat on any roadside, public right-of-way, parkway, median, park, other recreation area, flea market or other outdoor market, or commercial or retail parking lot regardless of whether such access is authorized.

(b) This section shall not apply to the following:

(i) The display or adoption of dogs or cats by an animal care facility or an animal rescue organization; or

(ii) The display of dogs or cats as part of a state or county fair exhibition, 4-H program, or other similar exhibitions or educational programs.

Sec. 5-503. Enforcement.

The provisions of this Article may be enforced by the City Manager or his or her designee.

Sec. 5-504. Penalties for Violation.

(a) A violation of this Article shall be punished by a minimum penalty of two hundred and fifty dollars ($250.00) Each instance of a dog or cat offered for sale and displayed or obtained in violation of this Article is considered a separate violation under this provision.

(b) This Article may also be enforced pursuant to Portland City Code Chapter 1, §§1-1 to 1-15.

Sec. 5-505. Severability.

In the event that any section, subsection or portion of this article, or the application of such section, subsection or portion of this article to any person or circumstance, shall be declared by any competent Court to be invalid for any reason, such decision shall not be deemed to affect the validity of any other section, subsection or portion of this article, or the applicability of such section, subsection or portion of this article to other persons or circumstances.

MEMORANDUM
City Council Agenda Item

DISTRIBUTE TO: City Manager, Mayor, Anita LaChance, Sonia Bean, Danielle West-Chuhta, Nancy English, Julianne Sullivan

FROM: **Dawn Stiles**

DATE: **7/9/2016**

SUBJECT: **Puppy and Kitten Mills**

SPONSOR:
(If sponsored by a Council committee, include the date the committee met, the results of the vote, and the meeting minutes.

Health & Human Services Committee – Sponsor
Meeting Date: June 14, 2016
Unanimous Vote to Send Ordinance to Council (draft attached)

COUNCIL MEETING DATE ACTION IS REQUESTED:
1st reading____Sept. 7, 2016 Final Action__Sept. 19, 2016 (double session)

Can action be taken at a later date: __X__ Yes ____ No (If no why not?)

PRESENTATION: (List the presenter(s), type and length of presentation)

I. ONE SENTENCE SUMMARY

This ordinance would prohibit the retail sale of dogs and cats, unless sourced from an animal care facility or rescue organization (as defined in the ordinance), in the city of Portland.

II. AGENDA DESCRIPTION

II. BACKGROUND
The State of Maine legislature passed a puppy and Kitten bill FY 2015 session but it was vetoed by the Governor. Supporters have turned to local communities to provide leadership on this issue.

III. INTENDED RESULT AND OR COUNCIL GOAL ADDRESSED
Although there currently are no retail stores selling dogs or cats in Portland the passage of this ordinance will prohibit any in the future.

V. FINANCIAL IMPACT
None anticipated

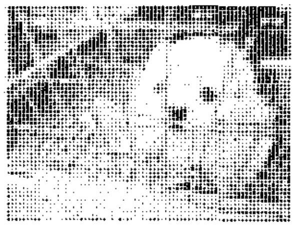
VI. STAFF ANALYSIS AND BACKGROUND THAT WILL NOT APPEAR IN THE AGENDA DESCRIPTION

VII. RECOMMENDATION
Passage of the ordinance

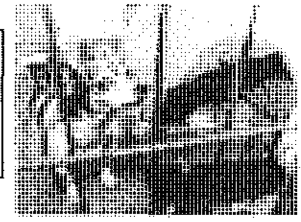
VIII. LIST ATTACHMENTS
Draft Ordinance

Prepared by: Dawn Stiles
Date: 6/21/16

Bean/agendarequestmemo/rev 11/2015



PLEASE SUPPORT LD 335
A BILL TO RESTRICT THE SALE OF DOGS AND CATS IN PET STORES



As the Executive Director of the Franklin County Animal Shelter and member of the Animal Welfare Advisory Council, I urge you to support LD 335 for the following reasons:

- **In each of its last three internal audits, the USDA has concluded that its inspectors turn a blind eye to horrific violations by licensees and are ineffective at deterring bad actors or preventing inhumane conditions.** Accordingly, the fact that a commercial breeding facility is USDA-inspected means very little. The reality is that most USDA-licensed breeders house dozens or even hundreds of dogs in small wire cages for their entire lives.
- **A review of USDA inspection reports for commercial breeders selling their dogs to Maine pet stores reveal repeat violations** including a dog with "an open wound on the right side of its upper neck/cheek area...reddened and moist looking and was hairless" and the presence of "dried, caked fecal residue and other debris on 25 to 30 percent of the floor...dogs are in contact with the affected flooring...it indicates an unsanitary living condition."
- **Reputable and responsible breeders do not sell to pet shops.** A review of the Code of Ethics for the National Breed Clubs representing all 178 dog breeds recognized by the AKC found that 96% of them include statements to the effect that their breeders should not or do not sell to pet stores.
- **A 2013 study published by the *Journal of American Veterinary Medicine* concluded that they could recommend that puppies be obtained from pet stores** because the study demonstrated that obtaining dogs from pet stores versus noncommercial breeders represented a significant risk factor for the development of a wide range of undesirable behavioral characteristics, especially aggressive behavior.
- **More than ~~10~~ 140 laws have been passed across the country that restrict or prohibit the sale of cats and dogs in pet stores.** These laws effectively drive the market toward pet adoption and responsible dog breeders, and pet stores have thrived after switching to a humane model of offering puppies and kittens for adoption from nearby shelters as it brings in new customers and attracts positive media attention. Unlike USDA inspections, such laws have been effective in providing an incentive for the commercial breeding industry to clean up its act.
- **LD 335 will serve the best interests of Maine residents and their pets.** It will place important restrictions on a channel of distribution for substandard breeding operations by keeping puppies and kittens from commercial breeders with serious Animal Welfare Act violations out of Maine's pet stores; increase the demand for cats and dogs from responsible breeders, animal shelters and rescue organizations; raise awareness about animal welfare; and promote humane values within the state.

