PORTLAND DEVELOPMENT CORPORATION
Board Meeting

DATE: Thursday, December 15, 2022
TIME: 4:00 PM
LOCATION: VIA ZOOM LINK BELOW

Please click the link below to join the webinar:
https://portlandmaine-gov.zoom.us/j/81777010650?pwd=RmJKeGdaTDJVc251dDJJMjRCSWNzdz09
Passcode: 729562
Or One tap mobile :
US: +13017158592,,81777010650#,,,,*729562# or +13052241968,,81777010650#,,,,*729562#
Or Telephone:
Dial(for higher quality, dial a number based on your current location):
US: +1 301 715 8592 or +1 305 224 1968 or +1 309 205 3325 or +1 312 626 6799 or +1 646 931 3860 or +1 929 205 6099 or +1 564 217 2000 or +1 669 444 9171 or +1 669 900 6833 or +1 689 278 1000 or +1 719 359 4580 or +1 253 205 0468 or +1 253 215 8782 or +1 346 248 7799 or +1 360 209 5623 or +1 386 347 5053 or +1 507 473 4847
Webinar ID: 817 7701 0650
Passcode: 729562
International numbers available: https://portlandmaine-gov.zoom.us/u/kCvmUrft

AGENDA

1. President's comments

2. Review and accept Minutes of August 18, 2022, Board meeting.

   a. See attached draft meeting Minutes.

3. Review and vote on new loan application for Friends and Family, Inc., 593 Congress Street.

a. See confidential Memo and backup.

Executive Session: Pursuant to 1 M.R.S.A. 405(6)(F) and 5 M.R.S.A. 13119—A, the Board will go into executive session to discuss proprietary information regarding the above loan application. After the executive session, the Board will vote in public session.

4. Treasurer's Report - November 2022

a. See attached Report, including:

Monthly Administrative Budget Report
Cash Management Report
Schedule of Loans Receivable
Confidential 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 in the Report.

5. Annual Meeting of Board

a. Election of Officers - President, Treasurer, Secretary
Review of draft Annual Report for FYE2022 and vote to forward to Corporator as a communication.
Vote to set the date for the Annual Meeting of Corporator as January 4, 2023.
Any other business that may come before the Board.

6. Other Items to be discussed/brought up by Board Directors and/or staff.

7. Next regular meeting date: January 19, 2023.

Minutes
Portland Development Corporation
Remote Zoom Meeting
Held on August 18, 2022

A remote meeting, via Zoom, of the Portland Development Corporation (PDC) Board of Directors was held at 4:00 p.m. on Thursday, August 18, 2022. Present from the Board were Directors James Dowd, Blaine Grimes, Jeff Hicklin, Thomas Mitchell, Kristen Van Soest, and Beverly Werber. Directors who could not attend included Krista Cole, Eamonn Dundon, Councilor April Fournier, Board President Julie Viola, and Danielle West. Present from the City staff were Interim Housing and Economic Development Director Mary Davis, Associate Corporation Counsels Michael Goldman and Amy McNally, and Principal Adm. Officer Lori Paulette. Also present was loan underwriter Matthew Buonopane.

Item #1: Presidents Comments

In President Viola's absence, Board Treasurer Blaine Grimes chaired the meeting.

Mr. Goldman noted that newly-appointed Associate Corporation Counsel Amy McNally will be taking over PDC Board responsibility and introductions were then made.

Item #2: Review and vote on draft meeting Minutes for Board meeting held on August 4, 2022.

Mr. Dowd noted that the Minutes had him as Board Treasurer, when it should have been Board Secretary; Ms. Paulette said she would make that correction. On motion made by Ms. Werber, seconded by Mr. Hicklin, the Board voted 4-0-2 (Grimes and Van Soest abstained) to accept the Minutes as corrected.

Item #3: Review and vote on Brownfield Assessment Grant application from Portland Housing Development Corporation (PHDC) for up to $20,800 (Fund 278) for Phase II of its Front Street Development Project.

Ms. Davis noted that Jay Waterman from PHDC was in attendance for any brief presentation and questions. She then noted that the Board is familiar with the Front Street Affordable Housing Project in that it approved Brownfield cleanup assessment grants for Phase I and Phase II of the Front Street project. Ms. Davis also noted that the Board authorized staff to review and approve grant assessments from Fund 281, originally funded at $250,000 by the USEPA. Since that fund is getting lower in funds, staff is recommending that the current request be approved and come from Brownfield Closeout Funds (Fund 278), which needs the Board's authorization.

Mr. Waterman thanked the Board for their time and noted that this project has been ongoing for the past five years. He then described the phased project, which will result in 105 rental units of affordable housing for family/general population, seniors aged 55+ and disabled persons, as well as the current phase which will include 8 units of affordable homeownership units. The entire project has received Planning Board approval.

