Portland, Maine — Yes. Life's good here.

PORTLAND DEVELOPMENT CORPORATION
Board Meeting

DATE: February 16, 2017
TIME: 4:00 p.m.
LOCATION: Room 209, 2nd Floor
Portland City Hall

A G E N D A

1. President's comments

2. Review and accept Minutes of January 19, 2017 meeting.

3. Review and approval of Brownfields Grant to City of Portland for Phase I Environmental Site Assessments for City's Public Works properties in Bayside.

4. Review and vote to recommend to City Council proposed amendments to the Brownfields Revolving Loan Fund guidelines.

5. Review and approval of charge off of two loans to Eastman Industries.
   (Note: Pursuant to 1 M.R.S.A. 405(6)(F) and 5 M.R.S.A. 13119—A, the Board may go into executive session to discuss/monitor these loans.)

6. Treasurer's Report – January 2017 – Tim Agnew
   a) Monthly Administrative Budget Report
   b) Loan Receivables Report
   c) Cash Management Report
   d) Delinquency Report (Note: Pursuant to 1 M.R.S.A. 405(6)(F) and 5 M.R.S.A. 13119—A, the Board may go into executive session to discuss/monitor any of the loans listed on the delinquency report.)
   e) Listing of Grants approved through the BAP Program and PEDPIP for FY2016.

7. Other items to be discussed/brought up by Board Directors.

8. Next Meeting Date: March 16, 2017.

Drew Swenson, Board President

Portland Development Corporation

January 19, 2017

A meeting of the Board of Directors of the Portland Development Corporation was held on Thursday, January 19, 2017 at 4:00 p.m. in Room 209 of Portland City Hall. Present from the Board were Board President Drew Swenson and Directors Tim Agnew, Shelley Carvel, Jed Harris, Jon Jennings, Chip Martin, Jere Shaw, Barry Sheff, and Mayor Ethan Strimling. Directors Jess Knox and Heather Sanborn were not able to attend. Present from the City staff were Business Programs Manager Nelle Hanig, Economic Development Director Greg Mitchell, and Senior Executive Assistant Lori Paulette.

Item #1: President's Comments

President Swenson thanked Mr. Agnew for chairing last month's Board meeting in his absence. He then noted that today's meeting regarding proposed amendments to the guidelines for the FAME REDLP funds and Brownfields funds are to make the guidelines consistent with their funding source.

Item #2: Review and accept Minutes of previous meeting held on December 15, 2016.

On motion made and seconded, the Board voted 7-0-2 (Shaw and Swenson abstained) to accept the Minutes as presented.

Item #3: Review and vote to recommend to City Council proposed amendments to REDLP guidelines.

Ms. Hanig concurred that the proposed amendments were to make the PDC's guidelines consistent with the FAME REDLP guidelines. The substantive updates include:

- Maximum loan amount to $350,000 instead of $250,000;
- Size of eligible business to 100 or fewer employees or annual sales of $10,000,000 instead of 50 or fewer employees or annual sales of $5,000,000;
- The types of eligible businesses increased to include:
  - A business significantly engaged in commercial and mixed-use real estate and community facilities, and
  - A business significantly engaged in serving tourists, such as in the area of outdoor recreation, culture, heritage and hospitality;
- Other businesses with 15 or fewer employees instead of 10 or fewer employees.

Ms. Hanig said that another proposed modification regards refinancing where the FAME guidelines allow for a 100% refinancing, and the current PDC guidelines indicate that the project must include a business expansion component that is at least 25% over the debt amount to be refinanced.

Also, Ms. Hanig noted that FAME guidelines allow for the use of loan proceeds as partial down-payment on other loans; the PDC guidelines do not have this. Both 100% refinancing and use of loan proceeds as a partial down-payment on other loans is is proposed to be included only for this loan program. She also noted that she recently reviewed two loan requests for what seemed to be good projects but had to turn both down because partial down-payments on other loans were not an eligible use nor was 100% refinancing.

Mr. Agnew said that he is generally fine with the proposed modifications and asked about the balance of REDLP Funds. Ms. Hanig said that of the $600,000 recently awarded to the City, as of 12/31/2016, the PDC had lent all but $70,000. This $70,000 together with second generation funds available of $153,410 allows for the PDC to provide an additional $223,410 in REDLP Loans. She noted that on the Cash Management Report for the REDLP, it showed a balance of $303,410, but $150,000 is new REDLP Funds reserved for the closing of the loan for the 747 Congress Street project.

Mayor Strimling agreed with the proposed amendments, particularly that small businesses would be covered.

After Board discussion, Mayor Strimling made a motion to accept the proposed modification to allow for 100% refinancing. This motion was seconded, and the vote was then taken and it passed 7-1 (Jennings opposed)-1 (Martin abstained).

Mayor Strimling then made a motion to accept the remaining modifications as presented. This motion was seconded and passed 8-0-1 (Martin abstained).

Item #4: Review and vote to recommend to City Council proposed amendments to the Brownfields Revolving Loan Fund guidelines.

Ms. Hanig said that these proposed amendments are taken from the 2001 Brownfields guidelines for a prior Portland Brownfields Revolving Loan Fund. The proposed amendments today are for the recent grant of $800,000 from the EPA to capitalize a new Brownfield Revolving Loan Fund for site clean-up purposes. This pool of grant funds requires its own guidelines. Ms. Hanig said that the proposed guidelines are in line with the EPA, which is a complicated program. There are substantial edits, and she noted that Kelly Race, Qualified Environmental Professional (QEP) of TRC, is also present today to assist with questions.

Mr. Sheff noted for the record that his employer, Woodard and Curran, is also a QEP for this program.

There was a discussion on maximum loan amount, currently proposed as up to $200,000, with Ms. Race noting that, technically, the City could make a loan of up to $800,000, with Ms. Hanig suggesting that the maximum loan amount be increased up to $300,000 or based on project need. Ms. Race noted that because of the amount of paperwork and QEP time for a loan, it is not recommended to make loans under $150,000.

This followed with a discussion on what fees can be charged to a loan, including for the loan underwriter, attorneys fees, and QEP; Ms. Hanig noted that her time would be in-kind. Consensus was to have this clarified in the guidelines.

Ms. Carvel asked who the Assistant Secretary for the PDC, and Ms. Hanig noted that it was Greg Mitchell.

Mr. Agnew asked about subgrants, and Ms. Hanig noted that up to 50% of the $800,000 can be used for grants to the municipality and non-profits, without repayment. Regarding loans and grant, Ms. Hanig said that 20% had to be matched. (**POST NOTE:** It was later learned after the meeting that the City of Portland is not eligible for grants under this program.)

(Mayor Strimling had to leave the meeting at this time.)

President Swenson asked if there were any applications in yet, and Ms. Hanig noted that there were not.

Noting areas needing clarification, President Swenson also asked staff to determine whether the PDC should have environmental/indemnification insurance should it take ownership for a property, as well as to clarify what fees can be charged to the loan.

On motion made and seconded, the Board voted 7-0-1 (Sheff abstained) to table this item pending clarification of fees covered or not, recommendation for maximum loan amount, environmental insurance and indemnification to the PDC.

Item #5: Treasurer's Report – December 2016

On motion made and seconded, the Board voted unanimously at approximately 4:50 to go into executive session pursuant to 1 M.R.S.A. 405(6)(F) and 5 M.R.S.A. 13119-A to discuss/monitor the loans listed on the Delinquency Report. At approximately 5:00 p.m., the Board came out of executive session and the meeting was then adjourned.

Respectfully, Lori Paulette

Economic Development Department
Gregory A. Mitchell, Director

TO: President Drew Swenson and PDC Board Members
FROM: Nelle Hanig, Business Programs Manager
CC: Greg Mitchell, Economic Development Director
DATE: February 8, 2017
RE: City Grant Request for Phase I Environmental Site Assessments

SUMMARY

The City is requesting a grant from Portland's Brownfields Closeout Funds to cover the cost of Phase I Environmental Site Assessments (ESAs) on six City-owned properties in Bayside. Some of these properties are for sale at this time and the others may be for sale in the near future. Toward that end, the City would like to have ESAs conducted for each of the parcels prior to sale. A list of the properties along with a map showing their locations is attached.