Thank you for the opportunity to provide this information.
Heidi Jordan

LD 335 IS SUPPORTED BY THE FOLLOWING ORGANIZATIONS

Maine Friends of Animals — Silence is the Voice of Complicity – Speak up for Animals
Kennebec Valley Humane Society
Maine Federation of Humane Societies
Animal Refuge League of Greater Portland
Halfway Home Pet Rescue — Feline Rescue & Rehabilitation
UnderHound RailRoad, Inc.
Franklin County Animal Shelter
The Maine POM Project
The Humane Society
SPAY maine
maine animal coalition
ASPCA

Title 7: AGRICULTURE AND ANIMALS

Chapter 717: ANIMAL WELFARE ACT

Table of Contents

Maine Revised Statutes

Title 7: AGRICULTURE AND ANIMALS

Chapter 717: ANIMAL WELFARE ACT

§3901. ANIMAL WELFARE ACT

This chapter is known and may be cited as the "Animal Welfare Act." [1995, c. 502, Pt. C, §5 (AMD).]

SECTION HISTORY
1987, c. 383, §3 (NEW). 1995, c. 502, §C5 (AMD).

§3902. PURPOSES; COMPREHENSIVE PROGRAM

The primary legislative purposes of this Act are to provide for the licensing of dogs and the humane and proper treatment of animals. To ensure the humane and proper treatment of animals, the commissioner shall develop, implement and administer a comprehensive program that upholds the animal welfare laws of the State through communication, education and enforcement. [2001, c. 617, §4 (AMD).]

SECTION HISTORY
1987, c. 383, §3 (NEW). 2001, c. 617, §4 (AMD).

§3903. MEMBERSHIP

(REPEALED)

SECTION HISTORY
1987, c. 383, §3 (NEW). 1989, c. 701, §§2,6 (AMD). 1991, c. 267, §1 (AMD). 1991, c. 622, §FF2 (AMD). 1991, c. 779, §52 (AFF). 1991, c. 779, §3 (RP).

§3903-A. ANIMAL WELFARE BOARD; MEMBERSHIP

(REPEALED)

SECTION HISTORY
1991, c. 779, §4 (NEW). 1995, c. 502, §C6 (RP).

§3904. TERMS OF OFFICE

(REPEALED)

SECTION HISTORY
1987, c. 383, §3 (NEW). 1991, c. 779, §5 (AMD). 1995, c. 502, §C7 (RP).

§3905. ADMINISTRATION

(REPEALED)

SECTION HISTORY
1987, c. 383, §3 (NEW). 1991, c. 779, §6 (AMD). 1995, c. 502, §C8 (RP).

§3906. POWERS AND DUTIES OF THE BOARD

(REPEALED)

SECTION HISTORY
1987, c. 383, §3 (NEW). 1989, c. 503, §B47 (AMD). 1989, c. 701, §§3,4,6 (AMD). 1991, c. 267, §§2,3 (AMD). 1991, c. 622, §§FF3-10 (AMD). 1991, c. 779, §52 (AFF). 1991, c. 779, §7 (RP).

§3906-A. POWERS AND DUTIES OF BOARD

(REPEALED)

SECTION HISTORY
1991, c. 779, §8 (NEW). 1995, c. 502, §C9 (RP).

§3906-B. POWERS AND DUTIES OF COMMISSIONER

The commissioner has the powers and duties set forth in this section. [1991, c. 779, §9 (NEW).]

1. Dog licensing laws. The commissioner shall carry out the dog licensing laws and furnish to municipalities all license blanks, stickers and tags.

[1997, c. 690, §1 (AMD) .]

2. Animal Welfare Fund. The commissioner shall deposit all license fees received pursuant to chapters 721, 723, 725 and 735 in a separate account established by the Treasurer of State and known as the Animal Welfare Fund. The commissioner shall deposit 1/2 of feed registration fees collected under section 714, subsection 1 and revenue in excess of $100,000 from the surcharge collected under section 714, subsection 4 in the Animal Welfare Fund. This account does not lapse, but continues from year to year. The commissioner shall pay from the Animal Welfare Fund the expense of furnishing license blanks, stickers and tags, travel expenses and salaries for necessary personnel, payments to animal shelters and expenses incurred in the administration of this Part.

[2009, c. 148, §2 (AMD) .]

3. Dog recorders. The commissioner shall appoint dog recorders in unorganized territories and establish fees for services rendered.

[1991, c. 779, §9 (NEW) .]

4. Training and certification of animal control officers. The commissioner shall develop both a basic and advanced program to train animal control officers. The basic program must include training in investigation of complaints of cruelty to animals, training in response to calls concerning animals suspected of having rabies and training in enforcement of dog licensing laws and rabies immunization laws.

The advanced training must include, but is not limited to, training in animal cruelty with respect to hoarders of animals, animal cruelty with respect to domestic violence, new laws, case reviews and report writing.

The commissioner shall certify all animal control officers who complete the training programs.

[2007, c. 439, §1 (AMD) .]

5. Cruelty to animals.

[1995, c. 502, Pt. C, §10 (RP) .]

6. Inspections. The commissioner shall inspect licensed facilities as provided in chapters 723 and 735.

[1997, c. 690, §3 (AMD) .]

