1. EDC AGEN

Documents: 6-28-2016 AGENDA AND PUBLIC MEETING MATERIAL.PDF

ECONOMIC DEVELOPMENT COMMITTEE

DATE: **June 28, 2016 (Tuesday)**
TIME: **5:00 – 7:00 p.m.**
LOCATION: **Room 209**
Portland City Hall

A G E N D A

1. **Review and accept Minutes of previous meeting held on May 24, 2016.**

2. **Review and vote on a recommendation to the City Council on Tax Increment Financing Request from ImmuCell – Greg Mitchell, Economic Development Director (5:00 to 5:30 pm)**
   a. See enclosed memorandum from Greg Mitchell and Draft TIF documents
   b. NOTE – Possible Executive Session: Pursuant to 1 M.R.S.A. 405(6)(C), the Committee may go into executive session for general policy guidance regarding TIF negotiations.

3. **Review and recommendation to forward to City Council as a communication the Updated Portland Economic Development Vision and Plan 2016/2017 Work Plan (5:30– 5:45 pm).**
   a. See enclosed memo from Greg Mitchell and updated 2016/2017 Work Plan

4. **Review of 2016 Updated Economic Development Committee Work Plan for discussion (5:45 to 6:00pm).**
   a. See enclosed memo from Greg Mitchell and 2016 Updated EDC Work Plan.

5. **Executive Session: Pursuant to 1 M.R.S.A. 405(6)(C), the Committee will go into executive session to provide City staff general policy guidance regarding (6:00 to 7:00pm:**
   a. Possible disposition of City-owned Department of Public Works Bayside properties.

Public Comment will be accepted on action items.
Next Meeting: July 5, 2016

Councilor David Brenerman, Chair

Minutes

Economic Development Committee

May 24, 2016

A meeting of the Economic Development Committee of the Portland City Council was held Tuesday, May 24, 2016 at 5:00 p.m. in Room 209 of Portland City Hall. Present from the Committee was its Chair Councilor David Brenerman and members Councilors Justin Costa and Spencer Thibodeau. Present from the City staff were Senior Planner Christine Grimando, City Manager Jon Jennings (arriving as noted herein), Planning and Urban Development Director Jeff Levine, Economic Development Director Greg Mitchell, Waterfront Coordinator William Needelman, Senior Executive Assistant Lori Paulette, and Human Resources Director Gina Tapp.

Item #1: Review and accept Minutes of previous meeting held on April 26, 2016 and Report of May 3, 2016 Eastern Waterfront Tour.

On motion made and seconded, the Committee voted unanimously to accept the Minutes and Report as presented. Councilor Costa noted that he was not able to attend the Eastern Waterfront Tour as he had another Committee meeting which he chaired.

Item #2: **Overview of Portland Community Chamber of Commerce, partner in the Portland Economic Development Plan**

Greater Portland Chamber of Commerce (GPCC) President Chris Hall provided an overview of the Greater Portland Chamber, noting that it has 13,000 dues paying businesses as members – with those business employing over 65,000. The GPCC has a staff of eight, which supports five Boards of Directors for the eight communities the GPCC serves – Cape Elizabeth, Cumberland, Falmouth, Gorham, Portland, Scarborough, South Portland, and Westbrook. The GPCC also provides business

networking and advice.

The GPCC partners with the City in the Portland Economic Development Vision and Plan (ED Plan). The ED Plan was created in 2011 by a partnership of Portland stakeholders convened by Greg Mitchell for a shared vision and work plan. It has been working well and accomplishments have occurred based on its Work Plan.

Mr. Hall noted the accomplishments, including the Scorecard which is updated annually; Industry Sector Research, which the Chamber partnered with Maine Center for Business and Economic Research at USM for research in support of cold storage facility; it assisted in redirecting CDBG funds for job training and social services necessary to stay at work; and, the Chamber supports workforce development, noting the City's new successful HIRE program. The GPCC is also partnering with USM, Portland Society of Architects, and Creative Portland in developing a case for growth and why it is important – including tax base growth and workforce growth – with the first piece of research expected to be done in a couple of months.

In closing, Mr. Hall said that GPCC also works with the Greater Portland Council of Governments on various projects, noting that he is looking forward to working with its new Executive Director Kristina Egan.

Chair Brenerman asked about the Chamber and education issues, and Mr. Hall said that the Chamber is actively involved in education issues and noted that he is on the Board of Directors of Educate Maine. He also described the Chamber's "Principal for a Day" program instituted four years ago. This is one week each spring where business leaders team up with a principal for a day, involving 17 schools.

Noting no further questions/comments, Chair Brenerman thanked Mr. Hall for the overview.

Item #2: Portland Downtown – Presentation on Transportation and

Parking Recommendations

Casey Gilbert, Executive Director of Portland Downtown (PD), provided the Committee with an overview of PD's Parking and Transportation Committee's (PTC) recommendations as noted in the attached memo.

Ms. Gilbert said that PD does not have all the resources to undertake the recommendations and wants to partner with the City to take these recommendations a step further. She said that Burlington, VT and Portsmouth, NH both have good parking and transportation models for the PTC's recommendations A1 and A2 on the attached. Regarding A3 and A4, Ms. Gilbert said that affordable parking for lower wage earners is an issue.

Ms. Gilbert closed by saying that PD would partner in this effort by contributing up to $15,000 to help fund a marketing campaign to educate the public about parking and transportation in/to Downtown; and up to $25,000 towards the implementation of strategies that will have a direct and positive impact on the parking and transportation landscape in Downtown. PD would also help host public forums, circulate surveys, participate in Committees, or in any other way to help add value to the process.

Councilor Thibodeau asked if PD took into consideration the surrounding communities - Falmouth, Westbrook, South Portland, Freeport - as well as Metro so that Portland would not shoulder all the burden. Ms. Casey agreed that they should be brought in – they have not yet, with GPCOG possibly providing assistance.

Councilor Costa suggested outreach to neighborhood organizations as well. Ms. Gilbert said that the PTC focus was more on the peninsula, and this suggested outreach would be another good next step.

Chair Brenerman agreed, noting that many drive into the downtown daily. Chair Brenerman then said that the CVB's presentation to the EDC at its April 5th

meeting noted that day visits to Portland are down 8% and questioned Ms. Gilbert if she thought this was due to parking. Ms. Gilbert said that she involved the CVB in this report of recommendations. The inventory of parking may help to determine the answer.

Chair Brenerman asked about next steps, and Mr. Mitchell noted that the staff from the City and PD will develop a game plan, including neighborhood organizations, surrounding communities, and Metro to broaden the base. City staff and PD would come back to the Committee with updates and recommendations.

Chair Brenerman thanked Ms. Casey for the presentation.

Item #4: City possible new office for New American Mainers to assist with job opportunities and business development.

Chair Brenerman said the EDC is currently hearing from non-City organizations who assist new American Mainers in order to provide a recommendation to the City Council whether or not the City should create a new office. Today, the Committee is hearing from Coastal Counties Workforce, Goodwill Workforce Solutions, and Greater Portland Workforce Initiative.

Antoinette Mancusi, Deputy Director of Coastal Counties Workforce (CCW), went through the PowerPoint Presentation included in the Committee's backup information, noting that CCW's jurisdiction includes the coastal counties of York, Cumberland, Sagadahoc, Lincoln, Waldo, and Knox and it serves youth, adults, and seniors – with York and Cumberland counties the major economic drivers. CCW is the administrative entity working on behalf of the Region's Local Workforce Development Board and County Commissioners to ensure their responsibilities under the federal workforce development law and federal funding are met. It also implements regional workforce development programs and services – the latter through contractual

relationships with entities that provide workforce development and training services.

Ms. Mancusi noted that barriers for new American Mainers include language, credentials transfer, transportation – as many do not have a driver's license, and navigating through the complicated process. A new system needs to be developed that addresses the significant barriers of special populations. The system has historically focused on rapid job placement, but needs a paradigm shift to create career pathways framework – education, training, credential attainment, and early job exposure opportunities. System problems include lack of coordination of an immigrant specific approach, lack of data/poor tracking, and not enough collaboration between the region's largest workforce development funders. All persons not part of the workforce need to be integrated by creating training and skills that link workers to industry needs. There now needs to be an assessment for what is best for the immigrant population.

Ms. Mancusi said that next steps for CCW is to engage industry leaders to help develop demand driven strategies that include new Mainers and special populations. Also, more coordination among partners is needed – funders and service providers and better communication between the City and Regional Workforce Board.

Ryan Anderson of GWS then described the initial process for a client, i.e., going through the job opening database, workshops, access to technology, and referral and/or access to support services – serving low-income adults. It provides assistance with creating an employment plan and helps with credentials to get ready for the work force. Work based learning is the most beneficial for a client, providing work experience. Also, training with peers is beneficial – bringing together a group of new Mainers with similar goals and career experiences, and GWS also works closely with the PAE for the English language classes.

Mr. Anderson then described a couple of success stories which include GWS

assisting with child care, transportation, and job placement.

Councilor Thibodeau asked Ryan Anderson how success stories are tracked, and Mr. Anderson said that all clients go into the system database, which is currently being upgraded.

Councilor Thibodeau questioned a need for one place/registry where various organizations can see what others are doing. Ms. Mancusi said that would be beneficial for communication among partners and organizations doing this kind of assistance.

Chair Brenerman asked about CCW's funding, and Ms. Mancusi said that it was primarily from US Department of Labor at $2.8 Million, and other various grant income of approximately $2 Million. She noted that 20% of its caseload is new Americans.

Chair Brenerman asked how a new American Mainer would know about CCW/GWS, and Ms. Mancusi said that a lot is done by word of mouth, as well as referrals from other organizations like PAE. CCW/GWS is limited to the low income populations. She noted that ESL needs to be augmented, so more funding for this area is needed.

Chair Brenerman said that there seems to be coordination issues, and someone needs to bring organizations together.

Councilor Costa agreed, and it is not just a Portland issue – as he receives calls from non-Portlanders - and perhaps a next step would be a working group to be formed. Ms. Mancusi agreed suggesting to reach out to Biddeford, Westbrook, Lewiston, and Auburn as they may provide ideas for improvements; General Assistance occurs in all of them.