GRANT REQUEST

The City has issued an RFP to environmental consultants for a proposal to conduct these six ESAs for a lump sum. The proposals will be due a day before the PDC meeting on February 16th. Thus, the amount of the grant request is unknown at the writing of this memo but will be known and presented at the meeting. It is estimated that the cost will be in the range of \$12,000 to \$18,000.

ELIGIBILITY AND FUNDING SOURCE

According to the EPA, the City is eligible for a grant from Portland's Brownfields Closeout Funds for ESAs on City-owned property. Consequently, if the PDC approves of this grant request, it would be funded from the Closeout Funds rather than from the new Brownfields Revolving Loan Fund. The guidelines for the Brownfields Closeout Funds are attached.

PURPOSE FOR PHASE I ENVIRONMENTAL SITE ASSESSMENTS

Current Phase I ESAs have the potential to enhance the marketability of the City's properties as they will provide information to interested buyers about site contamination. In addition, the City will require of the firm hired to conduct the ESAs to prepare a standard reliance letter for the buyer(s) upon the sale of one or more of the properties. This will preclude the need for the buyer to conduct another Phase I ESA on the property prior to acquisition if it is within 180 days of the ESA completion date. Legally, the purpose of the Phase I ESA is to provide the buyer with liability protections under CERCLA which allows the buyer to also access City and state Revolving Loan Funds (RLF) for property cleanup, if applicable. Should the buyer's property acquisition date occur beyond the 180 day timeframe, a Phase I ESA Update can be prepared within 1 year for a reduced cost (from the initial Phase I ESA cost). After 1 year, the Phase I ESA will need to be redone.

RECOMMENDATION

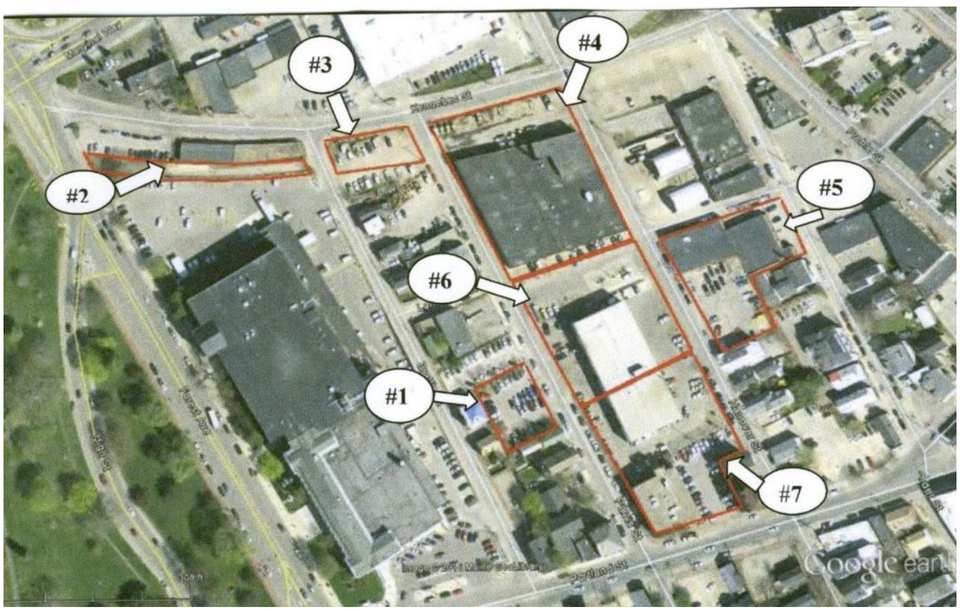
Staff recommends approval of a $_________ grant to the City from the Brownfields Closeout Funds for the purpose of funding Phase I Environmental Site Assessments for each of six City-owned properties in Bayside.

ATTACHMENT

- Property List with Map
- Guidelines for Use of Brownfields Closeout Funds

City-Owed Parcels in Bayside
Proposed for Phase I Site Assessments

Parcel 1: 56 Parris Street (CBL 33-A-13-14)
Parcel 2: 181 Forest Avenue (34-A-10)
Parcel 3: 178 Kennebec Street (34-F-1)
Parcel 4: 82 Hanover Street and 158 Kennebec Street (34-G-1 to 4)
Parcel 5: 65 Hanover Street (CBL 33-C-3) and 52 Alder Street (CBL 33-C-15)
Parcel 6: 44 Hanover Street and Parris and Lancaster Streets (CBL 33-B-8)
Future Parcel 7: 55 Portland Street and Hanover and Parris Streets (part of 44 Hanover but likely to be subdivided.



PORTLAND BROWNFIELDS CLEANUP REVOLVING LOAN FUND

USING CLOSEOUT BROWNFIELDS FUNDS

Amended to be applicable City-wide and passed by the City Council on 7/16/07.

Amended by Corporator at 11-17-08 Meeting adding an amendment for Requests for Amendment to Loan Terms.

Amended by Corporator at 12-16-13 Meeting for Using Brownfields Closeout Funds.

1. Program Goals

(a) To finance the removal of hazardous substances from Brownfields sites within the City of Portland.
(b) To support a sustainable revolving loan fund program to finance the assessment and remediation/cleanup of Brownfields properties, thereby making these properties available for redevelopment and contributing to the revitalization of the community, creation of jobs, improving the environment, and eliminating the public health risks associated with these sites.
(c) To assist the assessment and remediation/cleanup and redevelopment of Brownfields sites within the City of Portland.

2. Program Objectives

(a) To create an incentive for private investment in Brownfields areas in the City of Portland;
(b) To assess and safely clean up Brownfields properties in order to facilitate their sustainable use;
(c) To foster development and implementation of financial and administrative approaches that can support self-sustaining efforts to facilitate Brownfields cleanup efforts; and
(d) To prevent the creation or spread of contamination on or between properties to protect the public health by minimizing exposure to hazardous materials in the environment.

3. Program Description

This program is designed to encourage the environmental assessment and remediation/ cleanup of eligible sites and activities associated with removing, mitigating, or preventing the release, or threat of a release, of a hazardous substance, pollutant, or contaminant from Brownfields sites. This will be achieved through funding Phase I and II environmental site assessments and remediation/cleanups on public properties owned by the City of Portland, and Phase II environmental site assessments and remediation/cleanups through loans to for-profit entities and non-profit organizations for properties owned by such entities.

All work under this Program is to be completed in accordance with the requirements outlined in the Closeout Agreements between the EPA and the City.

4. Program Funding

The funding for the Portland Brownfields Cleanup Revolving Loan Fund is provided by the U.S. Department of Environmental Protection and authorized by the City Council.

5. Eligible Project Applicants/Entities and Threshold Requirements:

(a) The property to be assisted is located within the City of Portland.
(b) The project applicant or owner must owe no outstanding property taxes, fees, judgments, or liens to the City;
(c) The project applicant or owner is not considered potentially responsible for the contamination on the property ;
(d) The project applicant or owner is not currently suspended, debarred or otherwise ineligible to participate in Federal financial assistance programs;
(e) The project applicant or owner is not in environmental non-compliance with Federal or State agencies at the subject property.
(f) The project applicant can be the City of Portland, not-for-profit or private property owner or prospective commercial property owner, bank, developer, etc.
(g) Funds can be used for Phase I and Phase II environmental site assessments and remediation/cleanups on public properties owned by the City of Portland, and for Phase II environmental site assessments and remediation/cleanups on non-profit and privately-owned properties.