7. Payment of fees. The commissioner may authorize payments to providers of special services to animals when the commissioner determines those services are in the public interest.

[1991, c. 779, §9 (NEW) .]

8. Copies of law. The commissioner shall seasonably forward to the clerks of municipalities copies of this Part.

[1991, c. 779, §9 (NEW) .]

9. Employees. The commissioner, in consultation with the Animal Welfare Advisory Committee, shall employ, subject to the Civil Service Law, necessary employees to assist in enforcing this Part and in carrying out the commissioner's duties and responsibilities. The commissioner shall conduct a background check of a potential employee. The commissioner may not hire as a state humane agent a person who has been convicted of murder, a Class A or Class B offense, a violation under Title 17-A, chapter 9, 11, 12 or 13, a violation of Title 19-A, section 4011 or a criminal violation under Title 17, chapter 42 or a person who has been adjudicated of a civil violation for cruelty to animals under chapter 739 or who has been convicted or adjudicated in any other state, provincial or federal court of a violation similar to those specified in this subsection.

[2007, c. 439, §2 (AMD) .]

9-A. Humane agents. The commissioner shall assign a humane agent to each of the following areas of specialization:

A. Blood sports; [2003, c. 405, §2 (NEW).]

B. Exotic animals; [2003, c. 405, §2 (NEW).]

C. Large animals; [2003, c. 405, §2 (NEW).]

D. Mental health and domestic violence; [2003, c. 405, §2 (NEW).]

E. Small animals; and [2003, c. 405, §2 (NEW).]

F. Training. [2003, c. 536, §1 (AMD).]

[2003, c. 536, §1 (AMD) .]

10. Rules. Pursuant to Title 5, chapter 375, the commissioner shall adopt, amend and repeal rules, including emergency rules, necessary for the proper administration, implementation, enforcement and interpretation of any provision of law that the commissioner is charged with administering.

[1991, c. 779, §9 (NEW) .]

11. Cruelty to animals. The commissioner, in cooperation with animal control officers, shall investigate complaints of cruelty to animals and enforce cruelty-to-animal laws in accordance with chapter 739 and Title 17, chapter 42. The Attorney General and the district attorneys shall assist the commissioner with the commissioner's enforcement responsibilities.

[1995, c. 502, Pt. C, §12 (NEW) .]

12. Intermittent agents. The commissioner shall appoint intermittent humane agents as necessary to assist the commissioner in carrying out the commissioner's duties and responsibilities. The commissioner shall train and coordinate efforts of intermittent agents. These intermittent agents are unclassified employees whose training, compensation and hours of employment are determined by the commissioner.

[1995, c. 502, Pt. C, §12 (NEW) .]

13. Spaying and neutering fund.

[2003, c. 682, §1 (RP) .]

14. Information. The commissioner may obtain, develop or disseminate any information useful or convenient for carrying out any purpose or power of the commissioner.

[1995, c. 502, Pt. C, §12 (NEW) .]

15. Annual report. The commissioner shall report the activities of the commissioner annually by March 1st to the joint standing committee of the Legislature having jurisdiction over agricultural matters and the joint standing committee of the Legislature having jurisdiction over taxation matters. This report must include a summary of cases of cruelty to animals investigated by the commissioner, a summary of final dispositions of those cases and, with respect to companion animals, a report of the number of animal shelter intakes, the number of sterilizations and the number of euthanizations and an account of deposits into and payments from the Companion Animal Sterilization Fund established in section 3910-B.

[2003, c. 682, §2 (AMD) .]

16. Animal welfare auxiliary fund. The commissioner may accept gifts, donations, bequests, endowments, grants and matching funds from any private or public source for the purposes of ensuring the humane and proper treatment of animals and enhancing the administration and enforcement of this Part and Title 17, chapter 42. The commissioner shall deposit all funds accepted for these purposes and all proceeds from sales authorized under subsection 17 into a separate, nonlapsing account known as the animal welfare auxiliary fund. All gifts, donations, bequests, endowments, grants, proceeds and matching funds received must be used for the benefit of and accomplishment of the objectives in this Part and Title 17, chapter 42 and any gift, donation, bequest, endowment, grant or matching funds accepted with a stipulated purpose may be used only for that purpose.

All money deposited in the animal welfare auxiliary fund in accordance with section 1820-A, subsection 4 must be used for investigating alleged cases of mistreatment or abuse of equines and enhancing enforcement of this Part and Title 17, chapter 42 as these laws pertain to equines.

[2009, c. 548, §1 (AMD) .]

17. Fund-raising. The commissioner may engage in the marketing and selling of general merchandise products to generate supplemental funds, which must be deposited in the animal welfare auxiliary fund established under subsection 16.

[2009, c. 548, §2 (NEW) .]

SECTION HISTORY
1991, c. 779, §9 (NEW). 1993, c. 468, §§2,3 (AMD). 1995, c. 502, §§C10-12 (AMD). 1997, c. 690, §§1-3 (AMD). 2001, c. 399, §2 (AMD). 2001, c. 422, §3 (AMD). 2003, c. 405, §§1-3 (AMD). 2003, c. 536, §1 (AMD). 2003, c. 682, §§1,2 (AMD). 2005, c. 281, §§3,4 (AMD). 2007, c. 439, §1 (AMD). 2007, c. 439, §2 (AMD). 2009, c. 148, §2 (AMD). 2009, c. 548, §§1, 2 (AMD).