Mr. Mitchell asked about financing for the project, and Mr. Waterman indicated that the Phase III is not fully designed yet. In any event, PHDC uses local community banks and Maine State Housing for funding their projects.

On motion made by Mr. Dowd, seconded by Ms. Van Soest, the Board voted 6-0 to approve this Brownfield Assessment Grant of up to $20,800.

Item #4: Review and vote on request for modification of security/guaranty for loan made to Healthworx Properties LLC on December 10, 2021, for $126,000.

<u>Executive Session: Pursuant to 1 M.R.S.A. 405(6)(F) and 5 M.R.S.A. 13119—A, the Board will go into executive session to discuss proprietary information regarding the above loan amendment request. After the executive session, the Board will vote in public session.</u>

Ms. Paulette said that this is an item for executive session and then to vote in public.

On motion made by Mr. Hicklin, seconded by Ms. Werber, the Board vote 6-0 at approximately 4:17 p.m. 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 proprietary information regarding the above loan amendment request. At approximately 4:55, the Board came out of executive session.

On motion made by Mr. Hicklin, seconded by Ms. Werber the Board vote 6-0 to approve the borrower's request to terminate the Corporate Guaranty of Healthworx, LLC, provided that the borrower agrees to an amendment of the Promissory Note and other documents to reflect an amortization schedule equal to the remaining term of the Note.

On motion then made by Mr. Dowd, seconded by Ms. Van Soest, the Board voted 6-0 to adjourn the meeting at approximately 4:57 p.m.

Respectfully, Lori Paulette

Portland Development Corporation
Preliminary Draft Operating
Report FY2023
For Month Ending
11/30/2022

Operating transfer from EDF	**28,522**

Total Funds Available	**28,522**

FY2023 Expenditures	**Budget**	**Current Month**	**Year to Date**	**Percent of Budget**	**Balance**
Administrative Services	575	75	106	18.4%	469
Postage	300	0	0	0.0%	300
Travel, Training, Meetings	4,000	0	0	0.0%	4,000
Contractual Services	10,500	0	840	8.0%	9,660
Operating Transfer to Fin.	9,647	0	0	0.0%	9,647
Advertising	2,000	0	0	0.0%	2,000
Auto Expense Reimb.	100	0	0	0.0%	100
Printing & Binding	650	0	0	0.0%	650
Office Supplies	750	0	0	0.0%	750
Total FY2023 Expenditures	**28,522**	**75**	**946**	**3.3%**	**27,576**

CASH MANAGEMENT REPORT

November 30, 2022 - Preliminary and Subject to Change

			UDAG	FAME	FAME	Brown-	Brown-	Brown-	
	CIP		271		**SSBCI**	**field 1**	**field 2**	**field 3**	
	272	274	**(Unrestricted)**	277	279	278-Closeout	280-RLF	281-Assess	
	Restricted	**Unrestricted**	**Loans/Grants**						**TOTAL**
Cash Bal. Beginning of Reporting Mo.	**356,986**	**177,504**	**591,407**	**778,169**	**609,742**	**476,540**	**779,716**	**5,371**	**3,775,435**
Plus:									
Principal payments received	1,233	2,555	1,863	10,776	1,831		1,246		
Interest payments received from loans	84		252	1,270	1,034		784		
Interest Income									
Other Income/Adjustments									
Pass Through From FAME/SSCBI/EPA									
Sub-Total Cash Available	**358,302**	**180,059**	**593,523**	**790,215**	**612,607**	**476,540**	**781,746**	**5,371**	**3,798,362**
Less:									
FAME Annual Admin. Fee; Invoices						(6,475)			
Disbursements - Loans/Grants				(65,000)					
Sub-Total Cash Available:	**358,302**	**180,059**	**593,523**	**725,215**	**612,607**	**470,065**	**781,746**	**5,371**	**3,726,887**
Less Reserves for:									
Beautification Program (EC0301)			(72,000)						
PEDPIP Fund Commitments thru FY16			(32,767)						
PEDPIP Fund FY18 Commitment			(12,924)						
PEDPIP Fund FY19 Commitment			(15,000)						
Transfers not yet recorded (UDAG Int)			(2,733)						
Fund 278 Reserve for Commitments						-164,325	(650,000)		
Fund 280 Reserve for Administration							(37,715)	-500	
Total Ending Loan/Grant Cash Bal.	**358,302**	**180,059**	**458,098**	**725,215**	**612,607**	**305,740**	**94,031**	**4,871**	**2,738,922**