6. Eligible Activities

Assessment and remediation/cleanup activities associated with removing, mitigating, or preventing the release or threat of a release of a hazardous substance, pollutant or contaminant including:

(a) Installation of fences, warning signs or other security or site control precautions;
(b) Drainage controls associated with assessment and remediation/cleanup activities;
(c) Stabilization of berms, dikes or impoundments or drainage or closing lagoons;
(d) Capping of contaminated soils;
(e) Using chemicals and other materials to retard the spread of the release or mitigate its effects;

(f) Excavation, consolidation, or removal of contaminated soils from the site;
(g) Abatement of hazardous building materials including asbestos, lead paint, mold and PCBs;
(h) Removal of drums, barrels, tanks, or other bulk containers that contain or may contain hazardous substances, pollutants or contaminants;
(i) Consolidation, containment, treatment, recycling, disposal, and/or incineration of hazardous materials, pollutants or contaminants;
(j) Provision of alternative water supply where necessary immediately to reduce exposure to contaminated household water;
(k) Site monitoring activities, including sampling and analysis, that are necessary during the cleanup process, including determination of effectiveness of a cleanup; and
(l) Costs associated with meeting public participation, worker health and safety, and interagency coordination requirements;
(m) Phase I Environmental site assessments performed in accordance with EPA All Appropriate Inquiries Final Rule or most current version of ASTM E1527;
(n) Phase II Environmental site assessments and remediation planning activities;
(o) Programmatic costs for the City of Portland and its Qualified Environmental Professional (QEP) to manage and oversee the work being performed under this Program.

7. Ineligible Activities

Development activities that are not necessary to implement assessment or remediation activities (e.g., construction of a new facility or marketing of property).

8. Financing Terms

The following terms will guide the actions of the Portland Development Corporation (PDC) on behalf of the City of Portland:

(a) Loan amount will be limited to the balance of the loan fund but generally not exceed $200,000;
(b) Maximum loan term will generally be 5 years but will be determined by the PDC;
(c) Interest rate will be determined by the PD C;
(d) Brownfields site itself, business assets or other real property, outside collateral, and/or personal guaranties may be required as security;
(e) Origination fee will generally be one percent (1%) but will be determined by the PDC

9. Requests for Amendment to Loan Terms:

A one (1) percent fee will be applied to requests for amendments to loan terms, for consulting, legal and recording fees associated with preparing any additional loan documents/modifications. The one (1) percent fee will be based on the current loan balance at the time of the request.

The City's Economic Development Director has the discretion to determine whether requested loan amendments should be brought to the PDC or addressed administratively, with follow-up communication to the Board.

10. Underwriting Criteria

Project review will include, but not be limited to the necessity of Brownfields funds from this Program to make the project economically feasible and at the same time have a high potential for economic success.

11. Application Review Criteria

The City of Portland's Economic Development Department (EDD) will review project proposals to determine eligibility and work with applicant(s) to determine the viability of the project and the least amount of public resources necessary to make the project(s) feasible.

Remediation/cleanup plans should be implemented efficiently and redevelopment projects completed on schedule to maximize the community benefit goals of the projects. The actions to be taken include the following:

(a) Applicants seeking funds for remediation/cleanup are required to submit the site to the Maine Voluntary Response Action Program (VRAP);
(b) The Brownfields funding application will be submitted to the City of Portland EDD, along with Environmental Site Assessments I and II, and evidence of VRAP submittal to the Maine Department of Environmental Protection (MDEP);
(c) The EDD, with its QEP, will determine if the Applicant, site and preliminary project costs are eligible for Brownfields funding;
(d) If Applicant, site and project costs are determined to be eligible, the EDD will have its underwriter prepare an analysis of the financial components of the application along with recommended terms and conditions for the PDC's review and consideration;
(e) Project will be publicly noticed and notice will be provided to the appropriate neighborhood organization;
(f) When so advised by City Corporation Counsel, the PDC chair will accept public comment on the project at the PDC meeting prior to its vote on whether to approve the funding request;
(g) Based on a favorable analysis of the financial qualifications of the applicant, and the PDC's approval, a commitment letter or will be provided to the applicant;
(h) Based on the VRAP, the Applicant should prepare a final budget of cleanup activities, work schedule, Health and Safety Plan and a VRAP Work Plan;
(i) The loan documents are prepared (e.g., loan agreement, promissory note, mortgage agreement).

Checklist

The following is a checklist of information needed from Applicants:

Applicant Information

a. Applicant Overview: name, location, principal owners/stockholders, type of business and products or services, date established;
b. Financial Overview: historical financial statements for the past three years, most recent quarter and copies of appropriate IRS Tax Returns;
c. Management Overview: resumes of principals; and
d. Credit References: financial institutions and other creditors.

Site Related Conditions

a. Environmental assessments (Phase I and II) in accordance with American Society for Testing and Materials (ASTM) Standards;
b. Status of the borrower as a potentially responsible party at the site;
c. Environmental compliance history;
d. Whether the Applicant is currently or ever has been subject to any penalties resulting from environmental non-compliance at the site;
e. Whether the Applicant is a generator or transporter of contamination at the site; and
f. Whether the Applicant falls under a statutory exemption from liability; or that the EPA could use its enforcement discretion and not pursue the party as a responsible party under CERCLA if the Applicant is currently the owner/operator of the site.

Remediation/Cleanup Plan

Remediation/Cleanup Plan Summary: Remediation/Cleanup plan including a technical description of work to be done and costs estimates.

Redevelopment Plan

a. Financing Project: a description of the cleanup project and the reuse plan;
b. Business Plan: a description of the business goals, strategies and action plans; and
c. Financial Plan: pro-forma financial statements which demonstrates the economic viability of the project and identifies the sources of repayment for the loan.

Community Benefits

a. Employment Impact: number of current and new jobs, wage levels and job training anticipated to be generated from the cleanup and redevelopment of the site;
b. Investment Impact: Serves as an incentive for investment in the City;
c. Housing Units: Available for the creation of housing units located in the City;
d. Any other community benefits.

Economic Development Department
Gregory A. Mitchell, Director

TO: President Drew Swenson and PDC Board Members
FROM: Nelle Hanig, Business Programs Manager
CC: Greg Mitchell, Economic Development Director
DATE: February 9, 2017
RE: **ADDITIONAL MODIFICATIONS: Proposed Guidelines For The Portland Brownfields Revolving Loan Fund (P-BRLF)**

ADDITIONAL MODIFICATIONS TO THE GUIDELINES

Based on PDC and staff discussion at the January 19th meeting, subsequent input from EPA at a January 30th meeting with the agency and input from Michael Goldman, the proposed guidelines have been further modified. The additional modifications are highlighted in yellow on the redlined format of the guidelines, which are attached. Also attached is the clean text of the guidelines. The additional modifications are as follows:

Section 3. Project Description:
The language clarifies that subgrants are available only to non-profits and governmental entities (e.g., Cumberland County). According to the EPA, Portland's new RLF funds cannot be granted to the City.

Section 9 Financing (The letter below indicates the item as it appears in the guidelines):

(a) Additional guidance is provided on the general minimum and maximum size of loans, though they are negotiable based on the project redevelopment needs;
(b) The EPA advised allowing more flexibility on the term of a loan. Rather than limit a loan term to five years, the guidelines would allow up to 10 years, though it is stated that shorter terms are preferred. Ultimately, the PDC has the authority to determine the length of the term;
(e) This item provides the option of requiring environmental indemnification and/or lenders environmental insurance;
(f) The City is required by EPA to show a 20% cost share, which primarily comes from loan and subgrant recipients but also from in-kind staff time. That cost share is $160,000 which is 20% of the EPA's $800,000 grant to the City. Based on guidance from EPA, staff has added to this item the following text: "In special circumstances, the cost share may be reduced or waived." As an example, if the City has already reached its cost share and a non-profit needed a grant of $150,000 to fully remediate its property, the PDC could choose to grant the funds and waive the 20% cost share;
(j) The application fee structure is removed because the EPA grant to the City will cover the City's costs for underwriting Brownfields loans and grants;
(k) The EPA grant will also cover the cost of legal fees for drafting loan and grant documents so item (k) "Legal fees for drafting loan documents" is also removed.

PDC INDEMNIFICATION

A PDC board member expressed concern about environmental liability and indemnification for the PDC in connection with Brownfields grants and loans. Although the PDC mortgage forms include an environmental indemnification provision, Michael Goldman is working on a more comprehensive stand alone environmental indemnity agreement to be signed not only by the property owner, but also by the principals of the owner and any guarantors. The PDC might also consider requiring borrowers to provide environmental liability insurance coverage, which we are researching. Section 9 (e) has been added to the guidelines to address these issues. Unfortunately, Michael will not be able to attend the February PDC meeting due to a family obligation in Massachusetts. Environmental liability and indemnification can be addressed further with him at the March meeting.

