



970 Baxter Boulevard, Portland, ME 04103  
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Department: Board of Commissioners

## Finance Committee Meeting Agenda

Tuesday, February 24, 2026 at 5:30pm

970 Baxter Blvd, 3<sup>rd</sup> Floor, Portland, ME 04103  
Video Conference using GoTo Meeting <https://meet.goto.com/330763597>  
Call In: (408)650-3123 / Access Code: 330-763-597

- 1.) Roll Call / Declaration of a Quorum
- 2.) Financial Review - PHA, PHDC
  - a. PHA Income and Expense
  - b. PHDC Operational Income and Expense
  - c. PHDC Property Income and Expense
  - d. Board Report – Key Performance Indicators
- 3.) Proposed Bonus Policy
- 4.) Development Update
- 5.) Adjourn





# PHA/PHDC Incentive Bonus Policy

(Non-Union Employees) **DRAFT 2-12-26**

## Purpose

Portland Housing Authority (PHA) and Portland Housing Development Corporation (PHDC) may provide incentive bonuses to eligible non-union employees who contribute to the successful completion of PHDC real estate development projects. These incentives recognize the multi-year effort and specialized work required to bring affordable housing developments to completion.

## Eligibility

This incentive bonus structure is based on PHA/PHDC mission delivery. Projects must successfully achieve certain milestones before incentive bonuses are paid. Construction Loan Closing and Permanent Loan Closing are key milestones of a successful project.

In addition, to receive an incentive bonus, an employee must:

1. Be a non-union employee of PHA or PHDC at the time the bonus is paid.
2. Have contributed to the project, either directly or in a supporting role, as determined by the Executive Director.
3. Have a satisfactory performance evaluation within the past 12 months.
4. Be actively employed on the date the bonus payment is issued.

Employees who leave the organization before any designated milestone payment date are not eligible for any incentive bonus. Employees who join the organization after a project is underway may receive a pro-rated bonus based on their documented contribution and length of participation.

## Funding Source and Agency Capacity

Incentive bonuses are paid only from project Net Cash Developer Fee (including Upward Credit Adjuster Equity, end of project Shared Savings and/or Incentive Developer Fee under MaineHousing rules). Net Cash Developer Fee must be received by PHDC as the General Partner/Developer prior to bonus payment (see Bonus Timing, below). No operating funds or federal program funds (Section 8 or Section 9) may be used.

PHDC must maintain adequate liquidity and net worth to satisfy the requirements of all current lenders or investors as well as demands of upcoming projects. The Director of Real Estate Development, in coordination with the Director of Finance, will report on meeting these required financial benchmarks on a semi-annual basis. If these benchmarks are not met at the time a bonus is due, bonus payment will be delayed until the benchmarks are met.

## Bonus Structure PHDC Project Roles

The following positions are eligible for role-based incentive bonuses, funded from Net Cash Developer Fees:

Role	Allocation	Cap per project (NTE)
Development Officer (Project Manager)*	3% of Net Cash Developer Fee** per assigned project	\$50,000
Director of Real Estate Development	2% of Net Cash Developer Fee per project	\$50,000
Executive Director	1% of Net Cash Developer Fee per project	\$20,000
Relocation Coordinator (PHDC only)	\$2,500 per eligible project	
Asset Manager	\$2,500 per eligible project	
Other PHA Staff as Determined by the Executive Director and Board of Commissioners (Teamwide and Exceptional Contribution Awards)	\$1,500 per eligible project	

\*Development Officers managing a re-financing of an existing PHDC asset that is not a public housing conversion or major re-development project, that have included a cash net Developer Fee in the budget, are eligible for up to the lesser of \$5,000 or 2% of the net Developer Fee as an incentive bonus paid at loan closing, at the discretion of the Executive Director.

\*\*Net Cash Developer Fee is determined at the time of PLC and Cost Certification and includes any Shared Savings, Incentive Developer Fee added for coming in under budget, Upward Credit Adjuster equity increases, or rebates or awards outside the deal structure that are cash payments to PHDC. 50% of any permanent PHDC Sponsor Loan to the project will be deducted from Net Developer Fee. Deferred Developer Fees and projected cash flow are not considered in the calculation of incentive bonuses.

## Teamwide and Exceptional Contribution Awards

To recognize broader staff support across PHA, PHSC, and PHDC, up to \$5,000 total per project from Net Developer Fee, or \$1,500 per person may be allocated for:

- Teamwide awards for eligible non-union staff who supported project success, and
- Exceptional contribution awards for employees who made outstanding, mission-critical contributions.

All Teamwide and Exceptional Contribution bonuses require Executive Director approval.