Chair Brenerman asked Ms. Mancusi about the City's new HIRE Program, and Ms. Mancusi noted that the City saw the need for case managers for new American

Mainers who do not have work authority, which is good since CCW can only work with those who have work authority.

Chair Brenerman thanked Ms. Mancusi and Mr. Anderson, and the Committee would next hear from Greater Portland Workforce Initiative.

Kim Moore, Coordinator for Greater Portland Workforce Initiative (GPWI), next spoke saying that all of the organizations the EDC has heard from are stakeholders in the GPWI. A pipeline needs to be developed to train and connect employees with work growth industries. Currently, there are so many organizations, with their own acronyms, languages, and antiquated data entry systems. Coordination is needed for all organizations to ask the same thing/the right questions of their clients for better tracking.

Ms. Moore said that GPWI's focus is on low income residents and where the opportunities are, identifying a common language among the organizations, funding resources, and overlap. The trends she is seeing is that immigrants do have experience but it is difficult to match that experience here. There needs to a comprehensive strategy followed by support service, which needs funders to customize training.

Chair Brenerman asked what the City could do for GPWI's group, and Ms. Moore said that there not be a focus on a specific population. Organizations serving the immigrant population are not well connected, and she would happy to serve as a conduit. If the City provided a charge, GPWI would consider it.

Mr. Jennings noted that former Mayor Brennan was involved with the creation of GPWI, and the City's partnership with GPWI has been fruitful.

Chair Brenerman thanked the organizations for the update, and noted that Julianne Sullivan, Chief of Staff in the City Manager's office, will be working with this Committee as it continues to form a recommendation to the City Council.

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

a) **Possible real estate sale for a portion of City-owned Thames Street property – update provided at meeting;**
b) **Possible Tax Increment Financing Credit Enhancement Agreement request – update provided at meeting.**

On motion made and seconded, the Committee voted unanimously at 6:45 p.m. to go into executive session pursuant to 1 M.R.S.A. 405(6)(C) to provide City staff with general policy guidance for Item 5(a) and 5(b) listed above. At approximately 8:15, the Committee came out of executive session and the meeting adjourned.

Respectfully,

Lori Paulette

To: City of Portland: Jon Jennings, City Manager; Ethan Strimling, Mayor; and City Council

From: Casey Gilbert, Executive Director, Portland Downtown

Date: March 23, 2016

Subject: Parking & Transportation Recommendations

Portland Downtown has a vested interest in the overall economic health and well-being of Downtown. The formula for a vibrant Downtown is complicated, but we believe that strategy, mission and initiative has been a winning algorithm for us since 1992. Portland Downtown has a board of active, invested stakeholders and a variety of committees that deal with topics which are essential to Downtown's continued growth and development. Among those committees is our **Parking and Transportation Committee, which has been hard at work - gathering information, bringing together a diverse group of stakeholders and looking at best practices across the nation and the globe.** In the fall of 2015, our Committee set out on a mission to analyze our parking landscape, inventory the current supply and demand, gather user feedback, and present recommendations to the City. After several meetings, with a variety of stakeholders (garage owners, retail merchants, bicycle/pedestrian advocates, City staff and Portland Downtown board members) we came to the conclusion that the task was simply too large for our small group and that what **we truly need is the collective resources of the city to help us forge a path for best practices and strategic management of our public and private parking assets.**

Following are (A) our **recommendations** for how the City of Portland can turn thoughtful parking and transportation planning into economic development with major ROI, (B) how Portland Downtown plans to **partner with the City** to implement the recommendations, (C) **how thoughtful parking and transportation planning and economic development are intrinsically linked**, (D) a brief **history** of how the Parking & Transportation Committee came together with the City of Portland's Bicycle & Pedestrian Committee and developed the recommendations and (E) a list of other **stakeholders** who support our recommendations.

A. Recommendations

1. The City of Portland prioritizes the funding of a public marketing/advertising campaign (print/digital/social) in the next budget cycle - in partnership with Portland Downtown - to highlight multi-modal access to Downtown. Emphasis would be on: available parking in municipal lots and garages, on-street parking, parking in private lots and garages, electric vehicle parking, METRO Bus routes, commuting by bicycle and available bicycle parking, walking, etc.

2. The City of Portland immediately prioritizes an update to its 1988 Parking Master Plan for Downtown Portland and/or the 1992 Transportation Plan in the next budget cycle. The priority of this plan would be a focus on Downtown Portland and would include a study of the supply and demand for parking. If feasible, the City undertakes an update on a Master Parking and Transportation Plan for the entire city that would incorporate recommendations for parking management and rates and would focus on multi- modal transportation. The City also begins implementing key recommendations from the 2008 Peninsula Transit Study.

3. The City, in partnership with Portland Downtown, hosts a public forum to address parking and transportation issues. Ideally, the forum would focus on Downtown/ the Peninsula, but we would recommend expanding it city-wide as time and resources allow.

4. The City identifies parking and alternative transportation solutions for Downtown employees, with special consideration for low-wage earners.

5. The City would further support the latest efforts for a bike share program.

B. How Portland Downtown will partner with the City on our recommendations

We realize that we cannot ask the City to contribute time and resources to finding solutions, if we are not willing to do so ourselves. We will partner with the City of Portland in the following ways:

1. Portland Downtown is willing to contribute up to $15,000 to help fund a marketing campaign to educate the public about parking and transportation in/to Downtown.

2. Portland Downtown will contribute up to $25,000 towards the implementation of strategies that will have a direct and positive impact on the parking and transportation landscape in Downtown.

3. Portland Downtown will help host public forums, circulate surveys, participate in Committees, or in any other way to help add value to the process.

C. How thoughtful parking and transportation planning and positive economic development are intrinsically linked

Findings from a white paper prepared for the U.S. Department of Transportation - Office of Planning, Environment, and Realty and the Federal Highway Administration by the U.S. Department of Transportation and John A. Volpe National Transportation Systems, titled "A multi-modal approach to economic development in the metropolitan area transportation planning process" concludes that:

"Cities and towns across the U.S. have benefitted in many ways by improving their parking policies, practices, and management. Cities that follow best practices for parking and transportation see a return on investment through economic growth and prosperity and thriving downtowns and local businesses.

Land use, transportation, and economic development are integrally related. Several of the case studies underscore the importance of the spatial dimension of economic development in terms of location. MRMPO in the Albuquerque area gives priority to High Activity Areas for transportation system investments, illustrating the importance of location. The Sacramento area planning process emphasizes the relevance of compact land use patterns to economic development. Potential benefits of promoting higher-density, transit-oriented development as an element of economic development strategy include:

- *Increased land value and return on investment by real estate developers;*
- *More face-to-face contact, i.e. spatial "agglomeration," which may help to incubate growth in business activity, particularly in innovative, knowledge-based industries;*
- *Improved employment opportunities and higher incomes for low-income and economically disadvantaged population groups who are disproportionately transit-dependent and concentrated in urban neighborhoods; and*
- *Shifting a greater share of person trips to alternative modes and reducing travel distances between many trip origins and destinations, freeing capacity on area roadways for truck trips vital to business operations."*

There are hundreds of other sources that we could cite, but this seemed to sum up the case perfectly. Following is a link to the full report:
https://www.planning.dot.gov/documents/EconDevelopmentFinal_8-11-14.pdf

D. Portland Downtown's Parking & Transportation Committee

Portland Downtown's mission is to maintain a clean and safe downtown while building and promoting a vibrant business, residential and tourism destination.

In 2014, Portland Downtown's Parking and Transportation Committee began to research the most recent parking and transportation studies conducted by the City of Portland. To our knowledge, there were a few major studies in recent decades: the 1988 Parking Master Plan for Downtown Portland, the 1992 Transportation Plan, and most recently, the 2008 Peninsula Transit Committee Report. After carefully following current development trends, and combined with feedback from our constituents; we concluded that it was time for the City of Portland to update the plans and/or revisit some of the recommendations that had not been implemented. Around the same time that we were looking for ways that we could make an impact on the current parking and transportation landscape in Downtown, we were contacted by the City of Portland's Bicycle & Pedestrian Advisory Committee. At the time, they were considering forming a Downtown Parking Task Force. It seemed like a logical partnership, to incorporate stakeholders from all transportation modalities – parking garage owners, METRO, bicycle/pedestrian advocate groups, retail/business owners – to discuss the parking and transportation landscape in downtown. Additionally, we received feedback from the city that forming another task force could be unwieldy and a burden on their already stretched staff and council resources. Thus, the Parking and Transportation Committee of Portland Downtown enacted a subcommittee to look at how to bring forth positive changes in the management of the parking and transportation landscape.

The subcommittee has met regularly and explored options ranging from hiring an independent consultant to conduct a parking inventory, to doing it ourselves with volunteers. Public forums, surveys, and focus groups were pitched. Estimates on transportation studies were presented. We discussed the wide range of resources and costs that might be involved in finding the solutions that we seek. The end result was that this puzzle was far too complex for us to solve on our own. The conclusion was that the best way to move forward would be with a list of recommendations (see Section A) to the City Council, based on research, feedback and best practices and to find a way that we could work in partnership towards achieving these lofty goals.

E. Joining in support of our recommendations: community stakeholders

Portland Downtown is not alone in its desire to see the City put resources toward best parking and transportation management practices. Attached is a list of those who stand with us as advocates for this request.

We thank you in advance for your consideration. As a nonprofit organization whose focus is on the betterment of Downtown, we truly have a tremendous stake in our parking and transportation landscape. We stand beside you and want to help in any way that we can to ensure the viability of our city for decades to come.

Sincerely,

Casey T Gilbert - Executive Director

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 22, 2016

SUBJECT: **Review and Recommendation to City Council regarding Tax Increment Financing Request and Credit Enhancement Agreement from ImmuCell Corporation in Support of Its Expansion Project Near its 56 Evergreen Drive Facility in Portland**

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. 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.