RECOMMENDATION

Staff recommends PDC approval and recommendation to the City Coucil of the proposed changes to the 2001 Brownfields Guidelines for the new P-BRLF.

ATTACHMENTS

- Clean proposed updated guidelines;
- Redlined and highlighted format of proposed modifications to 2001 guidelines;

PORTLAND BROWNFIELDS CLEANUP REVOLVING LOAN FUND

Amended to be applicable City-wide and passed by the City Council on 7/16/07.

Amended by Corporator at 11-17-08 Meeting adding an amendment for Requests for Amendment to Loan Terms.

The Portland Brownfields Cleanup Revolving Loan Fund (BCRLF) provides loans and subgrants to assist those interested in remediating and redeveloping Brownfields sites within the City of Portland. Brownfields are abandoned, idled or underused industrial or commercial properties with real or perceived environmental contamination. The funding for this program comes from the U.S. Environmental Protection Agency (EPA) and is authorized by the City of Portland.

1. Program Goal

To assist in financing the cleanup of Brownfields sites within the City of Portland, thereby making these properties available for redevelopment and contributing to the revitalization of the community, creation of jobs, improving the environment and eliminating the public health risks associated with these sites.

2. Program Objectives

(a) To create an incentive for private investment in Brownfields properties/sites within the City of Portland;
(b) To safely clean up Brownfields properties based on end use in order to facilitate their sustainable use;
(c) To foster development and implementation of financial and administrative approaches that can support self-sustaining efforts to facilitate Brownfields cleanup efforts; and
(d) To prevent the creation or spread of contamination on or between properties to protect the public health by minimizing exposure to toxic materials in the environment.

3. Program Description

This program is designed to encourage the cleanup of eligible Brownfields sites and activities associated with removing, mitigating, or preventing the release, or threat of a release, of a hazardous substance, pollutant, or contaminant from Brownfields sites. Assistance is provided through low interest loans and subgrants. Subgrants are available to non-profits and governmental entities.

4. Program Budget

The funding for the Portland Brownfields Cleanup Revolving Loan Fund is provided by the U.S. Department of Environmental Protection and authorized by the Portland City Council.

5. Project Threshold Requirement

(a) The property to be assisted is located within the City of Portland.
(b) The project applicant or owner must owe no outstanding property taxes, fees, judgments, or liens to the City;
(c) The property must meet the definition of a Brownfield and be enrolled in the Maine Voluntary Response Action Program (VRAP) for site cleanup;
(d) The property must have had adequate environmental assessments completed in order to understand site conditions and necessary remediation (e.g. Phase I Environmental Site Assessment and/or Phase II Environmental Site Assessment);
(e) The site meets the EPA eligibility requirements;
(f) The project applicant or owner is not a generator or transporter of contamination to the site;
(g) The project applicant or owner is not currently suspended, debarred or otherwise ineligible to participate in Federal financial assistance programs; and
(h) The project applicant or owner is not in environmental non-compliance with Federal or State agencies.

6. Eligible Applicants/Entities

(a) Publicly owned, either directly by a municipality or indirectly through a quasi-public entity such as a community development corporation; or
(b) Privately-owned by current or prospective commercial property owners, banks, developers, non-profits, etc.;
(c) Applicant must own or be in the process of obtaining ownership at the time of application.

7. Eligible Activities

Cleanup actions associated with removing, mitigating, or preventing the release or threat of a release of a hazardous substance, pollutant or contaminant including:

(a) Preparation of a Community Relations Plan (CRP), Analysis of Brownfields Cleanup Alternatives (ABCA); public meeting to present the ABCA; and preparation of meeting minutes;
(b) Fences, warning signs or other security or site control precautions;
(c) Drainage controls;
(d) Stabilization of berms, dikes or impoundments or drainage or closing lagoons;

(e) Capping of contaminated soils;
(f) Using chemicals and other materials to retard the spread of the release or mitigate its effects;
(g) Excavation, consolidation, or removal of contaminated soils from drainage or other areas;
(h) Removal of drums, barrels, tanks, or other bulk containers that contain or may contain hazardous substances, pollutants or contaminants;
(i) Containment, treatment, disposal, or incineration of hazardous materials;
(j) Provision of alternative water supply where necessary immediately to reduce exposure to contaminated household water
(k) Site monitoring activities, including sampling and analysis, that are necessary during the cleanup process, including determination of effectiveness of a cleanup; and
(l) Costs associated with meeting public participation, worker health and safety, and interagency coordination requirements.
(m) Costs associated with removal activities including demolition and/or site preparation that are part of site cleanup
(n) Environmental Insurance Premiums.

8. Ineligible Activities

(a) Pre-cleanup environmental response activities (i.e. site assessment, identification, and characterization); however, the Lead Agency may request EPA approval for limited site assessment on a case-by-case basis when necessary to ensure protection of the environment and public health through cleanup action.
(b) Monitoring and data collection necessary to apply for, or comply with environmental permits under other federal and state laws, unless such a permit is required as a component of the cleanup action; and
(c) Development activities that are not removal actions (e.g. construction of a new facility or marketing of property).
(d) Job training unrelated to performing a specific cleanup at a site covered by a loan or subgrant;
(e) To pay for a penalty or fine;
(f) To pay a federal cost share requirement (for example, a cost-share required by another Federal subgrant) unless there is specific statutory authority;
(g) To pay for response costs at a Brownfields site for which the recipient of the subgrant or loan is potentially liable under CERCLA Section 107;
(h) To pay a cost of compliance with any federal law, excluding the cost of compliance with laws applicable for cleanup;

(i) Unallowable costs (e.g. lobbying and fund raising) under applicable OMB Circulars.

9. Financing Terms

The following terms will guide the actions of the Portland Development Corporation (PDC):

(a) Loan amount for eligible cleanup activities will be limited to the balance of the loan fund, but generally range from a minimum of $150,000 to a maximum of $300,000, and will be negotiated based on project redevelopment needs. Subgrants up to $200,000 are available for eligible cleanup activities**;**

(b) Maximum loan term is up to 10 years, though shorter terms are preferred; The actual term is negotiable on a case-by-case basis, and may include a longer amortization period with a balloon at the end of the designated term. Projects must justify the need for the maximum term.

(c) Interest rate will be determined by the PDC, though Brownfields loans are usually lent at a lower interest rate;

(d) Brownfields site, business assets, outside collateral, and/or personal guaranties may be required as security;

(e) Environmental indemnification and/or lenders environmental insurance may be required;

(f) Evidence of a cost share of at least 20% of the loan or subgrant amount will be required of all Applicants/Borrowers; in special circumstances, as determined by the PDC, the cost share may be reduced or waived.

(g) Cost share monies will be specifically utilized for eligible cleanup activities;

(h) As applicable, Borrower/Subgrantee will be required to utilize Davis Bacon Wage compliance requirements and provide backup verifying compliance;

(i) Loan/Subgrant drawdown requests with sufficient backup of eligible cleanup activities will be reimbursed at 80% of the request to ensure 20% cost share is met prior to final Drawdown.

10. Requests for Amendment to Loan Terms

A one percent fee will be applied for requests for amendments to loan terms, as well as costs for legal fees and recording fees associated with preparing any additional loan documents/modifications. The one percent fee will be based on the current loan balance at the time of the request. This one percent fee will be applied to those loan amendments which require the PDC Assistant Secretary to bring the request to the PDC Board of Directors based on substantive changes.

The PDC Assistant Secretary has the discretion to determine whether requested loan amendments should be brought to the Board or done administratively. If done administratively, the PDC Assistant Secretary will confer with the Business Programs Manager and the Associate Corporation Counsel to determine the fee based on hourly rates of pay, as well as recording fees and legal hourly fees.

11. **Underwriting Criteria**

Project review will include, but not be limited to, the following factors:

(a) Location of the Brownfields site within the City of Portland;
(b) Necessity of loan funds to make the project economically feasible.
(c) Analysis of credit reports and financial documents as well as budget feasibility analysis provided by the RLF Site Manager ((Qualified Environmental Professional (QEP)) to assess that applicant is not a cleanup and/or business risk.