## Bonus Timing

All incentive bonuses are paid within 45 days of receipt of net cash developer fees by PHDC, per the following schedule:

- Construction Loan Closing – 50% of above total
- Post-PLC Project Stabilization\* – 50% of above total

\*Stabilization is the time of the Final Capital Contribution and is the last time when Net Developer Fee may be adjusted. This is defined in each project's Limited Partnership Agreement.

## Policy Review

This policy updates and replaces the Non-Union Employee Handbook, page 8, section G. *Additions to Salary from non-Section 8 or Section 9 Sources*. All Incentives Bonuses will show calculations and are reported publicly, as required by law. Bonuses are taxed as salary income.

This policy will be reviewed periodically to ensure alignment with organizational goals and regulatory requirements.



## BOARD OF DIRECTORS

Leah Bruns, President  
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Joan White, Director



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## Development Update

February 24, 2026 Finance Committee Meeting

### COMPLETED & CLOSING OUT

#### Equinox and Winter Landing (Mercy Redevelopment Site)

- PROJECT STATUS: Final Dev. fee for Winter Landing of \$41,511.75 received by PHDC in November.
- UPCOMING MILESTONES: Equinox pending further tax credit documentation for final dev. fee.
- CHALLENGES/OPPORTUNITIES: None at this time.

#### Harbor Terrace

- PROJECT STATUS: Construction achieved Substantial Completion on October 15th.
- UPCOMING MILESTONES: Permanent Loan Closing anticipated in March/April 2026.
- CHALLENGES: Project close-out documentation. Achieving occupancy and debt coverage requirements for PLC.

### UNDER CONSTRUCTION

#### Riverton Park

- PROJECT STATUS: Under construction.
- UPCOMING MILESTONES: Circle 2 (Phase 1) renovation completion in late-Feb 2026. New Circle 1 Building completion in Dec 2026.
- CHALLENGES: None at this time.

#### Sagamore Village

- PROJECT STATUS: Community Center renovations anticipated late February completion. Selective demolition on residential units started this month.
- UPCOMING MILESTONES: None at this time.
- CHALLENGES: Managing complex construction schedule.

#### Front Street Phase 3

- PROJECT STATUS: Construction ongoing. **Seven of eight units under P&S.**
- UPCOMING MILESTONES: Modular buildings to arrive on site in March. Working with Gardner Real Estate team to plan a celebratory "Set Day".
- CHALLENGES: Coordination of brownfields work with modular construction.

### PREDEVELOPMENT

#### Franklin Towers

- PROJECT STATUS: Pre-development.

- UPCOMING MILESTONES: Historic Part 2 National Park Service approval. **90% renovation estimate.**
- CHALLENGES: None at this time.

#### **“COMB” Block Phase 1**

- PROJECT STATUS: Pre-development.
- UPCOMING MILESTONES: 90% plans and budget to be submitted to MaineHousing in early February. Building permit to be issued in February or March. Demolition to be completed by April 2026. Soil remediation begins in May 2026.
- CHALLENGES: Coordination of brownfields site cleanup in multiple phases. Coordination of bidding process between Brownfields and LIHTC project budgets.

#### **“COMB” Block Phase 2 (CUMBERLAND)**

- PROJECT STATUS: Pre-development.
- UPCOMING MILESTONES: 50% Plans in mid-February, 50% submission to MaineHousing in late March. Application for FHLBNY in March.
- CHALLENGES: Coordination of brownfields site cleanup with Phase 1 schedule.

#### **“COMB” Block Phase 3 (MAYO)**

- PROJECT STATUS: Pre-development.
- UPCOMING MILESTONES: MSHA LIHTC Application in Fall 2026.
- CHALLENGES: Coordination of brownfields site cleanup in multiple phases.

#### **100 State Street**

- PROJECT STATUS: Pre-development.
- UPCOMING MILESTONES: Closing on TD Bank 2<sup>nd</sup> mortgage. **Start limited renovations in June 2026.**
- CHALLENGES: None at this time.

#### **47-49 Boyd Street**

- PROJECT STATUS: Building vacant of tenants;
- UPCOMING MILESTONES: Haz Mat inventory prior to demo is pending. Demo in Winter 2026.
- CHALLENGES: None at this time.

#### **Bayside East Renovations (12 Buildings)**

- PROJECT STATUS: Renovations underway.
- UPCOMING MILESTONES: **Phase 2 completion in early 2026.**
- CHALLENGES: No updates

#### **879 Congress Street**

- PROJECT STATUS: **Under Option agreement; Performing due diligence.**
- UPCOMING MILESTONES: **Determining feasibility and source for acquisition loan.**
- CHALLENGES: No updates

#### **14 Baxter Blvd.**

- PROJECT STATUS: Building vacant, heated. SAC application to be submitted this Spring.
- UPCOMING MILESTONES: Determine PHA space needs for new office; Architect RFP issued.
- CHALLENGES: Getting planning board approval in time for LIHTC application this Fall.