III. 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.

IV. 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.

V. 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.

VI. RECOMMENDATION

Staff's recommendation is that the EDC review and vote to recommend 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.

VII. 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 <u>created</u> 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 <u>retained</u> 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

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Exhibits:

A. TIF District Location Map
B. TIF District Tax Map
C. TIF Projections & Tax Shift Calculations
D. Public Hearing Notice
E. City Council Meeting Minutes
F. City Council Order
G. Municipal Assessor Certificate
H. Credit Enhancement Agreement
I. DECD Statutory Requirements Table

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

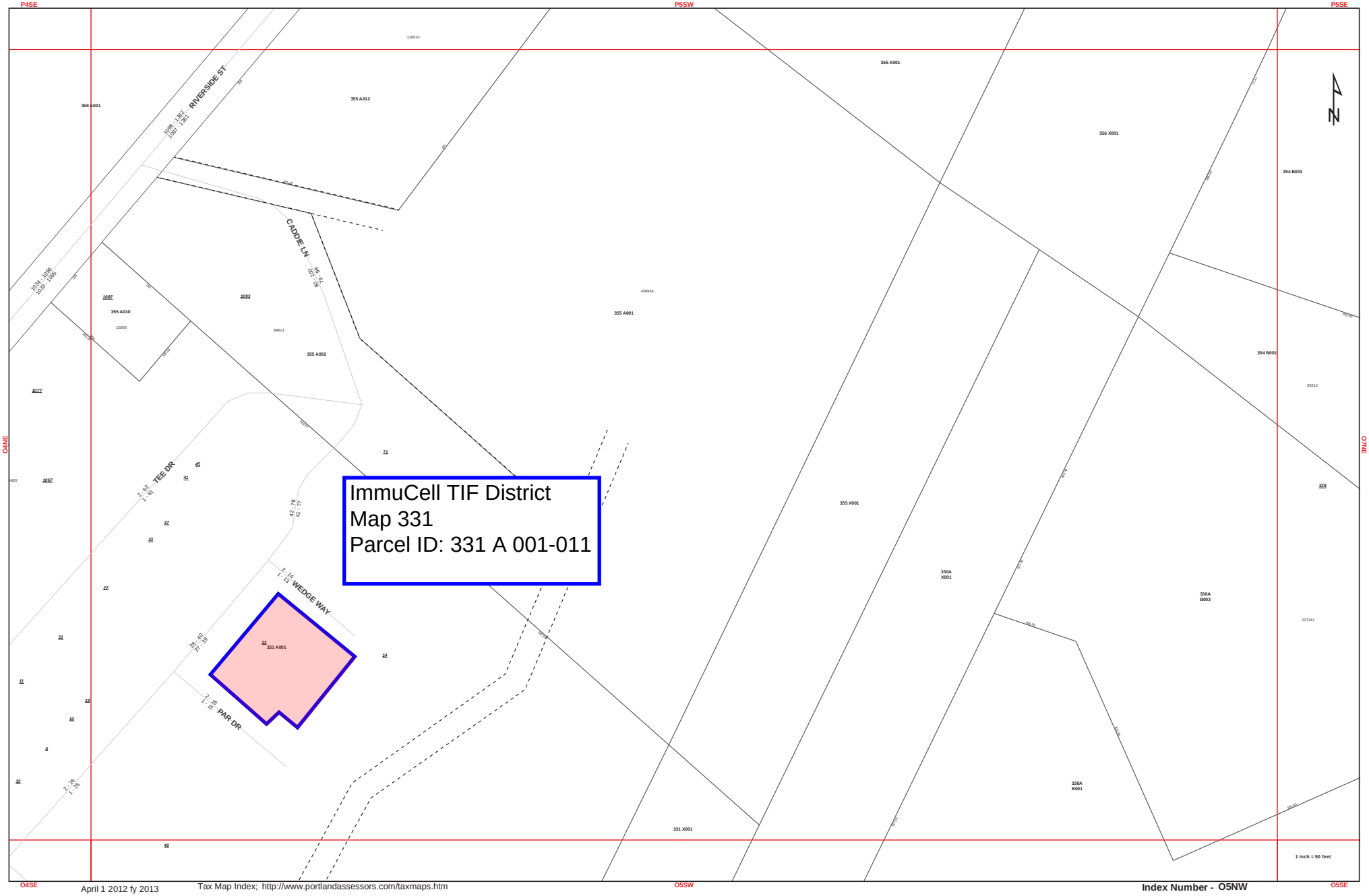
TIF DISTRICT LOCATION MAP

SUBJECT PROPERTY LOCATION MAP

Exhibit B

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

TIF DISTRICT TAX MAP



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 Mil 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 shelting 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 WHEROF, 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

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EXHIBITS:

Exhibit A. ImmuCell Corporation Municipal Development and Tax Increment Financing District Program
Exhibit B. Company Tax Increment Revenue Allocation
Exhibit C. Certification of Costs Form

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. Definitions.

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 Exhibit A.

"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. Captured Assessed Value; Retained Tax Increment Revenues.

During the term of the Development Program, the City shall annually retain the percentage of Increased Assessed Value and Increased Assessed Value indicated on Exhibit B 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. Credit Enhancement Payments.

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. Failure to Make Payment.

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. Manner of Payments.

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. Obligations Unconditional.

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. Limited Obligation.

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

EXHIBIT B 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%

EXHIBIT C 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

Economic Development Department
Gregory A. Mitchell, Director

TO: Economic Development Committee

FROM: Greg Mitchell, Economic Development Director
Nelle Hanig, Business Programs Manager

DATE: June 2, 2016

SUBJECT: **2016/2017 Work Plan Associated with the Portland Economic Development Vision and Plan**

I. SUMMARY OF THE ISSUE

In the Fall of 2011, the Portland City Council adopted the Portland Economic Development Plan (ED Plan) and associated Work Plan. Staff's position is that the ED Plan remains sound, but every two years the Work Plan is updated by the ED Plan key stakeholders (City of Portland, Convention and Visitor Bureau, Portland Community Chamber of Commerce, Creative Portland, Portland Downtown and Portland Development Corporation). Earlier this year, EDC direction to staff was to invite these stakeholders to provide brief presentations at upcoming EDC meetings. This has been done.

Recently, Greg Mitchell convened several meetings of the ED Plan key stakeholders to prepare the 2016/2017 Work Plan for EDC review. As with past work plans, projects that had been achieved were removed, those that required continuing efforts remained and, using the ED Plan as a guide, others were added to be the focus of the key stakeholders work over the next several years. The 2016/2017 Work Plan was completed in May.

At present, the key stakeholders are presenting the 2016/2017 Work Plan to their constituencies. This includes the EDC and, subsequently, the Portland City Council, through a recommendation from this Committee to the Council as a communication.

Attached is a copy of the ED Plan with two associated past Work Plans, and the proposed 2016/2017 Work Plan.

II. REASON FOR SUBMISSION

This is being submitted to the EDC for its review and recommendation to the City Council to receive it as a communication.

III. INTENDED RESULT

The intended result would be for the Portland City Council to receive the updated 2016/2017 Work Plan as a communication to be aware of the list of activities to be undertaken to support Portland's

economic growth. The updated Work Plan places increased emphasis on public infrastructure and prioritizes attention to important Portland waterfront and transportation investments. Other areas of emphasis include workforce development, business recruitment and tourism.

IV. FINANCIAL IMPACT

By forwarding this to the City Council, there will be no financial impact. There are public infrastructure/transportation projects in the Work Plan which will require a mix of Federal, State, and City funding. This funding will be gathered as the projects move forward.

V. STAFF ANALYSIS AND RECOMMENDATION

Staff recommends that the EDC vote to forward the updated Work Plan to the City Council as a communication.

ECONOMIC DEVELOPMENT VISION + PLAN PORTLAND MAINE

August, 2011

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ECONOMIC DEVELOPMENT VISION + PLAN
PORTLAND, MAINE

The following is an economic development vision and plan for the City of Portland, Maine. It has been created in acknowledgement that economic development in general, and business retention, expansion, and attraction in particular, are vital to the growing prosperity and improvement in the quality of life of Portland's citizens.

This vision and plan provides a roadmap for success in Portland's future economic development. It draws on the previous and current work of the City, its citizens, businesses, and stakeholders. The vision and plan was accomplished through a collaboration of the City of Portland, Portland Community Chamber, and the Creative Portland Corporation. To guide the process and compile the results, the City and Chamber engaged the Economic Development Plan Task Force. A list of Task Force members is provided in Appendix A.

Rather than recreate the many recent efforts regarding components of the City's economic development, this plan draws from several recent reports that provide information relating to the economic development process. A listing of these reports is provided in Appendix B. The plan is also based on input obtained through outreach to citizens, workers, and stakeholders through a coordinated social media strategy including a project web page, Facebook page, and Twitter updates. Finally, it incorporates input received through outreach meetings and presentations, a listing of which is provided in Appendix C.

Using information gathered from these resources, an economic development vision and strategy has been developed that consists of the following components:

- **Guiding Principles + Vision Statements**
- **Goal Statements**
- **Implementation Strategies**

A description of these components is provided in Appendix D.

The vision and plan presents three primary areas critical to long-term success in Portland's economic development. These core areas of focus include:

1. **Grow the economy**
2. **Enrich the creative economy**
3. **Support Business**

To support these core areas of focus the City must take action to coordinate, communicate, and measure progress. Additionally, as part of this plan and vision and to enable its success:

Portland will work in collaboration with the communities and stakeholders of the Greater Portland Region to not only grow the City's economy, but also the economy of the region; together we will work to make the Greater Portland Region a great place to work, live, and grow a business.

Portland will participate in regional efforts at industry tradeshows and through external advertising, including specifically working with the Greater Portland Convention and Visitors Bureau and Greater Portland Economic Development Corporation

Portland will adhere to the regional economic development protocol agreed to by the Greater Portland Communities, and will participate in a collaborative marketing and business attraction program for the region

Portland is committed to regular and systematic economic development strategic planning and evaluation, including monitoring progress of its plan and activities, measuring progress and impacts, and making strategic changes as warranted. This includes maintaining and reporting through the Chamber's annual Economic Scorecard. The process will engage key stakeholders and include regular communications with the businesses, citizens and taxpayers of the City.