12. Application Review Criteria

The PDC, with input and recommendations made by the Maine Department of Environmental Protection, EPA, City's QEP and the City's Economic Development Department (EDD), will review project proposals to determine eligibility and negotiate with applicants to determine the least amount of public resources necessary to make the projects feasible.

The loan approval process shall be carried out efficiently and pragmatically to insure loans are approved in a timely manner, cleanup plans are implemented and redevelopment projects are completed on schedule to maximize the community benefit goals of the projects. The actions to be taken are:

(a) The applicant will meet with the City and City's QEP to discuss the project;
(b) Applicant will complete the City's RLF Application and provide supporting documentation for review by the EDD and QEP;
(c) The City's QEP and Maine DEP will review the environmental assessments and cleanup plan summary. If the Applicant's site cleanup activities and preliminary project costs are eligible, the City's QEP will prepare a summary memo (approval or denial) for review by the Maine DEP, the EPA and the EDD.
(d) The underwriter will proceed with the review and analysis of the financial components of the loan application and prepare a report for the PDC with recommended terms and conditions;
(e) The PDC will be presented with the loan report and, based on an analysis of the financial qualifications of the applicant and the merits of the project, the PDC will vote to approve or disapprove of the loan/subgrant request including terms and conditions ;
(f) The EDD will prepare a loan commitment letter for the Applicant/Borrower, including terms and conditions.
(g) Once the commitment letter is fully executed:

    1. The Applicant/Borrower and their QEP will prepare a Draft

Community Relations Plan (CRP) and Draft Analysis of Brownfields Cleanup Alternatives (ABCA). The Draft CRP and Draft ABCA will be submitted to the Maine DEP and EPA for approval and comment. Upon comment receipt and incorporation, the draft ABCA will be presented at a public hearing and will be subject to a 30-day public comment period;

2. The City attorney will draft loan documents which will include but not be limited to the loan agreement, promissory note, mortgage agreement and any other documentation as necessary.

(h) Based on the CRP, a final draft of the ABCA is prepared by the Applicant/Borrower, which incorporates comments received by Maine DEP, EPA and the public;
(i) Once the CRP and ABCA has been finalized, the Applicant/Borrower prepares a Scope of Work for the cleanup activities, including a detailed budget and work schedule, a Health and Safety Plan, and a Quality Assurance Project Plan (the QAPP will need to be reviewed by Maine DEP and EPA, prior to finalization); and
(j) The loan agreement, promissory note, mortgage agreement, and any other loan documents are signed. Any loan fees are paid.

The City will request the following information from the Applicant to make the loan or subgrant determination:

Applicant Information

(a) Applicant Overview: name, location, principal owners/stockholders, type of business and products or services, date established;
(b) Financial Overview: historical financial statements for the past three years, most recent quarter and copies of appropriate IRS Tax Returns;
(c) Management Overview: resumes of principals; and
(d) Credit References: financial institutions and other creditors.

Site Conditions

(a) Environmental assessments (e.g., Phase I and II in accordance with American Society for Testing and Materials (ASTM) Standards);
(b) Information regarding the status of the Applicant/ as a potentially responsible party at the site;
(c) Information on environmental compliance history;
(d) Information on whether or not the Applicant is currently or ever has been subject to any penalties resulting from environmental non-compliance at the site;
(e) Information on whether or not the Applicant is a generator or transporter

of contamination at the site; and

(f) Information on whether or not the Applicant falls under a statutory exemption from liability; or that the EPA could use its enforcement discretion and not pursue the party as a responsible party under CERLA if the Applicant is currently the owner/operator of the site.

Cleanup Plan

Cleanup Plan Summary: cleanup plan including a technical description of work to be done, eligible cleanup activities and costs estimates for cleanup and project redevelopment. Cleanup Plan should also document other funding sources for cleanup and eligible activities to be utilized for cost share.

Redevelopment Plan

(a) Financing Project: a description of the cleanup project and the reuse plan;
(b) Business Plan: a description of the business goals, strategies and action plans; and
(c) Financial Plan: pro-forma financial statements which demonstrates the economic viability of the project and identifies the sources of repayment for the loan.

Community Benefits

- Employment Impact: number of current and new jobs, wage levels and job training anticipated to be generated from the cleanup and redevelopment of the site.
- Investment Impact: Serves as an incentive for investment in Brownfields areas.
- Housing Units: Available for the creation of Housing Units located in Brownfields areas.

PORTLAND BROWNFIELDS CLEANUP REVOLVING LOAN FUND

Amended to be applicable City-wide and passed by the City Council on 7/16/07.

Amended by Corporator at 11-17-08 Meeting adding an amendment for Requests for Amendment to Loan Terms.

The Portland Brownfields Cleanup Revolving Loan Fund (BCRLF) provides loans and subgrants to assist those interested in remediating and redeveloping Brownfields sites within the City of Portland. Brownfields are abandoned, idled or underused industrial or commercial properties with real or perceived environmental contamination. The funding for this program comes from the U.S. Environmental Protection Agency (EPA) and is authorized by the City of Portland.

1. Program Goal~~s~~

(a) ~~To finance the removal of CERCLA hazardous substances from Brownfields sites within the City of Portland~~.
(b) ~~To demonstrate the feasibility of establishing a sustainable revolving loan fund program~~ To~~to~~ assist in financinge the cleanup of Brownfields sites within the City of Portland, ~~properties~~, thereby making these properties available for redevelopment and contributing to the revitalization of the community, creation of jobs, improving the environment~~,~~ and eliminating the public health risks associated with these sites.
~~(c) To assist the remediation and redevelopment of Brownfields sites within the City of Portland.~~

2. Program Objectives

(a) To create an incentive for private investment in ~~the~~ Brownfields properties/sites ~~areas~~ within ~~of~~ the City of Portland;
(b) To ~~assess and~~ safely clean up Brownfields properties based on end use in order to facilitate their sustainable use;
(c) To foster development and implementation of financial and administrative approaches that can support self-sustaining efforts to facilitate Brownfields cleanup efforts; and
(d) To prevent the creation or spread of contamination on or between properties to protect the public health by minimizing exposure to toxic materials in the environment.

3. Program Description

This program is designed to encourage the cleanup of eligible Brownfields sites and activities associated with removing, mitigating, or preventing the release, or threat of a release, of a hazardous substance, pollutant, or contaminant from Brownfields sites. Assistance is provided through low interest loans and subgrants. Subgrants are available to non-profits and to governmental entities. ~~the City of Portland~~.

4. Program Budget

The funding for the Portland Brownfields Cleanup Revolving Loan Fund is provided by the U.S. Department of Environmental Protection and authorized by the Portland City Council.

5. Project Threshold Requirement:

(a) The property to be assisted is located within the City of Portland.
(b) The project applicant or owner must owe no outstanding property taxes, fees, judgments, or liens to the City;
(c) The property must meet the definition of a Brownfield and be enrolled in the Maine Voluntary Response Action Program (VRAP) for site cleanup;
(d) The property must have had adequate environmental assessments completed in order to understand site conditions and necessary remediation (e.g. Phase I Environmental Site Assessment and/or Phase II Environmental Site Assessment);
~~(b)~~(e) The site meets the EPA eligibility requirements;
~~(c)~~(f) The project applicant or owner is not a generator or transporter of contamination to the site;
~~(d)~~(g) The project applicant or owner is not currently suspended, debarred or otherwise ineligible to participate in Federal financial assistance programs; and
~~(e)~~(h) The project applicant or owner is not in environmental non-compliance with Federal or State agencies.

6. Eligible Applicants/Entities

(a) Publicly owned, either directly by a municipality or indirectly through a quasi- public entity such as a community development corporation; or
(b) ~~(b)~~ Privately-owned by current or prospective commercial property owners, banks, developers, non-profits, etc.;
(c) Applicant must own or be in the process of obtaining ownership at the time of application.