§3906-C. ANIMAL WELFARE ADVISORY COUNCIL

The Animal Welfare Advisory Council, as established by Title 5, section 12004-I, subsection 2-C and referred to in this section as the "council," shall advise the commissioner on matters pertaining to animal welfare. [2001, c. 399, §3 (RPR).]

1. Membership. The council consists of 14 members appointed by the Governor as follows:

A. One member representing municipal interests; [2001, c. 399, §3 (RPR).]

B. One animal control officer; [1991, c. 779, §10 (NEW).]

C. One member representing licensed animal shelters; [1991, c. 779, §10 (NEW).]

D. One member representing licensed boarding kennels; [2009, c. 333, §1 (AMD).]

E. One member representing licensed pet shops; [1995, c. 502, Pt. C, §13 (AMD).]

F. [2001, c. 399, §3 (RP).]

G. One member who is or has been a veterinarian licensed to practice in the State; [2001, c. 399, §3 (RPR).]

H. One member who owns a pet and represents the interests of the public in animal welfare, generally; [2009, c. 333, §1 (AMD).]

I. One attorney with experience in animal welfare law; [2001, c. 399, §3 (NEW).]

J. One cooperative extension agent or specialist; [2001, c. 399, §3 (NEW).]

K. One member with expertise in equine care; [2003, c. 405, §4 (AMD).]

L. One member with expertise in livestock representing a statewide farming organization; [2009, c. 333, §1 (AMD).]

M. One member representing a state-based animal advocacy group; [2009, c. 333, §1 (AMD).]

N. One member who holds a kennel license issued under section 3923-C; and [2009, c. 333, §1 (NEW).]

O. One member representing licensed breeding kennels. [2009, c. 333, §1 (NEW).]

In making the appointment of the veterinarian member, the Governor shall consider nominations made by the Maine Veterinary Medical Association. In making the appointment of the person holding a kennel license issued under section 3923-C, the Governor shall consider nominations made by state-based dog clubs.

[2009, c. 333, §1 (AMD) .]

2. Staff. The department shall provide necessary staffing services to the council.

[2009, c. 343, §1 (AMD) .]

3. Compensation. Members of the council are entitled to travel and meal expenses only.

[2001, c. 399, §3 (RPR) .]

4. Terms of office. Except for initial appointees, each member serves for a term of 3 years or until the member's successor has been appointed. A member may not serve more than 2 consecutive terms. In the case of a vacancy for any reason, the Governor shall appoint a member representing the same interest to fill the unexpired term.

[2009, c. 343, §2 (AMD) .]

5. Initial terms of office. Initially, 4 appointed members serve for one year, 4 members serve for 2 years and 3 members serve for 3 years.

[2001, c. 399, §3 (RPR) .]

6. Administration; meetings. The council shall elect one of its members as chair. The chair serves for a 2-year period and may not serve as chair for consecutive 2-year periods.

The council shall hold regular public meetings every other month but may waive by majority vote a succeeding meeting. The chair shall call special meetings of the council whenever requested in writing by 2 or more members. The council shall send notice and minutes of the meetings to the joint standing committee of the Legislature having jurisdiction over animal welfare matters.

[2001, c. 399, §3 (RPR) .]

7. Duties. The council shall perform the following duties:

A. Review and advise the commissioner on proposed revisions to the animal welfare laws and rules; [2001, c. 399, §3 (NEW).]

B. Assist the commissioner in the continuing implementation and evaluation of the animal welfare laws and rules; [2001, c. 399, §3 (NEW).]

C. Review training programs for humane agents and animal control officers and make recommendations for training appropriate to the duties of the humane agents and animal control officers; [2001, c. 399, §3 (NEW).]

D. Research options for increasing revenue to the Animal Welfare Fund to ensure funding for the implementation and enforcement of the animal welfare laws and rules, periodically evaluate the adequacy of funding for those laws and rules and make recommendations to the commissioner; and [2001, c. 399, §3 (NEW).]

E. Advise the commissioner on other matters related to the animal welfare laws and rules. [2001, c. 399, §3 (NEW).]

[2001, c. 399, §3 (NEW) .]

SECTION HISTORY
1991, c. 779, §10 (NEW). 1995, c. 502, §C13 (AMD). 2001, c. 399, §3 (RPR). 2003, c. 405, §4 (AMD). 2009, c. 333, §1 (AMD). 2009, c. 343, §§1, 2 (AMD).

§3907. DEFINITIONS

As used in this Part, and in every law relating to or affecting animals, unless the context indicates otherwise, the following terms have the following meanings. [1987, c. 383, §3 (NEW).]

1. Act. "Act" means the Animal Welfare Act.

[2005, c. 2, §10 (COR) .]

1-A. Abandoned dog.

[2013, c. 115, §1 (RP) .]

1-B. Abandoned animal. "Abandoned animal" means an animal that has been deserted by its owner or keeper, excluding animals that are part of a population control effort.

[2013, c. 115, §2 (NEW) .]

2. Animal. "Animal" means every living, sentient creature not a human being.

[1987, c. 383, §3 (NEW) .]

3. Animal control. "Animal control" means control of dogs, cats, and domesticated or undomesticated animals in accordance with section 3948.

[1993, c. 468, §4 (AMD) .]

4. Animal control officer. "Animal control officer" means the person appointed periodically by a municipality pursuant to chapter 725.

[1995, c. 490, §1 (AMD) .]

5. Animal control shelter.

[1993, c. 657, §2 (RP) .]

5-A. Animal shelter. "Animal shelter" means a:

A. Facility that houses domesticated animals and operates for the purpose of providing stray, abandoned, abused or owner-surrendered animals with sanctuary or finding the animals temporary or permanent adoptive homes; or [2015, c. 223, §1 (NEW).]