> Portland will utilize the latest technologies, including web and social media, to communicate and market Portland both inside and outside the region, and to deliver its economic and business development services and communications.

By adhering to this vision and plan, Portland will achieve its economic development goals, creating economic prosperity through growth of the City's tax and employment base. Portland's greatest strength is its underlying quality of life and unique character, contributing to its continuing national recognition as a highly desirable community in which to live and work. It is especially important for Portland to recognize, support, and enhance the fundamental qualities of place that make Portland unique and desirable for investment and growth; these include education, parks, waterfront, downtown, neighborhoods, cultural diversity, and the geographic and architectural heritage of the City. These assets enable Portland's economic development efforts to attract and grow businesses and support residents and workers. In turn, a strong economic environment enables the City to support and sustain these quality of life assets.

Economic development planning is an integral part of Portland's Comprehensive Plan, so this strategy document can be seen as a guiding policy and action plan in concert with other planning initiatives. The inter-relatedness of all elements of the plan are exemplified by the Sustainable Portland plan, which recognizes that the future health and prosperity of Portland depends on stewardship of our environment, our community, and our economy, the three fundamental components of future sustainable communities. For example, the City has adopted a Housing Plan that sets forth policies that will ensure that we can house a growing population, critical to building a workforce to engage in the jobs that will be created. Another example would be the Community Vision, which emphasizes the importance of quality education to ensure that the population possesses the skills needed to succeed in the modern economy – from skilled labor to high tech and innovation industries. It is understood that this Economic Development Vision and Plan for Portland does not itself address every component needed for future prosperity, but depends on the coordinated and comprehensive plans and policies that function together to secure our future well being.

This vision and plan is meant to be a living document to guide policies, programs, and actions within the City. It should be stressed that this is not a "City Government" only plan. It was developed by a collaborative effort between the City, the Portland Community Chamber, and the Creative Portland Corporation, with significant engagement from the Task Force; input from the public, private and not-for-profit sectors; and guidance from many past collaborative efforts. It is therefore a "community-wide" economic vision and plan to be utilized and implemented by those willing to participate and move forward into the future. Rather than being the sole document or effort related to economic and community development, this vision and plan is meant to provide a specific focus on the City's economic development vision, goals, and strategies. Other efforts and documents address closely related issues such as housing, infrastructure, services, and neighborhoods. Some of these issues are referenced in this vision and plan, but this document is not meant to cover those issues in detail.

Throughout the plan the term "business community" is used to represent the private sector. For this plan the "business community" is meant to mean all businesses in Portland, large or small, as well as any other stakeholders who have a vested interest in the economic growth and well being of the City of Portland.

Why a vision and plan? The purpose is best summarized in the following statement: "Creating economic prosperity through growing the City's tax and employment base." The economic recession has called out for the City to start considering "what's next" in terms of how we can grow wealth. Portland, along with other partner communities in South Portland, Scarborough, Falmouth, Cape Elizabeth, and Westbrook, plus the Portland Regional Chamber and a regional education alliance, have incorporated a private/public non-profit organization to support regional approaches to economic development, including marketing/branding. This vision and plan for Portland will help ensure that these regional efforts reflect the City's needs and strategies for economic development.

Strategies are the economic development priorities (or work plan) over the next 6-12 months starting in the summer of 2011. Appendix E outlines the assignment of work plan activities, budget resources and timeline.

The Plan's implementation will be monitored by the existing Task Force which has agreed to meet periodically to make sure the Plan is implemented and to recommend Plan revisions.

CORE ECONOMIC DEVELOPMENT FOCUS
GROW THE ECONOMY

Guiding Principles + Vision
The City is committed to creating economic prosperity through growing its tax and employment base.

Goals + Implementation Strategies
Understand the needs and concerns of existing businesses to support their retention and expansion
(Relevant Scorecard Indicators: none)

Work Plan:
Develop and sustain a visitation program to obtain regular feedback from the business community with areas of concern addressed in a timely manner. To implement this, the City should follow the detailed steps outlined in the MIT Report, with the major steps of the program being business outreach, information gathering, and most importantly, follow-up. The Mayor shall be involved and be the face of this program.

Action | Measurement:
- A business visitation pilot program will be established
- Feedback from the pilot visitation program will be used to adjust economic strategies and activities, and results of the visitation program will be communicated to the City's business community
- The results of the pilot program will be used to refine and implement an ongoing program
- Business will be better informed of economic development resources and opportunities in the City, and will feel that their concerns are being heard and acted upon

Develop non-visitation methods to enable additional communication and feedback from business by utilizing social media, surveys, and events

Utilize marketing and communication to promote, maintain and expand commercial loan and other business financial incentive programs that leverage and support business retention, expansion, and attraction

Support industry sectors that are innovative and have high growth/high value potential to provide future opportunities for economic development (Relevant Scorecard Indicators: S&E Occupations, Private Sector Employment Growth, Regional Earnings per Employee, Value of City Imports & Exports per Capita, Regional Venture Capital Investment, Regional Patents Issued). Added to these Scorecard Indicators will be employment growth and earnings per worker in targeted sectors.

This goal shall be accomplished through business retention and expansion efforts, as well as through a regional attraction effort coordinated with the Greater Portland Economic Development Corporation and Maine and Company. Based on past analyses and current data, sectors to target include:

- Finance and insurance
- Life science – including bioscience, healthcare, and medical
- Food production/food service – including fishing and seafood
- Marine and marine related – working waterfront, port related, and cargo
- Arts and culture
- Creative enterprise
- Visitation, tourism, and entertainment
- Support redevelopment of the Civic Center as a destination for visitors and residents alike
- Professional, technical services and business services
- Information Technology (IT) and IT-related services
- Manufacturing in niche areas including but not limited to food, chemical/biological, and nano-electronics

Work Plan:
Form working groups to develop specific strategies for each targeted sector, and for life sciences and food production services include in those strategies the recommendations from the MIT report.

Work Plan:
Produce additional analysis to further prioritize and develop sector/cluster strategies based on opportunity and analysis.

Action | Measurement:
- Form at least 3 working groups to develop strategies in three of the targeted sectors
- Identify and conduct further analysis to support strategy development in the three initial targeted sectors
- Develop implementation strategies in the three targeted sectors

In addition to the above targeted sectors, the City will value, support, and market green initiatives and businesses that operate in "green" markets

Work Plan:
Coordinate business and higher education needs to support regional workforce development
(Relevant Scorecard Indicators: Educational Attainment)

Advocate for workforce training and the education needs of Portland businesses to service providers and the regional higher education coalition

Participate through the Greater Portland Alliance of Colleges and Universities to strengthen alliances and opportunities for workforce education, training and development with the organization's regional institutes of higher education

Expand and encourage the availability of higher education scholarships provided by private businesses within the community

Action | Measurement:
- Conduct initial meeting between Greater Portland businesses, economic development representatives and representatives of the Greater Portland Alliance of Colleges and Universities; develop an ongoing process to increase advocacy, planning, and programming in support of workforce development

Increase awareness among businesses, workers, and residents regarding the benefits to the local economy of supporting Portland businesses
(Relevant Scorecard Indicators: None)

- Bring together Portland businesses and residents through marketing, communication and networking to increase sales at those businesses

Sustain economically vibrant neighborhoods
(Relevant Scorecard Indicators: None)

- Work with the City's neighborhood liaison to regularly engage businesses and residents in the environment and culture of Portland's neighborhoods
- Support the growth of local neighborhood business and promote the benefits they provide to the neighborhood's residents

Support efforts for a vibrant and attractive downtown
(Relevant Scorecard Indicators: Downtown Vacancy indicator)

- Recognize the Portland Downtown District as the entity to lead Downtown economic development efforts

Support a working waterfront, recognizing the Central Waterfront as an urban maritime district promoting traditional and emerging waterfront uses – a careful balance of mixed uses to help finance the marine infrastructure; the State Pier and Ocean Gateway, dedicated to passenger ferries, cruise ships and facilities; and the Western Waterfront, Portland's essential deep water port edge and acreage.
(Relevant Scorecard Indicators: Value of City Imports & Exports)

- Provide continued support for Ocean Gateway's use as an international passenger cruise ship terminal.
- Provide continued support for the International Marine Terminal (cargo shipping)
- Continue to monitor the effect of recent changes to zoning ordinances – allowing non-marine businesses on the water-front – on the growth and development of marine industries and quality of marine infrastructure in the zone.

- Provide continued support for the Portland Fish Pier and the infrastructure to support the fisheries industry.

- Prioritize attention and funding to dredge Portland's harbor (federal channel and private shores), and encourage investment in other marine infrastructure as a mean to provide continued access to and functional utility of private and publically owned piers.

Support and market Portland's distinct urban commercial targeted growth districts, encouraging a mix of housing and commercial development to create 24/7 activity and vitality. Each district will capitalize on its unique strengths to maximize the employment and tax base, channeling growth into emerging districts and established employment areas. These districts include: Bayside, an extension of downtown, featuring transit-oriented, high density modern mixed use along the new Bayside trail and a new front face to the city; Downtown, an historic main street, Arts District and Old Port, the center of finance, law, and commerce that capitalizes on its historic fabric and cosmopolitan feel; and Eastern Waterfront, an urban redevelopment district in a new street block grid on the scenic waterfront, situated at the hub of ferry terminals, the Eastern Prom Trail, and flanked by the charm of India Street and Munjoy Hill neighborhoods.
(Relevant Scorecard Indicators: None)

- Develop a Capital Improvement Plan (CIP) for commercial growth areas to address physical infrastructure needs

- Include information about business and growth opportunities for these targeted commercial areas within business expansion and attraction marketing and communication efforts

Continue to develop and promote Portland's commercial and industrial districts, including Riverside Street, the Rand Road Technology Park, and other locations suited for cutting edge business and industry.

