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November 26, 2001

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-- 11:12 am

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053-E-003

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***Admitted to practice law only in New York and Connecticut.

JOHN J. FLAHERTY
(1929 - 1995)

MEMBER



TERRALEX

For Settlement Purposes

Penny Littell, Esq.
Corporation Counsel
City of Portland
389 Congress St.
Portland, ME 04101

Re: Simonds/Rooming House issues

Dear Penny:

I write to demonstrate that the City is not being put off by Mr. Simonds on the rooming house issues we discussed and which Mr. Simonds has proposed to remedy. He knows that the City is anxious to see what it considers violations cease, or to be made legal, as soon as possible. It would not do him any good to simply stall and do nothing. That buys him what, maybe a month, two months at best? The tasks he is performing to deal with the issues, however, are not doable, even to get to the application stage, if a few weeks. Nevertheless, I have asked him for proof that he is serious and what follows are his representations of his activities.

On 37 and 33 Crescent, he is completing the applications for change of use. He expects to have these done by December 17. Inspections should follow immediately, and he will proceed to do the work the inspectors require asap.

On 25 and 15 Crescent, I attach correspondence with Matt Orne, the abutter, which is dated well before the City brought up the issues. Orne has stated he will sell the lots behind 29-31, 25, and 15 Crescent, as soon as plans for his ramp and parking are approved. His engineers tell him their plans for the ramp and lot will be done by "early Spring." If you contact Mr. Orne to verify, however, he will undoubtedly jack up the price, because he has been thus far unwilling to enter into an option agreement, or a P&S, and is preserving all his options until the last minute. Mr. Simonds will be attempting to persuade Mr. Orne to enter into an option agreement regardless, and Mr. Orne may do so for a price, subject to the contingency that he be able to do what he intends to do with the ramp. Mr. Simonds is working on applications for change of use, to have them ready when Orne is ready.

45 MEMORIAL CIRCLE - P.O. BOX 1058
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PRETI, FLAHERTY, BELIVEAU, PACHIOS & HALEY, LLC

Penny Littell, Esq.
October 1, 2001
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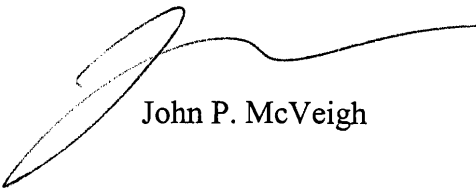
48 and 52 Bramhall will be converted into condominiums. The name is reserved, an attorney has been hired to do the condo documents, architects have been hired to create plans, and the first floor of 48 Bramhall has been emptied and rehabed. The second floor is being done now. The third floor of 48 Bramhall will be a major rehab, including dormers, and can't be started until Spring (with permits, of course). The work on 52 Bramhall is entirely cosmetic, and will commence in February of 2002, with one apartment completed every 6 to 8 weeks.

I write this to provide some rationale for the adjustments we have requested in the proposed consent order and to demonstrate that Mr. Simonds is attempting to accomplish what he can as soon as he can. His is, however, a one man band, and does not have a staff to accomplish all this at once. He is acting to address the City's concerns, I know, "at last," but he is acting, and will comply with the City's views of the applicable ordinances. The result will be more legal, affordable housing in Portland, and he will not have to displace a substantial number of low wage workers in the meantime, if the City can give him the time he needs to bring these properties into compliance with the City's views.

If we cannot have the time, then the best advice I can give Mr. Simonds is to displace most of the individuals who now have housing in these buildings. Mr. Simonds and the City still disagree on the shared housing concept, but I would not advise Mr. Simonds to continue the present housing arrangements in the face of the potentially accumulating fines. This does not seem to be a good result for either side of this dispute. On the other hand, a Consent Decree with deadlines consistent with the realities described in this letter gets the City most of everything it wants.

We can provide names of architects and workers on the various properties, and you will have the 33 and 37 Crescent applications in about 3 weeks. What else can Mr. Simonds do to show that he is proceeding as promised?

Sincerely,



John P. McVeigh

JPM/kjm
cc: Mr. Gordon Simonds
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JPM-H:\Simonds\Littell11-26-01.doc

**GORDON D. SIMONDS
104 WEST STREET
PORTLAND, MAINE 04102**

(207) 874-6666

FAX (207) 773-5574

February 26, 2001

Fax to: (207) 775-5001

Mr. Matt Orne

Re: Portland Glass Parking Joint Effort and Purchase
Of Parcels 53-E -3,4,6, and 7 and 53-F-1

Dear Matt:

I enjoyed our meeting this past Tuesday, and am following up with this letter which I hope will outline our objectives and provide a starting point for their achievement. I have enclosed a reduced copy of your survey of the property so that you can readily understand the references in this letter to the various parcels.

I believe that your sole objective is to create as many parking spaces for as small a cost as possible. In order to accomplish this you will need the use of a strip of land of presently indeterminate size running along the Congress street side of Parcel 53-F-G.

My objectives are:

1. To increase lot size of parcels that I already own (or plan to acquire) on Crescent Street by the acquisition of Parcels 53-E - 3, 4, 6, and 7 and 53-F-1: and
2. To create as much paved parking on that land as economically feasible.

I recognize that you will most probably not want to give up actual control of Parcels 53-F-1 and 53-E-7 and we need to develop a plan which will accomplish this while satisfying my objectives.

It would also be a very good idea to make the passageway "go away" and to clear up the "Gore Piece" . . . whatever that may be.

So, I believe that we should to proceed as follows:

1. Meet with engineer to determine how to get as much parking as possible onto 53-F-1 & 2 and 53-E-6 & 7 as well as how to get any parking onto Parcels 53-E -3 & 4 and 53-E-1 & 2;

2. Meet with attorney to determine how to legally accomplish our objectives and make the passageway and the Gore Piece disappear (if economically feasible);

3. Hire architect or land planner to develop plan and specifications;

4. Bid job & proceed.

In addition, we will need to agree on purchase prices and terms for Parcels of Parcels 53-E 3, 4, 6, and 7 and 53-F-1 as well as how to divide the costs of the parking.

Please call me and let me know what you think and let's begin.

Very truly yours

Gordon D. Simonds

**GORDON D. SIMONDS
104 WEST STREET
PORTLAND, MAINE 04102**

(207) 874-6666

FAX (207) 773-5574

August 25, 2001

Fax to: (207) 775-5001

Mr. Matt Orne

Re: Purchase Of Lots 53-E-3 and 4 and strip of land 6 feet wide
running along the back of Lots 53 F1 and 2

Dear Matt:

I would like to now purchase the property described above. Lots 53-E- 3 and 4 are very steep and will not be involved in the grading and paving project which we anticipate.

The six foot strip of land running along the back of Parcels 53 F 1 and 2 and abutting Parcel 53 F 6 is small and given the conditions of purchase and leaseback described below will not be any hindrance for your re-grading plans.

Accordingly, I am making the following offer:

I will purchase Parcels 53-E-3 and 4 and the six foot a strip of land running along the back of Parcels 53 F 1 and 2 and abutting Parcel 53 F 6 for [REDACTED] each or a total of [REDACTED].

I will deed back to you (for a charge of \$1.00 per year) parking rights on the six foot strip.

I will agree to any other reasonable requests that you may make vis-à-vis cooperation with you in the re-grading and parking project.

I look forward to discussing this with you at your earliest convenience.

Very truly yours

Gordon D. Simonds