7. Eligible Activities

Cleanup actions associated with removing, mitigating, or preventing the release or threat of a release of a hazardous substance, pollutant or contaminant including:

(a) Preparation of a Community Relations Plan (CRP), Analysis of Brownfields Cleanup Alternatives (ABCA); public meeting to present the ABCA; and preparation of meeting minutes;

~~(a)~~(b) Fences, warning signs or other security or site control precautions;

~~(b)~~ (c) Drainage controls;
(d~~c~~) Stabilization of berms, dikes or impoundments or drainage or closing lagoons;
(e~~d~~) Capping of contaminated soils;
(f~~e~~) Using chemicals and other materials to retard the spread of the release or mitigate its effects;
~~(f)~~ (g) Excavation, consolidation, or removal of ~~highly~~ contaminated soils from drainage or other areas ~~the site~~;
(h~~g~~) Removal of drums, barrels, tanks, or other bulk containers that contain or may contain hazardous substances, pollutants or contaminants;
(i~~h~~) Containment, treatment, disposal, or incineration of hazardous materials;

(j~~i~~) Provision of alternative water supply where necessary immediately to reduce exposure to contaminated household water~~;~~
(k~~j~~) Site monitoring activities, including sampling and analysis, that are necessary during the cleanup process, including determination of effectiveness of a cleanup; and
(l~~k~~) Costs associated with meeting public participation, worker health and safety, and interagency coordination requirements.
(m) Costs associated with removal activities including demolition and/or site preparation that are part of site cleanup
(n) Environmental Insurance Premiums.

8. Ineligible Activities

(a) Pre-cleanup environmental response activities (i.e.~~, such as~~ site assessment, identification, and characterization); however, the Lead Agency may request EPA approval for limited site assessment on a case-by-case basis when necessary to ensure protection of the environment and public health through cleanup action.

(b) ~~Cleanup of a naturally occurring substance, products that are part of the structure of and result in exposure within residential building or business or community structures (e.g. interior lead-based paint contamination or asbestos which results in indoor exposure), or public or private drinking water supplies that have deteriorated through ordinary use except as determined on a site-by-site basis and approved by the U.S. EPA Headquarters, consistent with CERCLA 104(1)(3) and (4);~~

(c) Monitoring and data collection necessary to apply for, or comply with environmental permits under other f~~F~~ederal and state laws, unless such a permit is required as a component of the cleanup action; and

(d) Development activities that are not removal actions (e.g. construction of a new facility or marketing of property).

(e)Job training unrelated to performing a specific cleanup at a site covered by a loan or subgrant;

(f)To pay for a penalty or fine;

(g)To pay a federal cost share requirement (for example, a cost-share required by another Federal subgrant) unless there is specific statutory authority;

(h)To pay for response costs at a Brownfields site for which the recipient of the subgrant or loan is potentially liable under CERCLA Section 107;

(i)To pay a cost of compliance with any federal law, excluding the cost of compliance with laws applicable for cleanup;

(j)Unallowable costs (e.g. lobbying and fund raising) under applicable OMB Circulars.

9. **Financing Terms:**

The following terms will guide the actions of the ~~Downtown Portland Corporation~~Portland Development Corporation (PDC):

(a) Loan amount for eligible cleanup activities will be limited to the balance of the loan fund, but generally range from a minimum of $150,000 to a maximum of $300,000, and will be negotiated based on project redevelopment needs. Subgrants up to $200,000 each are available for eligible cleanup activities;

(b) Maximum loan term is up to ~~will be~~ 10~~5~~ years, though shorter terms are preferred; The actual term is negotiable on a case-by-case basis, and may include a longer amortization period with a balloon at the end of the designated term. Projects must justify the need for the maximum term.

~~(c)~~ (c) Interest rate will be determined by the ~~Downtown Portland Corporation~~PDC, though Brownfields loans are usually lent at a lower interest rate;

(d) Brownfields site, business assets, outside collateral, and/or personal guaranties may be required as security;

~~(d)~~(e) Environmental indemnification and/or lenders environmental insurance may be required;

(f) Evidence of a cost share of at least 20% of the loan or subgrant amount will be required of all Applicants/Borrowers; In special circumstances, as determined by the PDC, the cost share may be reduced or waived.

(g) Cost share monies will be specifically untilized for eligible cleanup activities;

(h) As applicable, Borrower/Subgrantee will be required to utilize Davis Bacon Wage compliance requirements and provide backup verifying compliance;

(i) Loan/Subgrant drawdown requests with sufficient backup of eligible cleanup activities will be reimbursed at 80% of the request to ensure 20% cost share is met prior to final Drawdown.

(j) ~~Application fee structure shall be determined by the Downtown Portland Corporation;.~~

~~(e)~~(k) ~~Legal fees for drafting loan documents~~.

10. Requests for Amendment to Loan Terms:

A one percent fee will be applied for requests for amendments to loan terms, as well as costs for legal fees and recording fees associated with preparing any additional loan documents/modifications. The one percent fee will be based on the current loan balance at the time of the request. This one percent fee will be applied to those loan amendments which require the PDC Assistant Secretary ~~Commercial Loan Officer~~ to bring the request to the ~~DPC~~ PDC Board of Directors based on substantive changes.

The ~~Commercial Loan Officer~~ PDC Assistant Secretary has the discretion to determine whether requested loan amendments should be brought to the Board or done administratively. If done administratively, the ~~Commercial Loan Officer~~ PDC Assistant Secretary will confer with the Business Programs Manager and the Associate Corporation Counsel ~~the Economic Development Division Director~~ to determine the fee ~~and the fee will then be determined~~ based on hourly rates of pay, as well as recording fees and legal hourly fees.

11. Underwriting Criteria:

Project review will include, but not be limited to, the following factors:

(a) Location of the ~~in a~~ Brownfields site within the City of Portland;
(b) ~~(b)~~ Necessity of loan funds to make the project economically feasible~~ and at the same time has a high potential for economic success~~.
(c) Analysis of credit reports and financial documents as well as budget feasibility analysis provided by the RLF Site Manager ((Qualified Environmental Professional (QEP)) to assess that applicant is not a cleanup and/or business risk.

12. Application Review Criteria

The ~~Downtown Portland Corporation~~PDC, with input and recommendations made by ~~both~~ the Maine Department of Environmental Protection, EPA, City's QEP and the City's Economic Development Department (EDD) ~~Planning and Urban Development Department~~, will review project proposals to determine eligibility and negotiate with applicant(s) to determine the least amount of public resources necessary to make the project(s) feasible.

The loan approval process shall be carried out efficiently and pragmatically to insure loans are approved in a timely manner, cleanup plans are implemented and redevelopment projects are completed on schedule to maximize the community benefit goals of the projects. The actions to be taken are:

(a) The applicant will meet with the City and City's QEP to discuss the project;
(b) Applicant will complete the City's RLF Application and provide supporting documentation for review by the EDD and QEP;
(c) The City's QEP and Maine DEP ~~epartment of Environmental Protection~~ will review~~s~~ the environmental assessments and cleanup plan summary. If the Applicant's ~~Borrower,~~ site cleanup activities and preliminary project costs are eligible~~ under the plan~~, the~~n~~ City's QEP will prepare a summary memo (approval or denial) for review by ~~the~~ the Maine DEP~~epartment of Environmental Protection~~, the EPA and the EDD. ~~prepares an Approval memo signed by both themselves and the Planning and Urban Development Department authorizing the Borrower to prepare a draft Engineering Evaluation Cost Analysis (EE/CA). The Planning and Urban Development Department will then prepare a Community Relations Plan (CRP) and the Downtown Portland Corporation~~
(d) The underwriter will proceed with the review and analysis~~ze~~ of the financial components of the loan application and prepare a report for the PDC with recommended terms and conditions;
~~(a)~~
~~(b)~~(e) The PDC will be presented with the loan report and, b~~B~~ased on an

~~favorable~~ analysis of the financial qualifications of the applicant and the merits of the project, the ~~Downtown Portland Corporation~~ PDC will vote to approve or disapprove of the loan/subgrant request including terms and conditions ~~prepares a loan approval memo~~;

~~(c) Based on the loan approval memo, the Downtown Portland Corporation in cooperation with the Maine Department of Environmental Protection establishes the loan terms and conditions;~~

(f) The EDD will prepare a loan commitment letter for the Applicant/Borrower , including terms and conditions.

(g) Once the commitment letter is fully executed,

1. The Applicant/Borrower and their QEP will prepare a Draft Community Relations Plan (CRP) and Draft Analysis of Brownfields Cleanup Alternatives (ABCA). The Draft CRP and Draft ABCA will be submitted to the Maine DEP and EPA for approval and comment. Upon comment receipt and incorporation, the draft ABCA will be presented at a public hearing and will be subject to a 30-day public comment period;

2. The City attorney will draft loan documents which will include but not be limited to the loan agreement, promissory note, mortgage agreement and any other documentation as necessary.