- Develop a Capital Improvement Plan (CIP) for commercial growth areas to address physical infrastructure needs

- Include information about business and growth opportunities for these targeted commercial areas within business expansion and attraction marketing and communication efforts

Attract and support entrepreneurs as a means of growing and diversifying the local economy (Relevant Scorecard Indicators: Regional Venture Capital Investment) Add to Scorecard Indicators: Business Start-ups and Business Churn

- Coordinate entrepreneurship services to ensure Portland entrepreneurs are supported for start-up, retention, and growth

- Support efforts to increase minority entrepreneurship and the entry of minority populations into business and the workforce

- Develop a "Portland Host" program to have existing businesses and professionals welcome new business to the City and be available to help recruit new businesses. This program will include representatives of the Portland Community Chamber, the City and others as appropriate.

Recognize that infrastructure – be it roads, sewer, water, energy, communication networks or transportation – is the underpinning of economic growth and development. It must be maintained and improved to support the goals and strategies contained in this plan.
(Relevant Scorecard Indicators: Visitors to Region, Enplanement, Value of City Imports and Exports Per Capita)

- Portland will plan for future transportation and infrastructure needs and prioritize improvements to be implemented within a reasonable timeframe, in order to support economic development and growth

- Portland will provide a transportation system which encompasses all modes, balances competing objectives, and promotes the economic vitality and quality of life in the Portland community

- Portland will support a network of airport, rail, ports (cargo and passenger) and highway infrastructure to compete in the global economy

- Portland will continue to attract passenger airline carriers to the Jetport in an effort to lower ticket prices and offer greater choices for travelers

- Portland will encourage the development and maintenance of telecommunications infrastructure, including broadband service, to support opportunities arising from digital technologies

- Portland will support improvements and maintenance of environmental infrastructure (i.e. combined sewer overflow infrastructure to support a healthy harbor) to foster further growth

CORE ECONOMIC DEVELOPMENT FOCUS
ENRICH THE CREATIVE ECONOMY

A great growth potential for Portland's creative economy lies within the creative enterprise cluster. The creative enterprise cluster includes trades and professions that are built upon the translation of creative expression and talent along with application of innovation into profitable products and services. Examples of the creative enterprise cluster include the design arts, the culinary arts, textiles and furnishings, media, fashion, writing and publishing, advertising, music, innovation and knowledge based enterprises, and other such enterprises. Entrepreneurs building creative enterprises are attracted to cities like Portland, Maine that have the magnetic qualities of a vibrant and well known creative spirit, and a rich physical, social and cultural environment. Therefore, to foster growth of creative enterprises first requires maintaining and enhancing the presence of arts and cultural organizations and individual artists, and the protection and enhancement of the community cultural, environmental, architectural and natural assets. The affirmative action required to attract, nurture, and grow creative enterprises is to get the word out nationwide through community branding and marketing that Portland has what it takes to sustain and support these enterprises to capitalize on this growth industry for Portland.

Guiding Principles + Vision

Value innovation, entrepreneurship, creativity, arts, culture, and entertainment to improve the economy and enhance Portland's uniqueness and diversity

Goals + Implementation Strategies

Increase collaboration, coordination, and communication among those involved in the arts, cultural, creative and innovation sectors

(Relevant Scorecard Indicators: None)

Work Plan:
Recognize and utilize the Creative Portland Corporation ("Creative Portland") as the lead organization to drive strategies and implementation for Portland's creative economy efforts

Work Plan:
Inform the public on what the creative economy encompasses and its importance to the local cultural and economic environment

Action | Measurement:

- The Creative Portland Corporation will develop an operative definition and baseline metric of the existing creative enterprise economy in Portland, and periodically update this metric to assess progress in order to revise strategic initiatives and grow this sector.

Market Portland to increase recognition nationally and internationally that this is a City where arts, culture and entertainment, innovation, and creativity thrive

(Relevant Scorecard Indicators: Visitors to Greater Portland/Casco Bay Region and Regional Food Services & Drinking Places Sales Growth)

Work Plan:
Creative Portland will convene a meeting of all entities involved in marketing and branding Portland to collaborate on message and strategy implementation, determine roles and responsibilities, adopt a common brand and related sub-messages, and adopt a process for moving forward and implementing the strategy

Work Plan:
Take Creative Portland's web platform, LiveWorkPortland, and develop a web and social media plan on a national level; make sure that all related organizations' (City, Chamber, Greater Portland Economic Development Corporation, Portland Downtown District, Convention and Visitors Bureau, and Creative Portland Corporation) marketing and messaging align

Action | Measurement:
- Creative Portland will convene a meeting of all entities involved in marketing and branding Portland to collaborate on message and strategy implementation and determine roles and responsibilities
- A marketing strategy with a common brand and related sub-messages and a process for moving forward and implementing will be developed
- Citizens, businesses, and those involved in economic development services will easily recognize and utilize a united brand and messaging to promote business and economic development

Include within business attraction efforts a targeted strategy to attract creative and entrepreneurial individuals and businesses

Include in attraction efforts targeting visitors to Portland

Create incentives to establish and grow Portland's creative enterprises
(Relevant Scorecard Indicators: Venture Capital Investment indicator); add Business and Employment Growth in Creative Sectors

Work Plan:
Provide assistance to secure funding for organizations that support creativity, entrepreneurship, and innovation

Develop creative financing mechanisms, such as tax increment financing, which can help support major new, expanded, or rehabilitated cultural facilities

Work Plan:
Propose revisions to the City's creative economy revolving loan fund program to meet market demand

Work Plan:
Create incentives to attract and retain artists and entrepreneurs for development of live/work residences or common workspace and housing

Action | Measurement:
- Creative Portland to assess City loan and assistance programs and propose revisions
- CP will assess the feasibility of establishing a facility to house artists

Support individuals, workers, and businesses that are innovative, creative and entrepreneurial as a means of growing and diversifying the local economy
(Relevant Scorecard Indicators: None); add Business and Employment Growth in Creative Sectors

Research best practices among cities nationally to support the arts, entertainment, creativity, entrepreneurship, and innovation, and incorporate into Portland's strategy for creativity, entrepreneurship, and innovation

Obtain additional research/information regarding what drives creative persons and entrepreneurs to choose Portland by interviewing recent in-migrants

Survey creative economy businesses and ask what they need to grow their businesses, then develop action steps

Action | Measurement:
- Conduct initial research
- Track inputs, outputs and outcomes on specific programs and services established, including dollars spent to support, entities supported, dollars leveraged, satisfaction with the programs, and impact of funding

Recognize and support individual artists, and arts and cultural-related venues and organizations
(Relevant Scorecard Indicators: None)

Develop a "how to" online city resource to get events approved by the city

Feature one creative economy business per month on the City's eco-development web platform

Coordinate entrepreneurship services to ensure that Portland entrepreneurs are being supported for start-up, retention, and growth

CORE ECONOMIC DEVELOPMENT FOCUS
SUPPORT BUSINESS

Guiding Principles + Vision

Portland will be recognized as a city where the business community is valued and nurtured through support services which are relevant, helpful, welcoming, and delivered in a timely manner with superior "customer service"

The City will continue to strive towards a more simplified and streamlined process of interacting with all current and future businesses in Portland

Goals + Implementation Strategies

Interactions with City departments, agencies and staff will be handled with accuracy, timeliness and a positive customer service attitude.

(Relevant Scorecard Indicators: None)

Work Plan:
The City will produce an updated "Doing Business Guide" to assist businesses with obtaining services, including, for example, a timeline describing the process for approval and associated fees when licenses and permits are needed.

Work Plan:
The City will maintain a "Hotline" and focused web services/pages for business assistance, to connect businesses with needed services.

Work Plan:
Computer software will be implemented to improve communication, tracking, and follow-through among City departments and those seeking planning, development, licensing, codes, and permitting

Work Plan:
High level of accessibility will be maintained through all aspects of communications, included web and social media

Work Plan:
City staff that are interfacing with business will be provided additional customer service training

Action | Measurement:

- The City will put in place by July 1, 2012 a customer service feedback system to obtain feedback from those clients served by the City's business and development-related programs and services.

Work Plan:
The Development Review process will be clear, consistent, predictable and timely.

(Relevant Scorecard Indicators: None)

Action | Measurement:

- The 2010 updates to the City's Development Review process are intended to fulfill the goal expressed above. The Chamber and the City will undertake an annual review of development applications to verify that the updates are achieving their intended purpose, and will make recommendations for further refinement if so warranted.

The business community, in partnership with the City, will nurture the growth and prosperity of Portland businesses.

(Relevant Scorecard Indicators: Private Sector Employment Growth, Regional Earnings per Employee, Gross Metro Product Growth)

Specific assistance to be offered includes:

- Workforce Development – Align education and trade skills with business needs
- Visitation – Support visitation programs
- Marketing – Promote Portland as a place to work, play, shop and conduct business
- Networking – Support Portland business-to-business interactions
- Advocacy – Through regular briefings of elected officials, strengthen the voice of Portland businesses at all government levels, including those that have a regulatory impact and those that affect resource allocation

Utilize Federal, State and Local support to help Portland businesses of all sizes grow, add employment, and generate new net tax revenue as well as attract new businesses

(Relevant Scorecard Indicators: Employment Growth, Property Tax Rate, and Property Valuation)

- The City will review and revise its Tax Increment Financing Policy, as needed, to support the goal of expanding jobs and the municipal tax base associated with targeted economic and business development
- Maintain adequate funding for City-sponsored commercial and industrial loan and grant programs, and market the availability of such programs to the business community
- Monitor State and Federal business assistance programs and communicate with Portland businesses about those programs, advocating for program changes as needed
- Promote availability of all tax credit programs (Federal and State), including use of Historic tax credits for building rehabilitation in Portland's historic commercial districts

Appendices

APPENDIX A:
TASK FORCE MEMBERS + SUPPORT

Members

Richard Aronson
Century Tire Co.

Ed Bradley
Vessel Services, Inc.

Roxane Cole
Roxane Cole Commercial Real Estate

Corson Ellis
Kepware Technologies

Fred Forsley
Shipyard Brewery

Brenda Garrand
Garrand Marketing

Gary Goodrich
BioProcessing, Inc.