B. Rescue group. [2015, c. 223, §1 (NEW).]

[2015, c. 223, §1 (RPR) .]

6. At large. "At large" means off the premises of the owner and not under the control of any person whose personal presence and attention would reasonably control the conduct of the animal.

[1987, c. 383, §3 (NEW) .]

7. Board.

[2005, c. 510, §2 (RP) .]

8. Boarding kennel. "Boarding kennel" means any place, building, tract of land or abode in or on which 3 or more privately owned companion animals are kept at any one time for their owners in return for a fee or compensation and includes a facility where 3 or more companion animals are kept for training purposes for compensation.

[2009, c. 343, §3 (AMD) .]

8-A. Breeding kennel. "Breeding kennel" means a location where 5 or more adult female dogs or cats capable of breeding are kept and some or all of the offspring are offered for sale, sold or exchanged for value or a location where more than 16 dogs or cats raised on the premises are sold to the public in a 12-month period. "Breeding kennel" does not include a kennel licensed by a municipality under section 3923-C when the dogs are kept primarily for hunting, show, training, sledding, competition, field trials or exhibition purposes and not more than 16 dogs are offered for sale, sold or exchanged for value within a 12-month period.

[2011, c. 100, §1 (AMD) .]

9. Business day. "Business day" means any day of the calendar year other than a Saturday, Sunday or legal holiday.

[1987, c. 383, §3 (NEW) .]

9-A. Cat identification. "Cat identification" means:

A. A registered microchip used in conjunction with a visible collar and tag, with a faceted, reflective ear stud or a tipped or notched ear; [2001, c. 363, §1 (NEW).]

B. A collar or collar and tag worn by the cat that provides the current name, address and telephone number of the owner; or [2001, c. 363, §1 (NEW).]

C. A collar and tag providing the name and address of the animal shelter that issued the tag. [2001, c. 363, §1 (NEW).]

[2001, c. 363, §1 (NEW) .]

10. Clerk; municipal clerk. "Clerk" or "municipal clerk" means the clerk of a municipality, the deputy clerk or assistant clerk, where directed by the clerk, carrying out the duties of this Part.

[1987, c. 383, §3 (NEW) .]

11. Commissioner. "Commissioner" means the Commissioner of Agriculture, Conservation and Forestry or his duly authorized agent.

[1987, c. 383, §3 (NEW); 2011, c. 657, Pt. W, §6 (REV) .]

11-A. Companion animal. "Companion animal" means a cat or dog.

[2003, c. 682, §3 (NEW) .]

11-B. Council. "Council" means the Animal Welfare Advisory Council as established by Title 5, section 12004-I, subsection 2-C or its duly authorized agent.

[2005, c. 510, §4 (NEW) .]

12. Constable. "Constable" means a law enforcement officer appointed by municipal officers pursuant to law.

[1987, c. 383, §3 (NEW) .]

12-A. Equine facility.

[1999, c. 498, §1 (RP) .]

12-B. Foster home.

[2005, c. 510, §5 (RP) .]

12-C. Dog. "Dog" means a member of the genus and species known as canis familiaris, except that in chapters 720, 721, 725, 727, 729 and 739 "dog" means a member of the genus and species known as canis familiaris or any canine, regardless of generation, resulting from the interbreeding of a member of canis familiaris with a wolf hybrid.

[2011, c. 100, §2 (AMD) .]

12-D. Dangerous dog. "Dangerous dog" means a dog or wolf hybrid that bites an individual or a domesticated animal who is not trespassing on the dog or wolf hybrid owner's or keeper's premises at the time of the bite or a dog or wolf hybrid that causes a reasonable and prudent person who is not on the dog or wolf hybrid owner's or keeper's premises and is acting in a reasonable and nonaggressive manner to fear imminent bodily injury by assaulting or threatening to assault that individual or individual's domestic animal. "Dangerous dog" does not include a dog certified by the State and used for law enforcement use. "Dangerous dog" does not include a dog or wolf hybrid that bites or threatens to assault an individual who is on the dog or wolf hybrid owner's or keeper's premises if the dog or wolf hybrid has no prior history of assault and was provoked by the individual immediately prior to the bite or threatened assault.

For the purposes of this definition, "dog or wolf hybrid owner's or keeper's premises" means the residence or residences, including buildings and land and motor vehicles, belonging to the owner or keeper of the dog or wolf hybrid.

[2011, c. 100, §3 (AMD) .]

12-E. Feral cat. "Feral cat" means a cat without owner identification of any kind that consistently exhibits extreme fear in the presence of people.

[2007, c. 439, §3 (NEW) .]

12-F. Dog licensing agent. "Dog licensing agent" means a veterinarian office or animal shelter that licenses dogs for a municipality.

[2013, c. 115, §3 (NEW) .]

13. Service dog kept for breeding purposes. "Service dog kept for breeding purposes" means a male or female dog owned by a nonprofit organization for the purpose of producing puppies to be trained as service dogs and living with a resident of the State.

[2007, c. 664, §8 (AMD) .]

14. Service dog kept prior to training. "Service dog kept prior to training" means a dog under 18 months of age, owned by a nonprofit organization for the purpose of training as a service dog and living temporarily with a resident of the State prior to training.

[2007, c. 664, §9 (AMD) .]

15. Humane agent. "Humane agent" means an employee of the department who assists in enforcing this Part.

[2001, c. 422, §4 (AMD) .]

15-A. Humane society.

[1993, c. 657, §4 (RP) .]

