

Order 238-09/10

Given first reading on 5/17/10

Public hearing and Passage 6/7/10 8-1 (Anton)

NICHOLAS M. MAVODONES (MAYOR)

KEVIN J. DONOGHUE (1)

DAVID A. MARSHALL (2)

DANIEL S. SKOLNIK (3)

CHERYL A. LEEMAN (4)

## **CITY OF PORTLAND**

IN THE CITY COUNCIL

JOHN R. COYNE (5)

JOHN M. ANTON (A/L)

DORY RICHARDS WAXMAN (A/L)

JILL C. DUSON (A/L)

**ORDER APPROVING CREDIT ENHANCEMENT AGREEMENT  
WITH WATERFRONT MAINE, LIMITED PARTNERSHIP AND  
PIERCE ATWOOD, LLP  
RE: CUMBERLAND COLD STORAGE PROPERTY LOCATED AT  
258 COMMERCIAL STREET**

**ORDERED**, that the Credit Enhancement Agreement between the City, Waterfront Maine, Limited Partnership and Pierce Atwood related to the Cumberland Cold Storage property located at 258 Commercial Street is hereby approved in substantially the form attached hereto.

Agenda description: This order approves a credit enhancement agreement between the City, Waterfront Maine Ltd. Partnership, the owner of the building and property located at 258 Commercial Street, and Pierce Atwood, LLP, who will be the prime tenant in that property following an investment of approximately \$12 million to renovate the building into office space.

Under the terms of the Credit Enhancement Agreement, which is for a 20 year period, the City will return to the property owner from the new property taxes generated by the increased value in the property from the renovation, an amount estimated to be \$2,863,558.00. The City will keep an amount of new property taxes estimated to be \$2,718,738.00 during that same 20 year period.

The tax payments that are subject to the Credit Enhancement Agreement are expected to begin in 2012 and end in 2031, after which the City will retain 100% of the property taxes assessed to the building and property.

As with past Credit Enhancement Agreements, the City's obligation to pay funds to the other parties to the agreement only exists if all the property taxes on the building and property are paid in a timely manner. If those tax payments are not made, the City has no obligation to make its payments under the agreement.