Andy Graham
Portland Color & Creative Portland

Joseph Gray
City of Portland

Chip Harris
Kilbride & Harris Insurance

Gerard Kiladjiian
Portland Harbor Hotel

Gary Koocher
Applicator Sales & Services

Jack Lufkin
Gorham Savings Bank & Portland Community Chamber

Gregory Mitchell
City of Portland

Paul Peck
Drummond & Drummond

Brian Petrovek
Portland Pirates & Portland's Downtown District

Charles Poole
Proprietors of Union Wharf

Nathan Smith
Bernstein Shur

Paul Stevens
SMRT

Support

Greg Mitchell and Nelle Hanig
City of Portland Economic Development Division

Alex Jaegerman
City of Portland Planning Department

Jack Lufkin
Portland Community Chamber

Jim Damicis
Project Consultant, Camoin Associates

Jeff Breece
Project Consultant, Camoin Associates

Jennifer S. Muller
Graphic Designer

Andy Graham
Portland Color

Laurie Banks
Perry & Banks

APPENDIX B:
LISTING OF PAST REPORTS REVIEWED

"Knowledge in Cities" by Todd Gabe, University of Maine, et al, September 2010 - Portland has a "thinking" economy.

Memorandum from the Metro Coalition Subcommittee regarding the Greater Portland Economic Development Corporation Formation - June 22, 2010

MIT Master's Class in Economic Development Planning Spring 2010 Report Portland in Focus – a Demographic/ Economic Profile

Portland's Downtown District (PDD) Strategic Plan – March 2010 (Portland's Downtown District)

Portland's Economic Scorecard 2010 (Portland Community Chamber in partnership with Portland Regional Chamber)

Development of a Regional Economic Development Organization for the Greater Portland Region – October 2009 (PolicyOne Research, Inc.)

Creative Economy Steering Committee – Report of Recommendations to the Portland City Council - October 2008

Looking Out for Portland and the Region 2007 (Portland Community Chamber)

Portland's Creative Economy Summit Report – May 31, 2006 (City of Portland)

A New Vision for Bayside, Book One: The Plan – April 2000 (City of Portland)

A New Vision for Bayside, Book Two: Implementation – April 2000 (City of Portland)

A Plan for Portland's Arts District – Executive Summary Prepared by the City of Portland Planning Division January 1996 (from the November 1995 Report just below)

A Plan for Portland's Arts District – November 1995 (Herbert Sprouse Consulting and The Wolf Organization, Inc.)

Downtown Vision – March 11, 1991 (City of Portland)
Vision 2000 – A Vision for the Future of the Greater Portland Region, c1989.

City of Portland's Comprehensive Plan

APPENDIX C:
OUTREACH MEETINGS + PRESENTATIONS COMPLETED

MIT Graduate Class stakeholder meetings and business interviews held during January to April 2010.

December 1, 2010 Creative Portland Corporation Board meeting – Reviewed the Draft Creative Economy Section.

January 20, 2011 Downtown Portland Corporation Board public meeting - Reviewed January 10, 2011 Draft Portland Economic Development Plan for input.

January 26, 2011 Community Development Committee public meeting - Reviewed January 10, 2011 Draft Portland Economic Development Plan for input.

February 9, 2011 Creative Portland Corporation Board public meeting - Reviewed February 8, 2011 Draft Portland Economic Development Plan for input with emphasis on the Creative Economy Chapter.

March 8, 2011 Portland Business Advisory Council meeting – Reviewed February 14, 2011 Draft Portland Economic Development Plan for input.

March 10, 2011 Portland Mayor's Local Cable TV Call-in Program – Greg Mitchell, Jack Lufkin and Andy Graham were interviewed by Portland Mayor Mavodones to discuss the Draft Portland Economic Development Plan.

APPENDIX D:
DESCRIPTION OF ECONOMIC DEVELOPMENT PLAN COMPONENTS

Guiding Principles + Vision Statements
These are high level statements designed to guide policy, ordinances, and activity, by the City and stakeholders. They represent what Portland stands for and wants to achieve and/or become over the long term.

Goal Statements
These are primary economic development goals to be achieved over the next three years and beyond – They provide more detail for the vision statements. Multiple goals should be identified for each vision/principle and address specific subject areas such as: planning & development process, regional cooperation, targeted industries, infrastructure, and quality of place.

Implementation Strategies
These are specific tactics that will be undertaken to achieve goals, including who has primary responsibility, timeframe, estimated costs, and how progress will be evaluated.

Economic Development Plan Components

PORTLAND, MAINE
ECONOMIC DEVELOPMENT PLAN
2011 + 2012 WORK PLAN

The 2011 + 2012 WORK PLAN is the document which will guide the economic development activities to be undertaken over the next twelve to eighteen months. The full list of strategies and goals can be found in the ECONOMIC DEVELOPMENT VISION + PLAN for Portland Maine, August 2012. The WORK PLAN is intended to be revised annually as goals are accomplished and new priorities arise. The ECONOMIC DEVELOPMENT VISION + PLAN provides a shared vision for guiding Portland's future economic prosperity. It was prepared under the direction of the Portland Economic Development Task Force, and lead partners involved with its creation include the City of Portland Economic Development Office, Portland Community Chamber, Portland's Downtown District, Downtown Portland Corporation, Creative Portland Corporation, Convention and Visitors Bureau, and others. The Portland Economic Development Task Force will oversee the WORK PLAN activities; and annual measurement of progress towards the ECONOMIC DEVELOPMENT VISION + PLAN will be accomplished through the Portland Community Chamber's annual Portland's Economic Scorecard. For more information regarding the WORK PLAN, the ECONOMIC DEVELOPMENT VISION + PLAN, or Portland's Economic Scorecard, please contact the City of Portland Economic Development Office or the Portland Community Chamber.

GROW THE ECONOMY

Principle and Vision Statement: The City is committed to creating economic prosperity through growing its tax and employment base.

Goals:

1. Understand the needs and concerns of existing business to support their retention and expansion.
2. Support industry sectors that are innovative and have high job growth, high value potential to provide future economic development opportunities.
3. Coordinate business and higher education needs to support regional workforce development.

Activities:	Budget/Resources:	Responsibilities:	Timeline/Measurement:
Business Visitation Program Development	$8,000 direct expenses and in-kind.	City + Chamber	Design and complete program by Nov., 2012
Industry Sector Research	$15,000-20,000 for consultant and in-kind.	City + Chamber	Form working groups, select industry sector focus and complete research by Dec., 2012.
Workforce Education Advocacy + Coordination	In-kind	City + Chamber	Work through the Greater Portland Economic Development Corporation.

PORTLAND, MAINE
ECONOMIC DEVELOPMENT PLAN
2011 + 2012 WORK PLAN

ENRICH THE CREATIVE ECONOMY

Principle and Vision Statement: Value innovation, entrepreneurship, creativity, arts, culture, and entertainment to improve the economy and enhance Portland's uniqueness and diversity.

Goals:

1. Increase collaboration, coordination, and communication among those involved in the arts, culture, creative and innovative sectors.
2. Market Portland and increase recognition nationally and internationslly that Portland is a City where the arts, culture, entertainment, innovation and creativity thrive.
3. Create incentives to establish and grow Portland's creative enterprises.

Activities:	Budget/Resources:	Responsibilities:	Timeline/Measurement:
Creative economy education	Annual TIF funding	Creative Portland	On-going
Develop Portland Marketing + Branding Program	$25,000	CP, City, PDD, Chamber and CVB	Convene meeting and complete by Dec., 2012.
Create incentives to retain and attract artists and entrepeneurs.	In-kind	CP, City and Chamber	Complete program evaluation and propose action by Jan., 2012.

SUPPORT BUSINESS

Principle and Vision Statement: Portland will be recognized as a city where the business community is valued and nurtured through support services which are relevant, helpful, welcoming, and delivered in a timely manner with superior "customer service". The City will continue to strive towards a more simplified and streamlined process of interacting with all current and future businesses of Portland.

Goals:

1. Interactions with City departments, agencies and staff will be handled with accuracy, timeliness and a positive customer service attitude.
2. The Department Review process will be clear, consistent, predictable and timely.

Activities:	Budget/Resources:	Responsibilities:	Timeline/Measurement:
"Update Doing Business Guide", maintain business assistance services, improve use of web/social media and commit to customer service" training.	Annual appropriations	City ED Staff	Update Guide by Winter 2012. Remainder activities are on-going.
Review 2010 Site Plan Standards effectiveness	In-kind	City + Chamber	Chamber and City staff to meet annually.

PORTLAND, MAINE ECONOMIC DEVELOPMENT PLAN

2014 & 2015 WORK PLAN

GROW THE ECONOMY

***Principle and Vision Statement*: The City is committed to creating economic prosperity through growing its tax and employment base.**

Goals:

1. Understand the needs and concerns of existing business to support their retention and expansion.

2. Support industry sectors that are innovative and have high job growth, high value potential to provide future economic development opportunities.