15-B. Humanely clean conditions. "Humauely clean conditions" means that both indoor areas and outdoor enclosures are cleaned on a periodic basis to remove excretions and other waste materials, dirt and trash with sufficient frequency to minimize health hazards and to provide adequately clean living conditions for the species of animal.

[2007, c. 702, §5 (NEW) .]

15-C. Humanely trap. "Humanely trap" means to trap an animal using traps and trapping methods that are designed to avoid injury to animals to the greatest extent practicable for animal control or animal rescue purposes.

[2013, c. 115, §4 (NEW) .]

16. Keeper. "Keeper" means a person in possession or control of a dog or other animal. A person becomes the keeper of a stray domesticated animal, other than a dog or livestock, if the person feeds that animal for at least 10 consecutive days.

[1995, c. 490, §4 (AMD) .]

17. Kennel. "Kennel" means 5 or more dogs kept in a single location under one ownership for breeding, hunting, show, training, field trials, sledding, competition or exhibition purposes. The sale or exchange of one litter of puppies within a 12-month period alone does not constitute the operation of a kennel.

[2011, c. 100, §4 (AMD) .]

18. Law enforcement officer. "Law enforcement officer" means any person who, by virtue of his public employment, is vested by law with a duty to maintain public order, enforce any law of this State establishing a civil violation, prosecute offenders or make arrests for crimes, whether that duty extends to all crimes or is limited to specific crimes.

[1987, c. 383, §3 (NEW) .]

18-A. Livestock. "Livestock" means cattle; equines; sheep; goats; swine; domesticated cervids, fowl and rabbits; members of the family Camelidae, genus lama and genus vicugna; bison; and ratites.

[2007, c. 439, §4 (AMD) .]

19. Municipality. "Municipality" means an organized city, town or plantation.

[1993, c. 657, §5 (AMD) .]

20. Mutilate. "Mutilate" means to injure or disfigure by irreparably damaging body parts. "Mutilate" does not include conduct performed by a licensed veterinarian or conduct that conforms to accepted veterinary practices.

[1997, c. 456, §2 (AMD) .]

21. Owner. "Owner" means a person owning, keeping or harboring a dog or other animal.

[1993, c. 657, §6 (AMD) .]

22. Person. "Person" means an individual, corporation, partnership, association or any other legal entity.

[1987, c. 383, §3 (NEW) .]

22-A. Pet animal.

[1997, c. 690, §6 (RP) .]

22-B. Pet. "Pet" means a dog, cat or other domesticated animal commonly kept as a companion, but does not include tamed animals that are ordinarily considered wild animals or livestock.

[1997, c. 690, §7 (AMD) .]

23. Pet shop. "Pet shop" means a place or vehicle in or on which any dogs, cats, rodents, reptiles, fish, pet birds, exotic birds or exotic animals not born and raised on those premises are kept for the purpose of sale to the public.

[1993, c. 657, §8 (AMD) .]

23-A. Rescue group. "Rescue group" means an organization or individual that receives domesticated animals that have been abandoned, surrendered or removed from an animal facility or that takes in homeless dogs or cats and sells, gives or otherwise places the animals in private homes.

[2015, c. 223, §2 (AMD) .]

23-B. Population control effort. "Population control effort" means the activities, programs and projects aimed at reducing the number of cats and dogs without homes, including, but not limited to, the trapping, neutering and vaccinating of feral cats, the trapping of cats for impoundment at an animal shelter and spaying or neutering services for abandoned animals and stray dogs and cats.

[2013, c. 115, §5 (NEW) .]

24. Respective municipality. "Respective municipality" means, in the case of towns, plantations and cities, the municipality where the dog or ferret is found; in the case of unorganized territories, the municipality near or adjacent to the unorganized territory where the dog or ferret is found; or the designee of that municipality.

[1993, c. 657, §9 (AMD) .]

24-A. Service dog. "Service dog" means a dog that meets the definition of "service animal" set forth in Title 5, section 4553, subsection 9-E, paragraph A or B.

[2011, c. 369, §3 (AMD) .]

25. Shelter.

[1993, c. 657, §10 (RP) .]

25-A. Stray. "Stray" means off the owner's premises and not under the control of a person.

[1993, c. 657, §11 (NEW) .]

25-B. Small animal. "Small animal" means a bird, reptile or amphibian or a small mammal, other than a cat or dog, commonly kept as a household pet and that is an unrestricted species designated by the Commissioner of Inland Fisheries and Wildlife in rules adopted pursuant to Title 12, chapter 915.

[2013, c. 115, §6 (NEW) .]

26. Torment, torture and cruelty. "Torment, torture and cruelty" means every act, omission or neglect, whether by the owner or any other person, where unjustifiable physical pain, suffering or death is caused or permitted.

[1987, c. 383, §3 (NEW) .]

26-A. Unorganized territory. "Unorganized territory" means all areas located within the jurisdiction of the State, except areas located within organized cities and towns, and Indian reservations. "Unorganized territory" does not include plantations.

[1995, c. 490, §5 (NEW) .]

27. Vertebrate. "Vertebrate" means a subphylum of chordate animals comprising those having a brain enclosed in a skull or cranium and a segmented spinal column, including mammals, birds, reptiles, amphibians and fish.

[1987, c. 383, §3 (NEW) .]

28. Warrant.

[2015, c. 223, §3 (RP) .]

29. Well cared for. "Well cared for" means that the animal is receiving necessary sustenance, necessary medical attention, proper shelter, protection from the weather and humanely clean conditions and that the animal has not been nor is being injured, overworked, tormented, tortured, abandoned, poisoned, beaten, mutilated or exposed to a poison with the intent that it be taken by the animal.

[1987, c. 383, §3 (NEW) .]

