

Order 188-10/11

Passage: 7-0 4/4/11 (Suslovic out; Anton absent)

NICHOLAS M. MAVODONES (MAYOR)
KEVIN J. DONOGHUE (1)
DAVID A. MARSHALL (2)
EDWARD J. SUSLOVIC (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)

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**ORDER AUTHORIZING FIRST AMENDMENT TO
BAYSIDE STUDENT HOUSING PROJECT TAX INCREMENT FINANCING
CREDIT ENHANCEMENT AGREEMENT WITH LEGACYPARK ONE, LLC**

ORDERED, that the City Manager is hereby authorized to execute a First Amendment to the Bayside Student Housing Project Tax Increment Financing Credit Enhancement Agreement, section 4.1(b), with Legacy Park One LLC, in substantially the same form as attached.

Second Addendum to Credit Enhancement Agreement

This Second Addendum to the Credit Enhancement Agreement ("Second Addendum") is entered into by and between Atlantic Bayside Trust LLC (f/k/a Capital LLC) and the City of Portland on this ___ day of June, 2007.

WHEREAS, Capital LLC, now known as Atlantic Bayside Trust LLC, and the City entered into a Credit Enhancement Agreement dated January 30, 2007, for property located in the Bayside neighborhood in Portland, Maine, and the parties entered into an Addendum to said Credit Enhancement Agreement on February 7, 2007 (collectively, the "CEA");

WHEREAS, the Project, as defined in the CEA, has increased in size from 64,500 square feet to 110,000 square feet;

WHEREAS, the additional square footage and other design changes will increase the Project's cost by approximately \$6.9 million and will create an additional \$2,003,212 in tax revenue over the duration of the CEA;

WHEREAS, the improvements to Preble Street and Marginal Way (collectively the "Offsite Improvements") necessary to complete the Project are expected to cost no less than \$632,000;

WHEREAS, the Parties seek to amend the CEA to reflect the increase in scope.

NOW THEREFORE, for consideration of the mutual promises herein, and consideration of one dollar, the receipt and sufficiency of which is acknowledged, the Parties agree as follows:

1. The definition of Project in Section 1.1 of the CEA is deleted and a new definition inserted as follows:

"The 'Project' means the minimum 110,000 square foot office building and 504 car parking garage as approved by the Planning Board on March 23, 2007."

2. The table included at the end of Section 3.1 of the Credit Enhancement Agreement labeled "Table 1 – TIF Allocation Table" is deleted and the Table attached to this Second Addendum as Attachment A is inserted in its place, to reflect that the amount of the Project Revenue shall increase by \$25,000 per year over the 15 year term of the CEA.

3. Atlantic Bayside Trust shall provide documentation to support that the actual cost of the Offsite Improvements was equal to, or exceeded \$632,000. In the event that the Offsite Improvements cost less than \$632,000, the \$25,000 incremental payment shall be decreased by a pro rata amount. For example, if the actual cost is \$316,000 (50%), then these additional funds (\$25,000) would be adjusted by 50%, or \$12,500 per year.

4. In Section 7.1 of the Credit Enhancement Agreement, the term “2018” is deleted and the term “2023” is inserted in its place.

5. All terms and conditions of the CEA remain in full force and effect except as specifically amended by this Second Addendum.

IN WITNESS WHEREOF, Capital LLC and the City have executed this Amendment as of the date above.

WITNESS

CITY OF PORTLAND

_____ By: _____
Joseph E. Gray, Jr.
Its City Manager

WITNESS

CAPITAL LLC

_____ By: _____
Theodore V. West
Its Manager

Attachment A

Table 1 - TIF ALLOCATION TABLE

Tax Year	Estimated Increased Real Estate Value	Estimated Mil Rate (2% Inc.)	Estimated Incremental Tax Real Estate	Project Allocation	Project Revenue	Estimated City Revenue From Real Estate
FY08	\$2,000,000	16.71	\$33,415	0%	\$ -	\$33,415
FY09	\$26,332,177	17.04	\$448,700	79%	\$355,000	\$93,700
FY10	\$26,332,177	17.38	\$457,653	78%	\$355,000	\$102,653
FY11	\$26,332,177	17.73	\$466,869	76%	\$355,000	\$111,869
FY12	\$26,332,177	18.08	\$476,086	75%	\$355,000	\$121,086
FY13	\$26,332,177	18.45	\$485,829	73%	\$355,000	\$130,829
FY14	\$26,332,177	18.82	\$495,572	72%	\$355,000	\$140,572
FY15	\$26,332,177	19.19	\$505,314	70%	\$355,000	\$150,314
FY16	\$26,332,177	19.58	\$515,584	69%	\$355,000	\$160,584
FY17	\$26,332,177	19.97	\$525,854	68%	\$355,000	\$170,854
FY18	\$26,332,177	20.37	\$536,386	66%	\$355,000	\$181,386
FY19	\$26,332,177	20.77	\$546,919	59%	\$325,000	\$221,919
FY20	\$26,332,177	21.19	\$557,979	58%	\$325,000	\$232,979
FY21	\$26,332,177	21.61	\$569,038	57%	\$325,000	\$244,038
FY22	\$26,332,177	22.05	\$580,625	56%	\$325,000	\$255,625

FY23	\$26,332,177	22.49	\$592,211	55%	\$325,000	\$267,211
			\$7,794,034		\$5,175,000	\$2,619,034