3. Coordinate business, higher education, and research and development needs to support regional workforce development.

Activities	*Responsibility/Lead Org. First **	*Status/Details*
Business Retention and Attraction		
- Business Visitation Program	City, Chamber, GPEDC	Ongoing/Retention, wkforce dev. & expansion, grow global exports, incl. food sector
- Growing Portland Initiative	GP, City, Chamber, CP, GPEDC	Ongoing/"Research Triangle" rollout & sector work groups deployment
- Industry Sector Research	Chamber, GP, City, GPEDC	Ongoing/Growth Strategy for specific industries in Portland Region
- Portland Technology Park	City, Chamber, GPEDC	Ongoing/Market park to businesses and plan for future phase
- PDC Commercial Loan and Grant Programs	City, PDC	Ongoing/Assistance to new and growing businesses
- Minority and Women-Owned Business Development	City, Chamber, CEI, and USSBA	**Proposed**/Inventory businesses, clarify growth challenges, incl. creative eco.; business forums incl workforce dev/industry-sector partnership opportunities; promote current financial and business development offerings; provide managerial, technical, and business consulting assistance; create connections to entrepreneurial and vocational training.
Workforce Development		
- Overcoming Barriers to Employment: Develop strategies, programs, and services to support workforce entry	GP, CVB, Chamber, City, PAEd	**Proposed**/Convene working groups to coordinate specific strategies.
- Utilize CDBG resources for workforce development	City, Chamber	Implement new CDBG program
Tourism		
- Raise Tourism Awareness	CVB, City, PDD, ME Office of Tourism	**Proposed**/Jetport; Cruise Portland, ME; cultural heritage; global mkts
-Create a cultural heritage tourism initiative	CVB, City, ME Office of Tourism	**Proposed/**Inventory and market cultural heritage projects, sites, and educational programs; identify cultural heritage tourism projects ready for marketing; include the cultural history of Portland on City website with links to CVB/tourism opportunities.
- Summit on Convention Center and Funding Sources	CVB, Civic Ctr., City, Hospitality Ind., Chamber	**Proposed**/
- Collaboration on People and Business Relocation Package(s)	CVB, Chamber, CP, City	**Proposed**/To assist businesses and individuals moving to Portland
Public Infrastructure/Transportation		
- Re-Establish Ferry Between Portland & Yarmouth, NS	City, State, MITC	Ongoing
- Extend Rail to Support Eimskip & Growth of Int'l Cargo Shipping	ME Port Authority, MEDOT, City	Ongoing/Strenthen partnership with Eimskip; State Bond Issue support
- Intermodal Planning and Infrastructure at Thompson's Point	MEDOT, EDA, City	Ongoing/State Bond Issue support
- Harbor Dredging	City, MEDOT, Wharf Owners	Ongoing/State Bond Issue support
- Establish a TIF strategy for transportation and downtown public infrastrucuture	City	**Proposed/**Discuss establishment of a downtown transportation oriented TIF district.
Metrics		
- Portland's Economic Scorecard	Chamber, City, CP, PDD, CVB	Ongoing/Enhance Integration with ED Plan

* Lead organization has primary responsibility for resources and implementation.

ENRICH THE CREATIVE ECONOMY

***Principle and Vision Statement*: Value innovation, entrepreneurship, creativity, arts, culture, and entertainment to improve the economy and enhance Portland's uniqueness and diversity.**

Goals:

1. Increase collaboration, coordination, and communication among those involved in the arts, culture, creative and innovative sectors.

2. Market Portland and increase recognition nationally and internationslly that Portland is a City where the arts, culture, entertainment, innovation and creativity thrive.

3. Create incentives to establish and grow Portland's creative enterprises.

Activities	*Responsibility/Lead Org. First **	*Status/Details*
Portland Marketing & Branding Program: Advance Implementation	CP, City, Chamber, PDD, CVB, WAC	Ongoing/Increase nat'l & int'l recognition of Portland, ME
Refine Recruitment Strategies & Programs for Creative Entrepreneurs	CP, City, Chamber	Ongoing/
Creative Space Development	CP	Ongoing/Inventory, database, additional space dev.

SUPPORT BUSINESS

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Goals:

1. Interactions with City departments, agencies and staff will be handled with accuracy, timeliness and a positive customer service attitude.

2. The Department Review process will be clear, consistent, predictable and timely.

Activities	*Responsibility/Lead Org. First **	*Status/Details*
Update City Website as Customer Service Portal.	City	Ongoing/December 2014
Review 2010 Site Plan Standards Effectiveness	City & Chamber	Ongoing/Chamber and City staff meet annually
Streamlining Permitting	City	Ongoing

* Lead organization has primary responsibility for resources and implementation.

Acronym Definitions:
CDBG = Community Development Block Grant
CP = Creative Portland
CVB = Convention and Visitors Bureau
EDA = U.S. Department of Commerce/Economic Development Admin.
GP = Growing Portland
GPEDC = Greater Portland Economic Development Corporation
MEDOT = Maine Department of Transportation
MITC = Maine International Trade Center
PAEd = Portland Adult Ed.
PDC = Portland Development Corporation
PDD = Portland's Downtown District
SMCC = Southern Maine Community College
USM = University of Southern Maine
USSBA = U.S. Small Business Adminiatration
WAC = World Affairs Council

PORTLAND, MAINE ECONOMIC DEVELOPMENT PLAN

DRAFT 2016 & 2017 WORK PLAN

GROW THE ECONOMY

Principle and Vision Statement ***: The City is committed to creating economic prosperity through growing its tax and employment base.***

Goals:

> Support industry sectors that are innovative and have high job growth, high value potential to provide future economic development opportunities.

> Coordinate business, higher education, and research and development needs to support regional workforce development.

> Recognize that infrastructure - be it roads, sewer, water, energy, communication networks or transportation - is the underpinning of economic growth and development. It must be maintained and improved to support the goals and strategies contained in this plan.

ACTIONS	***Responsibility/Lead Organization Listed First****	**STATUS/DETAILS**
Business Recruitment		
Planning for Arctic Council Forum in October	MITC, City, CP, CVB, Chamber, PD	Ongoing
Industry Sector Research	Chamber, City, GPEDC, MITC	**Proposed**/TBD
Invest in Maine International Business Recruitment Program	GPEDC, City and Partners (Scarborough, Westbrook, South Portland, Falmouth, Cape Eliz.)	Ongoing/Focused on biosciences, food sector manuf. and advanced manuf
Market Portland Technology Park	City	Ongoing/Marketing and planning for future phase
Educate Community on Case for Growth of Portland	Chamber, PD, CP, CVB, City	Ongoing
Workforce Development and Talent Attraction		
Evaluate Development of Office for New Americans	City	Ongoing/Research into facilitating existing and new programs/services
Overcome Barriers to Employment with Strategies, Programs, and Services	Chamber, City	Ongoing/
Utilize CDBG Resources for Workforce Development	City	Ongoing/Jobs for immigrants, low income individuals, single head of hshd., homeless
Administer Business Assistance Program for Job Creation	City, PDC	Ongoing/Business grants for creation of jobs for low/mod income Portlanders
Talent Attraction	CP, Chamber, Business Community	Ongoing
Tourism		
Develop Tourism Awareness Campaign Directed to Citizens, Students and Area Businesses	CVB	**Proposed**
Support Tourism Education Programs at Colleges and Universities	CVB, Chamber, City, PD, CP, USM, SMCC	Ongoing
Pursue Development of Convention Center	CVB, Chamber	**Proposed**
Metric: Survey of Visitor Experience	CVB	**Proposed**
Public Infrastructure		
Expand Portland Transportation Center	City, MDOT	**Proposed**
Enhance Service at Portland Jetport	City	Ongoing/Maintain and improve passenger service
Facilitate Broadband Access	City, Chamber	**Proposed**
Support Cold Storage Distribution Facility at International Marine Terminal	MPA, City	Ongoing/Americold, the company that will build the facility, is in the design phase
Support Harbor Dredging	City, Harbor Commission, MDOT	Ongoing/Assessment Study and Design/Permitting
Eastern Waterfront		
> Increase Usage of Portland Ocean Terminal/Maine State Pier	City, CBITD	**Proposed/**Reconfigure waterfront property located between Ocean Gateway & Pier
> Redevelop Amethyst Lot With Open Space Development	City, MDOT, Portland Trails, Sail Maine	**Proposed**
> Plan and Construct Thames St. Extension and new Fore St. Connector	City, Private Property Owners	**Ongoing**/Preliminary Design Underway
> Maintain and Improve Ocean Gateway for Cruise Ship and NS Ferry Srvc.	City	Ongoing/
Improve Public Parking Downtown	PD, City	**Proposed**
Strengthen Public Transit Downtown	PD, City, METRO	**Proposed**
Metric: Portland Economic Scorecard	Chamber, City, CP, CVB, PD	Ongoing/Enhance Presentation/Layout

ENRICH THE CREATIVE ECONOMY

Principle and Vision Statement : ***Value innovation, entrepreneurship, creativity, arts, culture, and entertainment to improve the economy and enhance Portland's uniqueness and diversity.***

Goals:

> Market Portland and increase recognition nationally and internationslly that Portland is a City where the arts, culture, entertainment, innovation and creativity thrive.

> Support individuals, workers and businesses that are innovative, creative and entrepreneurial as a means of growing and diversifying the local economy.

ACTIONS	***Responsibility/Lead Organization Listed First ****	***Status/Details***
Promote Portland's Brand - Portland, Maine: Yes. Life's Good Here	CP, City, Chamber, PD, CVB	Ongoing/Increase nat'l & int'l recognition of Portland, ME
Update City's Cultural Plan	CP, CVB, DP	**Proposed**
Develop People and Business Relocation Package(s)	CP, CVB, Chamber, City	**Proposed**/To assist businesses and individuals moving to Portland
Metric: Remote Worker Survey	CP	Ongoing
Metric: Survey of Economic Impact of the Arts	CP	Ongoing

SUPPORT BUSINESS

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Goals:

> Interactions with City departments, agencies and staff will be handled with accuracy, timeliness and a positive customer service attitude.

> The business community, in partnership with the City, will nurture the growth and prosperity of Portland businesses.

ACTIONS	***Responsibility/Lead Organization Listed First ****	***Status/Details***
Business Permitting		
Streamline Permitting Process and Strengthen Customer Service	City	Ongoing/Creation of new department for licensing and permitting.
Business Retention		
Sector Specific Business Visitation Program	City, Chamber, GPEDC	Ongoing/Workforce development & export growth for biotech, food sector manufacturing
Launch Round Three of Façade Improvement Program	City, Chamber	**Proposed**/Targeting Washington Ave. and St. John Street
Metric: Measure Success of Business Visitation Program	City, Chamber	**Proposed**

* Lead organization has primary responsibility for resources and implementation.