30. Wolf hybrid. "Wolf hybrid" means a mammal that is the offspring of the reproduction between a species of wild canid or wild canid hybrid and a domestic dog or wild canid hybrid. "Wolf hybrid" includes a mammal that is represented by its owner to be a wolf hybrid, coyote hybrid, coydog or any other kind of wild canid hybrid.

[1999, c. 127, Pt. A, §16 (RPR) .]

SECTION HISTORY
1987, c. 383, §3 (NEW). 1991, c. 622, §FF11 (AMD). 1991, c. 779, §§11-15 (AMD). 1991, c. 779, §52 (AFF). 1993, c. 468, §§4,5 (AMD). 1993, c. 657, §§1-11 (AMD). 1995, c. 351, §1 (AMD). 1995, c. 409, §§1,2 (AMD). 1995, c. 490, §§1-5 (AMD). 1997, c. 33, §1 (AMD). 1997, c. 456, §§1,2 (AMD). 1997, c. 690, §§4-8 (AMD). 1997, c. 704, §1 (AMD). 1999, c. 127, §A16 (AMD). 1999, c. 350, §1 (AMD). 1999, c. 498, §1 (AMD). 2001, c. 363, §1 (AMD). 2001, c. 399, §4 (AMD). 2001, c. 422, §4 (AMD). 2003, c. 334, §2 (AMD). 2003, c. 536, §2 (AMD). 2003, c. 682, §3 (AMD). RR 2005, c. 2, §10 (COR). 2005, c. 510, §§1-5 (AMD). 2007, c. 439, §§3-5 (AMD). 2007, c. 664, §§8-10 (AMD). 2007, c. 702, §§3-6 (AMD). 2009, c. 343, §§3, 4 (AMD). 2009, c. 403, §1 (AMD). 2011, c. 100, §§1-4 (AMD). 2011, c. 369, §3 (AMD). 2011, c. 657, Pt. W, §6 (REV). 2013, c. 115, §§1-6 (AMD). 2015, c. 223, §§1-3 (AMD).

§3908. GOVERNMENTAL FUNCTION

(REPEALED)

SECTION HISTORY
1987, c. 383, §3 (NEW). 1997, c. 690, §9 (RP).

§3909. ENFORCEMENT

1. Attorney General and District Attorneys. Whenever a person has engaged in or is about to engage in an act or practice that constitutes a violation of this Part, a rule adopted pursuant to this Part or a condition of an order, license or permit approved or decision issued by the commissioner pursuant to this Part, or that constitutes a violation of Title 17, chapter 42, the Attorney General or a District Attorney, at the request of the commissioner, may institute proceedings before the District Court or Superior Court for an order enjoining those acts or practices, an order directing compliance or imposing a civil or criminal penalty, or any combination of these actions, as provided by law. Upon a showing by the commissioner that the person has engaged or is about to engage in such an act or practice, the court may grant a permanent or temporary injunction, restraining order or other order as appropriate.

[2005, c. 422, §1 (AMD) .]

2. Designated employees of the department. For purposes of prosecution under this section, the commissioner may authorize humane agents and a state veterinarian who have been certified in accordance with subsection 3-A to issue and serve civil violation processes against offenders pursuant to the Maine Rules of Civil Procedure, Rule 80H and any other applicable rules of court for violations of this Part. The commissioner may authorize certified humane agents or a certified state veterinarian to represent the department in District Court in the prosecution of civil violations of these laws. A certified humane agent or a certified state veterinarian may seek civil penalties as provided by law as well as a permanent or temporary injunction, restraining order or other equitable relief as the court finds appropriate.

[2009, c. 652, Pt. A, §6 (RPR) .]

2-A. Animal welfare citation form. The commissioner shall designate the Uniform Summons and Complaint as the citation form to be used by the department.

A. The Department of Public Safety is responsible for all Uniform Summons and Complaint forms issued to the department. The commissioner or the commissioner's designee is responsible for the further issuance of Uniform Summons and Complaint books to humane agents and a state veterinarian certified under subsection 3-A and for the proper disposition of those books. [2009, c. 343, §6 (NEW).]

B. It is unlawful and official misconduct for any humane agent or other public employee to dispose of an official citation form or Uniform Summons and Complaint, except in accordance with law and as provided for in an applicable official policy or procedure of the department. [2009, c. 343, §6 (NEW).]

C. A Uniform Summons and Complaint may be filed in a court having jurisdiction and constitutes a lawful complaint to commence any criminal prosecution or civil violation proceeding if the Uniform Summons and Complaint is duly sworn to as required by law and is otherwise legally sufficient. [2009, c. 343, §6 (NEW).]

D. A Uniform Summons and Complaint, when served upon a person by a humane agent, functions as a summons to appear in court. A person who fails to appear in court after having been served with a summons commits a Class E crime. Upon that person's failure to appear, the court may issue a warrant of arrest. It is an affirmative defense to prosecution under this paragraph that the failure to appear resulted from just cause. [2009, c. 343, §6 (NEW).]

[2009, c. 343, §6 (NEW) .]

3. Education requirement; management.

[2003, c. 405, §5 (RP) .]

3-A. Humane agents; training requirements. Continuing employment of a humane agent hired after October 1, 2003 is contingent upon the successful completion by that agent of a 100-hour service training program at the Maine Criminal Justice Academy or a nationally recognized training program on investigation and enforcement of animal welfare laws and the successful completion of an examination on state animal welfare laws and rules adopted pursuant to this Part. To issue and serve civil violation processes or represent the department in District Court under subsection 2, a humane agent or a state veterinarian must have completed a program at the Maine Criminal Justice Academy that certifies familiarity with court procedures.