~~(d) The loan approval memo and loan terms and conditions are preliminarily approved by the Downtown Portland Corporation;~~

~~The Downtown Portland Corporation approves the loan subject to a 30-day public comment period on the draft EE/CA and the completion and acceptance of the EE/CA and CRP by the Planning and Urban Development Department~~EDD;

~~(e)~~

~~(f) The loan documents are prepared (e.g., loan agreement, promissory note, mortgage agreement and other credit enhancement agreements);~~

~~(g) The Maine Department of Environmental Protection and the EPA (at their discretion) review the draft EE/CA;~~

~~(h) The EPA Community Relations Coordinator approves the CRP and the Planning and Urban Development Department implements the CRP which includes a 30-day public comment period on the draft EE/CA;~~

~~(i)~~(h) Based on the CRP, a final draft of the ~~EE/~~ABCA is prepared by the Applicant/Borrower, which incorporates comments received by MaineDEP, EPA and the public. ~~and the Maine Department of Environment Protection prepares a Response Summary of public comments and issues an RLF Decision Document noting the cleanup alternative chosen~~;

~~(j)~~(i) Once the CRP and ABCA has been finalized, ~~Based on the RLF Decision Memo~~, the Applicant/Borrower prepares a Scope of Work for the cleanup activities, including a detailed budget and work schedule, a Health and Safety Plan, and a Quality Assurance Project Plan (the QAPP will need to be reviewed by Maine DEP and EPA, prior to finalization); and

~~(k)~~(j) The loan agreement, promissory note, mortgage agreement, and any other ~~credit enhancement agreements~~ loan documents ~~-~~are signed. Any loan fees are paid.

The City will request the following information from the Applicant to make the loan or subgrant ~~this~~ determination:

Applicant Information

(a) Applicant Overview: name, location, principal owners/stockholders, type of business and products or services, date established;
(b) Financial Overview: historical financial statements for the past three years, most recent quarter and copies of appropriate IRS Tax Returns;
(c) Management Overview: resumes of principals; and
(d) Credit References: financial institutions and other creditors.

Site Conditions

(a) Environmental assessments (e.g., Phase I and II~~)~~ in accordance with American Society for Testing and Materials (ASTM) Standards);
(b) Information regarding the status of the Applicant/~~borrower~~ as a potentially responsible party at the site;
(c) Information on environmental compliance history;
(d) ~~Provide~~ ~~I~~information on whether or not the Applicant is currently or ever has been subject to any penalties resulting from environmental non-compliance at the site;
(e) ~~Provide~~ ~~I~~information on whether or not the Applicant is a generator or transporter of contamination at the site; and
(f) ~~Provide~~ ~~I~~information on whether or not the Applicant falls under a statutory exemption from liability; or that the EPA could use its

enforcement discretion and not pursue the party as a responsible party under CERLA if the Applicant is currently the owner/operator of the site.

Cleanup Plan

Cleanup Plan Summary: cleanup plan including a technical description of work to be done, eligible cleanup activities and costs estimates for cleanup and project redevelopment. Cleanup Plan should also document other funding sources for cleanup and eligible activities to be utilized for cost share.

Redevelopment Plan

(a) Financing Project: a description of the cleanup project and the reuse plan;
(b) Business Plan: a description of the business goals, strategies and action plans; and
(c) Financial Plan: pro-forma financial statements which demonstrates the economic viability of the project and identifies the sources of repayment for the loan.

Community Benefits

- Employment Impact: number of current and new jobs, wage levels and job training anticipated to be generated from the cleanup and redevelopment of the site.

- Investment Impact: Serves as an incentive for investment in Brownfields areas.

- Housing Units: Available for the creation of Housing Units located in Brownfields areas.

Portland Development Corporation
Preliminary Draft Operating
Report FY17
For Month Ending
1/31/2017

Operating transfer from EDF	**28,522**

Total Funds Available	**28,522**

FY17 Expenditures	Budget	Current Month	Year to Date	Percent of Budget	Balance
Administrative Services	575		194	33.7%	381
Postage	300	28	94	31.2%	206
Travel, Training, Meetings	4,000		2,699	67.5%	1,301
Contractual Services	10,500		1,096	10.4%	9,404
Operating Transfer to Fin.	9,647	9,647	9,647	100.0%	0
Advertising	2,000		1,300	65.0%	700
Auto Expense Reimb.	100		0	0.0%	100
Printing & Binding	650		537	82.6%	113
Office Supplies	750		363	48.4%	387
Total FY17 Expenditures	**28,522**	**9,675**	**15,930**	**55.8%**	**12,592**

Expenditures this month:	
Postage	General Courier Services
Operating Transfer to Finance	Annual Transfer for Finance Department's Assistance

Downtown Portland Corporation
Schedule of Loans Receivable
For the Month Ending January 31, 2017

Cust #	Ln #	Account No. & Name	Date of Loan	Maturity Date	----Committed/Disbursed Funds----- Original Loan	Not Yet Disb.	Total Disb .	Outstanding Princ. Bal.
		Portland Business Fund 271 (UDAG/Unrestricted):						
7065	1545	Injac Properties, Inc.	6/10/2016	7/1/2021	122,500	0	122,500	$105,611
7158	1561	Forefront Brick South, LLC	11/18/2016	12/1/2026	100,000	0	100,000	$99,531
		Sub-Total PBF (UDAG)						**$205,142**
		Portland Business Fund 272 (Restricted - CIP):						
3763	955	Eastman Industries	4/19/2012	4/6/2017	34,800	0	34,800	$29,208
7124	1554	Creative Portland	10/11/2016	11/1/2023	25,000	0	25,000	$24,456
6502	1436	Portland Food Cooperative	6/4/2014	10/1/2021	130,000	0	130,000	$104,132
		Sub-Total PBF (Bonds/CIP Restricted)						**$157,795**
		Portland Micro Capital Fund 271 (UDAG/Unrestricted):						
5708	1438	Veranda Asian Market LLC	4/19/2012	4/1/2017	50,000	0	50,000	$7,608
5837	1341	Back Bay Skate	9/10/2012	9/1/2017	12,500	0	12,500	$2,379
6113	1379	EcoHome Studio, LLC	4/11/2013	4/1/2018	15,000	0	15,000	$4,067
6120	1380	Portland Trading Co. LLC	4/26/2013	8/1/2018	15,000	0	15,000	$13,436
6302	1411	Pachanga, LLC	11/6/2013	12/1/2016	14,000	0	14,000	$881
6501	1435	Sur Lie Wine Bar, LLC	5/2/2014	9/1/2021	37,335	0	37,335	$26,525
6635	1464	Damiak's Bakery, LLC	10/16/2014	11/1/2019	25,000	0	25,000	$14,990
7092	1547	Vin Bar, LLC	7/26/2016	9/2/2021	50,000	0	50,000	$46,146
		Sub-Total Micro Capital Fund						**$116,031**
		Portland Business Fund Fund 274 (CIP/Unrestricted):						
6597	1458	Back Cove School	8/29/2014	9/1/2019	55,000	0	55,000	$39,901
6786	1487	RAIN Management, LLC	4/16/2015	7/1/2020	60,000	0	60,000	$53,509
6828	1505	Poplar & Co., LLC	6/5/2015	10/1/2022	37,500	0	37,500	$31,920
6868	1512	Billdotcom, LLC	8/29/2015	9/1/2022	102,500	0	102,500	$98,694
7091	1546	Skunk Ape, LLC	7/21/2016	8/1/2023	75,000	0	75,000	$71,515
		Sub-Total PBF (Bonds/CIP Unrestricted)						**$295,539**
		Creative Economy Fund 271 (UDAG/Unrestricted):						
5615	1308	Studio Management Corp.	1/20/2012	2/1/2017	26,000	0	26,000	$3,949
		Sub-Total Creative Economy Fund						**$3,949**
		FAME Fund 277:						
5862	1351	Peaks Island Fuel	10/1/2012	10/1/2017	61,000	0	61,000	$51,213
3763	956	Eastman Industries	4/19/2012	4/6/2017	34,800	0	34,800	$29,208
6531	1450	North Atlantic, Inc.	6/23/2014	1/1/2020	75,000	0	75,000	$38,393
6598	1459	Browne Trading CO.	9/3/2014	10/1/2019	83,333	0	83,333	$49,369
6692	1475	Maine & Loire LLC	12/30/2014	1/1/2020	45,000	0	45,000	$27,866
6784	1485	SB & LC Properties, LLC	4/6/2015	5/1/2020	101,200	0	101,200	$97,140
6485	1429	Evo Rock & Fitness Portland	4/14/2014	11/1/2024	132,954	0	132,954	$109,955
6973	1524	Auto-Care, LLC	2/5/2016	3/1/2021	32,500	0	32,500	$30,674
7029	1533	BayCycle	5/13/2016	9/1/2023	20,000	0	20,000	$18,999
7103	1548	Cakeworks, Inc.	8/5/2016	9/1/2022	62,500	0	62,500	$59,757
7176	1565	Adele Masengo Designs, Inc.	1/6/2017	2/1/2022	15,000		15,000	$15,000
7157	1560	Forefront Brick South, LLC	11/18/2016	12/1/2026	250,000	0	250,000	$248,827
		Sub-Total FAME Fund						**$776,402**
		FAME SSBCI 279:						
5836	1340	251 Woodford Street LLC	8/31/2012	9/1/2017	165,000	0	165,000	$128,999
5748	1327	Fermentation & Distillation	4/25/2012	10/1/2017	165,000	0	165,000	$32,861
6199	1390	Inn at Diamond Cove LLC	7/10/2013	7/1/2018	200,000	0	200,000	$170,788
6867	1511	Billdotcom, LLC	8/19/2015	9/1/2022	92,500	0	92,500	$89,065
		Sub-Total FAME SSBCI						**$421,713**
		Real Estate Investment Fund 271(UDAG/Unrestricted):						
6104	1378	McCuda, LLC	4/19/2013	4/1/2018	200,000	0	200,000	$174,510
		Sub-Total RE Invest						**$174,510**
		Brownfields Loan Fund 278						
6555	1457	Forefront Partners, LP	7/30/2014	2/1/2020	200,000	0	200,000	$165,406
		Sub-Total Brownfields						**$165,406**
		Grand Total Loans				**0**	**2,922,922**	**$2,316,486**
		Allowance for uncollectable loans at 15%						$347,473
		Total with Allowance for uncollectable loans:						**$1,969,013**