Acronym Definitions:
CBITD = Casco Bay Island Transit District
CDBG = Community Development Block Grant
CP = Creative Portland
CVB = Convention and Visitors Bureau
GPEDC = Greater Portland Economic Development Corporation
MDOT = Maine Department of Transportation
METRO = Greater Portland Transit District
MITC = Maine International Trade Center
MPA = Maine Port Authority
PDC = Portland Development Corporation
PD = Portland Downtown
SMCC = Southern Maine Community College
USM = University of Southern Maine

TO: Economic Development Committee

FROM: Greg Mitchell, Economic Development Director

DATE: June 22, 2016

SUBJECT: **Updated 2016 Economic Development Committee Work Plan**

This memorandum continues to remind the EDC of the 2016 EDC Work Plan as may be amended in the future.

City Permitting and Inspection System Improvements (2016 Mayor and City Council Goal)
Create a more efficient permitting process with specifics; computer tracking.

ACCOMPLISHED. After EDC discussion and recommendation, on March 21st, the City Council voted to approve the City Manager's recommendations to create a new Department to improve permitting and inspection efficiencies with new fees.

Office for New American Mainers (2016 Mayor and City Council Goal)
Create an office for new Americans to assist with job opportunities and business development

Next Steps. The EDC held a public hearing, on March 22nd, to receive community input on establishing this new office. A follow up discussion which focused upon City services to immigrants occurred at the April 5th EDC meeting. This is being followed by hearing from outside organizations providing services. At the April 26th EDC meeting, the Committee heard from Catholic Charities and Coastal Enterprises. At the May 24th EDC meeting, the Committee heard from the Greater Portland Workforce Initiative, Goodwill Workforce Solutions, and Coastal Counties Workforce.

At the EDC's July 5th meeting, the Committee will hear from Julie Sullivan, City Manager's Chief of Staff, regarding a summation of what has been learned so far; best practices; and next steps.

Broadband Access (2016 Mayor and City Council Goal). High speed infrastructure; broad band

Next Steps. Staff will be providing a presentation on City initiatives regarding this topic at a July or August meeting.

Portland Ocean Terminal (2016 Mayor and City Council Goal)
Establish direction on the future of the Portland Ocean Terminal. With as much as 70,000 square feet of vacant space, the Portland Ocean Terminal on the Maine State Pier needs a plan for investment and optimized utilization. Existing uses, including City cruise ship port of call support, Portland Tugboat, and Ready Seafood, provide a solid basis for growth; however, the building's age,

condition, and lack of supporting infrastructure (parking loading, sidewalks …) severely limit the potential reuse of the building as currently configured.

Next Steps. Staff provided a presentation at the April 5th Special EDC Meeting for discussion and direction. The staff presentation included a summary of past history and a recommended approach to achieve consensus on policy direction related to the Maine State Pier Portland Ocean Terminal for short-term, interim and long-term uses, including consideration of establishing an innovation center.

This was followed by the EDC committing its May 3rd solely for a tour of the Eastern Waterfront, from the Portland Company site to the Maine State Pier.

See the "Eastern Waterfront Public Infrastructure Investment" section the "Establishing New Policy Direction" for the Ocean Gateway Queuing Area for next steps.

Portland Economic Development Plan

It is staff's position that the City Economic Development Plan, adopted by the City Council in the Fall of 2011, remains sound. However, the 2016/2017 Work Plan needs to be prepared.

Next Steps. Greg Mitchell convened a meeting, on March 17th, with all Plan key stakeholders (Convention and Visitor Bureau; Portland Community Chamber of Commerce; Creative Portland; Portland's Downtown; and, Portland Development Corporation) to prepare a 2016/2017 Draft ED Plan Work Plan for future EDC review and discussion. Follow up meetings were held on April 6th and May 18th with Stakeholders to review and discuss the 2016/2017 Draft ED Plan Work Plan. The recommended 2016/2017 Work Plan will be presented to the EDC at its June 28th meeting.

It is noted that the EDC directed staff to invite Portland Economic Development Plan stakeholders to provide brief presentations at future EDC meetings. Past and future presentations include:

Jennifer Hutchins, Creative Portland Executive Director presented on February 11th.
Casey Gilbert, Portland Downtown Executive Director presented on February 23rd.
Barry Sheff, Portland Development Corporation President was scheduled to present at the April 5th EDC meeting; in his absence, Greg Mitchell gave the presentation.
Lynn Tillotson, with CVB, presented on April 26th.
Chris Hall, with the Portland Community Chamber, presented on May 24th.

It is also noted that the City of Portland participates in the ***Greater Portland Economic Development Corporation*** (GPEDC) which was established to support regional (Portland, South Portland, Westbrook, Scarborough, Falmouth and Cape Elizabeth) economic prosperity. The GPEDC's current focus is on an international business development program.

City Owned and Tax Acquired Property Disposition

Next Steps. The City Council received a workshop on February 8th to present proposed amendments to receive direction from the City Council. This workshop was followed by the February 11th EDC meeting for Committee discussion and vote to recommend to the City Council. The EDC voted unanimously to recommend the City Council adopt to the proposed amendments to the Rules as modified. City Council first reading for this item was held on March 21st followed by a second reading and vote to approve recommended amendments at the April 4th City Council meeting, which occurred at the April 4th meeting. Staff is in the process of conducting due diligence on all 90+ tax-

acquired properties toward finalizing City property disposition. Staff will provide periodic updates regarding the disposition of tax-acquired properties.

Lease of City Properties

Leasing City owned properties requires City Council approval. Policy discussion regarding the leasing of City owned properties needs to be discussed. Examples of commercial leases requiring EDC (in the form of a recommendation to the City Council) and City Council action include:

> ***Ocean Gateway*** to support a new ferry operator lease. A proposed Lease with Bay Ferries was presented to the EDC at its April 26th meeting followed by a City Council approval at their May 2nd meeting. Ferry service began on June 15, 2016.
>
> ***Portland Ocean Terminal tenant leases*** including Ready Seafood Companies. It is noted that the Portland Ocean Terminal is a separate goal in this work plan.
>
> ***Spring Street Parking Garage Commercial tenant leases*** including the Pirates (existing tenant) and 1,110 square feet of adjacent vacant commercial space is being marketed.

Next Steps include presenting commercial leases to the EDC when ready.

Eastern Waterfront Public Infrastructure Investment

Investing in public infrastructure is an important municipal government responsibility to attract private sector investment. Locations which require public infrastructure planning include both implementation of existing policies and creating new policy direction for investment:

Implementing Existing Policy:

> ***Private Development Integration***. The Economic Development Department is leading a Planning, Public Works, and Parks & Recreation Departments discussion to plan road and utility extensions in Portland's Eastern Waterfront planning district facilitating planned and future development consistent with the Eastern Waterfront Master Plan (EWMP.)
>
> ***Next Steps.*** Staff has worked with consultants to develop sketch level designs for public infrastructure for presentation to the EDC as the basis for planning and negotiations with private development interests. City staff will provide the EDC updates for review and direction as needed.
>
> ***Amethyst Lot Open Space Development.*** Implementing recommendations from the EWMP and conditions of approval from Ocean Gateway, to define program and design elements for signature waterfront open space promoting recreation and active use of the water in a park-like setting.
>
> ***Next Steps***. On May 16th, the City Council approved $80,000 in funding to support a planning and public process scope for the Amethyst Lot. Staff will provide the EDC updates in July or August.

Establishing New Policy Direction:

Ocean Gateway to discuss reconfiguration of the "queuing area" located behind the fence to free up property for more diversified marine activity, support for the Portland Ocean Terminal, and expanded access to the water for commercial and public uses.

Possible new Pier development between Ocean Gateway and the Maine State Pier to support increased commercial use of the waterfront and support for the marine passenger industry.

Portland Ocean Terminal (POT). Evaluate supporting infrastructure to attract increased commercial and marine tenant use of available 25,000 +/- square feet of vacant second floor office space and 70,000 square feet of vacant ground floor marine industrial space. It is noted that this is a separate Mayor and City Council Goal and tightly aligned with potential Ocean Gateway queuing area changes contemplated below.

Next Steps. Next steps include, over the next two years (i.e., term of the Bay Ferries Lease), City staff working on funding and planning opportunities to clarify new policy direction for the queuing area, possible new pier, and more intensive use of the POT. Updates will be provided to the EDC when appropriate.

Portland Transportation Center (PTC)
In partnership with the MDOT, NNEPRA, and private sector property owners work to develop an expanded intermodal passenger station in the Thompson Point area.

Next Steps. Staff to work with the transportation agencies and private partners to establish timeline and work plan for PTC improvements. Present briefing to the EDC when appropriate.

Tax Increment Financing Districts
Annually the Economic Development Department issues a city Fiscal Year Report related to Portland TIF District activity. This report is available on the City web page at:
http://www.portlandmaine.gov/529/Tax-Increment-Financing

One recommended TIF District amendment to discuss, in 2016, is the possible geographic expansion is the Waterfront TIF District. The area to consider including in the Waterfront TIF District is East and West Commercial property expansion opportunities due to planned private sector investment projects and supporting public infrastructure needs.

Next Steps presenting any private TIF District request to the EDC for direction along with revisiting the Waterfront TIF District boundaries for possible expansion.

Outdoor Seating for Food Service Establishments
Review current permitting process/ordinance and any barriers, particularly for older buildings.

Other Unanticipated Matters
One recent example includes tour operating licensing referred by the City Council. The City Council voted to amend City regulations on tour operators on March 21, 2016.

Other unanticipated matters are expected to be added to the EDC Work Plan.

Other Economic Development Items Discussed in the Mayor and City Council City Goal Setting Session include:

- Research best practices;
- Look in neighborhoods to encourage restaurants in mixed use buildings;
- Rewrite the economic development plan with stakeholders and regional view;
- Stream line process for tax exempt property;
- Set up a City mechanism to attract festivals and events;
- Incentives for business clusters;
- Look at zoning in relationship to business development (example: East Bayside);
- Bring consistency to the approval process (Planning Board and Council);
- What do we need to be prepared for a downturn in the economy;
- Work with community on workforce development; CDBG;
- Extend sidewalk for restaurants;
- Review business and industrial development off peninsula and encourage more; and
- Deal with TIF review policy; how can they result in higher wages.