A humane agent, regardless of appointment date, shall complete training in the handling of small and large animals and a minimum of 40 hours of training each year, including a combination of classroom and hands-on training.

[2009, c. 343, §7 (AMD) .]

4. Subpoenas. The commissioner or the commissioner's designee after consultation with the appropriate attorney for the State or the legal counsel for the department may:

A. Serve subpoenas requiring persons to disclose or provide to the department information or records in their possession that are necessary and relevant to an investigation under the animal welfare laws.

(1) The department may apply to the District Court to enforce a subpoena.

(2) A person who complies with a subpoena is immune from civil or criminal liability that might otherwise result from the act of turning over or providing information or records to the department. [2001, c. 422, §5 (NEW).]

[2001, c. 422, §5 (NEW) .]

5. Enforcement provision; animal control officers. The certification of an animal control officer under section 3906-B may be suspended or revoked by the commissioner in accordance with Title 5, chapter 375.

[2009, c. 343, §8 (NEW) .]

6. Confidential information. The names of and other identifying information about persons providing information pertaining to criminal or civil cruelty to animals to the department are confidential information and may not be released.

[2013, c. 267, Pt. C, §1 (NEW) .]

SECTION HISTORY
1987, c. 383, §3 (NEW). 1991, c. 779, §16 (AMD). 1995, c. 490, §6 (AMD). 1997, c. 456, §3 (RPR). 1997, c. 683, §B1 (AMD). 1999, c. 254, §2 (AMD). 2001, c. 422, §5 (AMD). 2003, c. 405, §§5,6 (AMD). 2003, c. 536, §3 (AMD). 2005, c. 422, §1 (AMD). 2009, c. 213, Pt. M, §2 (AMD). 2009, c. 343, §§5-8 (AMD). 2009, c. 652, Pt. A, §6 (AMD). 2013, c. 267, Pt. C, §1 (AMD).

§3910. JURISDICTION

(REPEALED)

SECTION HISTORY

1987, c. 383, §3 (NEW). 2001, c. 617, §5 (RP).

§3910-A. FORFEITURES AND SURCHARGE

1. Forfeitures. Unless otherwise provided, any court in this State shall collect fines or forfeitures imposed for violations of this Part and pay the fine or forfeiture into the treasury of the municipality where the offense or violation was committed. The municipal clerk shall deposit and expend fines and forfeitures received in accordance with section 3945.

[2001, c. 617, §6 (NEW) .]

2. Surcharge imposed. A surcharge of $10 must be added to every fine, forfeiture or penalty imposed by any court in this State for a violation of this Part. The surcharge, for the purposes of collection and collection procedures, is considered a part of the fine, forfeiture or penalty. All funds collected as a result of this surcharge must be deposited monthly in the Animal Welfare Fund established under section 3906-B, subsection 2.

[2001, c. 710, §5 (AMD); 2001, c. 710, §6 (AFF) .]

SECTION HISTORY
2001, c. 617, §6 (NEW). 2001, c. 710, §5 (AMD). 2001, c. 710, §6 (AFF).

§3910-B. COMPANION ANIMAL STERILIZATION FUND

1. Establishment. There is established the Companion Animal Sterilization Fund, an interest-bearing account, referred to in this section as "the fund." The fund receives money deposited by the Treasurer of State pursuant to Title 36, section 5284-A, revenues generated in accordance with this section, all revenue from the surcharges collected under section 3933, subsection 4, revenue received from surcharges in accordance with section 714, subsection 4 and any money contributed voluntarily to the fund. All money deposited in the fund and the earnings on that money remain in the fund to be used for the spaying or neutering of companion animals owned by persons meeting income limit standards and for the necessary direct administrative and personnel costs associated with the management of the fund and may not be deposited in the General Fund or any other fund except as specifically provided by law. The fund may not be charged for indirect costs under a departmental indirect cost allocation plan.

[2009, c. 148, §3 (AMD) .]

1-A. Option to contract for administration of the fund. The commissioner may contract the administration of the fund to a suitable organization or individual selected through a competitive process. The contracting organization or individual shall administer the fund in accordance with procedures and eligibility standards established under subsection 2. The contracting organization or individual may not expend more than 15% of the fund annually for administrative costs.

[2007, c. 539, Pt. CCCC, §2 (NEW) .]

2. Subsidies; development of standards. The commissioner shall develop procedures and eligibility standards for the awarding of subsidies to low-income persons for the spaying or neutering of those persons' companion animals. Procedures and eligibility standards must be developed in consultation with veterinarians and representatives of humane societies and animal shelters.

[2003, c. 682, §4 (NEW) .]

3. Fund-raising. The commissioner or the commissioner's authorized agent may provide for the creation, reproduction, sale, licensing and distribution and other disposal of any art or other products for the purpose of generating revenues for the fund. All money generated from the sale of these items must be deposited into the fund.

[2003, c. 682, §4 (NEW) .]

4. Oversight. The Animal Welfare Advisory Council established in section 3906-C or a subcommittee of the council shall review the objectives of the fund and make recommendations for maximizing use of available resources to meet the objectives of the fund. The council or subcommittee shall review the administration of the fund and make recommendations, which may include the development of a competitive process to contract for the administration of the fund.

[2007, c. 539, Pt. CCCC, §3 (NEW) .]

SECTION HISTORY
2003, c. 682, §4 (NEW). 2005, c. 281, §5 (AMD). 2005, c. 510, §6 (AMD). 2007, c. 539, Pt. CCCC, §§1-3 (AMD). 2009, c. 148, §3 (AMD).