PORTLAND DEVELOPMENT CORPORATION
DELINQUENCY REPORT
MONTH ENDING JANUARY 31, 2017

2/10/2017

Loan	Payment Past Due	# of Payments	# of Days Past Due[1]	Outstanding Principal Balance	# of Times Past Due In Last 12 Reports (excluding present mo.)
AutoCare, LLC	$349	1	31	$30,675	1
Back Bay Skate	$478	1	62	$2,379	12
Back Cove School	$970	1.25	62	$41,781	12
Cakeworks, Inc.	$1,036	1	18	$59,797	0
Eastman Industries[2]	$9,345	21	631	$18,578	12
Eastman Industries[2]	$9,345	21	631	$18,578	12
EcoHome Studios	$283	1	27	$4,067	3
Pachanga	$421	1	31	$881	5
Portland Trading Co.	$6,957	24	731	$13,436	12
SB & LC[3]	$725	1	31	$97,140	7
Studio Management Corp.	$2,962	6	184	$3,949	12
Veranda Asian Market[4]	$955	1	31	$6,694	12
TOTALS:	**$33,826**			**$297,955**	

[1]Reflects number of days after 1st of month due date. Also, this report lists only loans that have not paid by the 15th of each month.
[2]Paid past due balance ($9,345) on each loan on 1/20/17 with payment of $12,684 on each loan.
[3]Paid January on February 8th.
[4]Paid January on February 7th.

Portland Development Corporation
Preliminary Cash Management Report
1/31/2017

	CIP		UDAG	FAME	FAME	Brown-		Year-to-Date Principal/Interest					
			271		SSBCI	field		CIP		UDAG			
	272	274	(Unrestricted)	277	279	278							
	Restricted	Unrestricted	Loans/Grants			(PET)	TOTAL	Restricted	Unrestricted	Unrestricted	FAME	SSBCI	Brnfld
Cash Bal. Beginning of Reporting Mo.	**242,344**	**56,579**	**463,206**	**303,410**	**511,689**	**336,947**	**1,914,175**						
Plus:													
Principal payments received	11,940	3,433	8,829	16,489	5,353	1,543		30,589	14,333	45,189	45,599	36,428	8,870
Interest payments received from loans	2,380	1,312	2,323	5,612	1,843	435		5,387	9,624	13,392	19,944	12,621	2,996
Interest Income					131	86						875	588
Other Income/Adjustments			(234)										
Pass Through From FAME/SSCBI				15,000									
Sub-Total Cash Available	**256,664**	**61,324**	**474,124**	**340,511**	**519,016**	**339,011**	**1,990,650**	**35,976**	**23,957**	**58,581**	**65,543**	**49,924**	**12,454**
Less:													
FAME Annual Admin. Fee; Invoices				(8,047)	(6,169)								
Disbursements - Loans/PDAP Grants				(15,000)									
Sub-Total Cash Available:	**256,664**	**61,324**	**474,124**	**317,464**	**512,847**	**339,011**	**1,961,433**						
Less Reserves for:													
Beautification Program (EC0301)			(72,000)										
PEDPIP Fund Commitments thru FY16			(61,191)										
PEDPIP Fund FY17 Reserve (capped at			(48,331)										
Portland Dev. Action Grant (EC0302)			(68,287)										
Transfers not yet recorded (UDAG Int)			(13,392)										
BAP Grants													
Used for Administration													
Total Ending Loan/Grant Cash Bal.	**256,664**	**61,324**	**210,923**	**317,464**	**512,847**	**339,011**	**1,698,232**						

DAG Cmtmts:	**68,287**	**(DAG Bal.)**
Cow Plaza/Hyat	(25,000)	
Balance:	**43,287**	

Bal. of Unrestricted/Uncommitted Funds ao 7/1/16:		**483,308**
PEDPIP Cap for FY17 (ao 7/1/2016) at 10% of above:		**48,331**
PEDPIP Commitments for FY17 to date:	37,500	**10,831**

Business Assistance Grant Program for Job Creation - FY2015/2016			
Prior Round Funds Available:	**$5,000**	**Admin:**	**$713**
FY2016 Grant Funding Available:	**$100,000**		
		Date	**Jobs**
Grantee/Grant Approved	**Grant Amount**	**Approved**	**Funded**
Forq Food Lab	$10,000	12/17/2015	1
Auto-Care LLC	$10,000	4/21/2016	1
Swallowtail Farm	$20,000	4/21/2016	2
Buoy Local	$10,000	5/19/2016	1
VinBar, LLC	$20,000	5/19/2016	2
Bella Maine, LLC	$20,000	5/19/2016	2
Cakeworks, Inc.	$10,000	6/16/2016 and 8/11/2016	1
Union Bagel Co.	$10,000	6/16/2016	1
Buoy Local - Not Using Grant	($10,000)		-1
Adele Masengo Designa, Inc.	$5,000	12/15/2016	1
Balance of Funds Available:	**$0**	**Total Jobs:**	**11**

Portland Economic Development Implementation Program			
FY2017 Grant Funding Available:	**$48,331**		
Grantee Approved	**Grant Amount**	**Date Approved**	**Project**
Portland Downtown	$15,000	10/20/2016	Parking Study
ME Convention Center Collaborative	$10,000	10/20/2016	Convention Center Feas. Study
ME Center for Entrepreneurial Dev.	$7,500	10/20/2016	E*Next Pilot Project
Portland Buy Local	$2,500	10/20/2016	Community Forum to Strength Local Businesses
Portland Downtown	$2,500	10/20/2016	Walking Tour Guide
Total Approved:	**$37,500**		
Balance of Funds Available:	**$10,831**		

(2/10/2017)