	Year-to-Date						
	Principal/Interest						
	CIP		**UDAG**			278	280
	Restric.	**Unrestric.**	**Unrestric.**	**FAME**	**SSBCI**	**Brnfld 1**	**Brnfld 2**
	272	274	271	277	279	278	280
Cash Bal. Beginning of Reporting Mo.							
Plus:							
Principal payments received	4,813	16,915	9,772	36,703	9,463	6,684	5,771
Interest payments received from loans	452	1,315	2,733	10,013	7,700	494	4,805
Interest Income					0	5	9
Other Income/Adjustments							
Pass Through From FAME/SSCBI/EPA							
Sub-Total Cash Available	**5,264**	**18,230**	**12,506**	**46,716**	**17,163**	**7,183**	**10,585**

Downtown Portland Corporation
For the Month Ending November 30, 2022

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):						
7566	1683	Rosemont Market, Inc.	8/8/2019	9/1/2022	$150,000	0	$150,000	$101,013
7158	1561	Forefront Brick South, LLC	11/18/2016	12/1/2026	$100,000	$0	$100,000	$53,554
		Sub-Total PBF (UDAG)						**$154,566**
		Portland Business Fund 272 (Restricted - CIP):						
6502	1436	Portland Food Cooperative	6/4/2014	10/1/2021	$130,000	$0	$130,000	$30,552
		Sub-Total PBF (Bonds/CIP Restricted)						**$30,552**
		Portland Micro Capital Fund 271 (UDAG/Unrestricted):						
5837	1341	Back Bay Skate	9/10/2012	9/1/2017	$12,500	$0	$12,500	$519
6120	1380	Portland Trading Co. LLC	4/26/2013	8/1/2018	$15,000	$0	$15,000	$8,804
7092	1696	Vin Bar, LLC	7/26/2016	9/2/2021	$50,000	$0	$50,000	$7,254
								$16,577
		Sub-Total Micro Capital Fund						
		Portland Business Fund Fund 274 (CIP/Unrestricted):						
7598	1740	Portland Dry Cleaners (C19 RR)	1/8/2021	6/1/2023	$5,000	$0	$5,000	$833
7599	1741	Union Station Wash/Fold (C19RR)	1/8/2021	6/1/2023	$5,000	$0	$5,000	$833
7479	1790	On Time Transportation	3/26/2018	4/1/2023	$10,000	$0	$10,000	$1,404
7604	1749	Sailing Ships Portland (C19RR)	1/28/2021	6/1/2023	$5,000	$0	$5,000	$833
7605	1750	UNO 2,3 Daycare, LLC (C19RR)	3/24/2021	3/1/2023	$5,000	$0	$5,000	$1,667
7610	1754	Shangri-La Sichuan Cuisine	5/12/2021	4/1/2023	$5,000	$0	$5,000	$1,390
7625	1777	Emerson, James (C19RR[Brick Trust])	5/21/2021	6/1/2023	$10,000	$0	$10,000	$10,000
7611	1762	Dos Naciones LLC	3/3/2021	3/1/2023	$5,000	$0	$5,000	$5,000
7633	1762	Sai Deep LLC/Back Bay Superette	1/5/2022	1/1/2024	$5,000	$0	$5,000	$5,000
7634	1797	Rankin WA, LLC	2/28/2022	2/1/2024	$5,000	$0	$5,000	$5,000
7554	1695	Quattrucci & Rouda, LLC	3/19/2019	4/1/2029	$100,000	$0	$100,000	$71,022
		Sub-Total PBF (Bonds/CIP Unrestricted)						**$102,983**
		FAME Fund 277:						
6973	1524	Auto-Care, LLC	2/5/2016	3/1/2021	$32,500	$0	$32,500	$19,276
7029	1533	BayCycle	5/13/2016	9/1/2023	$20,000	$0	$20,000	$3,550
7157	1791	Forefront Brick South, LLC	11/18/2016	12/1/2026	$250,000	$0	$250,000	$134,174
6485	1469	Evo Rock & Fitness Portland	4/14/2014	11/1/2024	$132,954	$0	$132,954	$33,429
7532	1692	CAG RE, LLC	8/15/2018	9/1/2023	$50,000	$0	$50,000	$12,752
7553	1661	Maine Family Services	2/8/2019	3/1/2024	$25,000	$0	$25,000	$8,077
7561	1691	Calendar Sailing Company	5/2/2019	6/1/2024	$50,000	$0	$50,000	$38,573
7562	1675	Gallery Acquisition Co. Inc.	5/16/2019	6/1/2026	$75,000	$0	$75,000	$44,631
7565	1682	Zootility Co.	8/7/2019	9/1/2024	$150,000	$0	$150,000	$128,454
7627	1782	Healthworx Properties, LLC	12/10/2021	1/1/2027	$126,000	$0	$126,000	$120,293
TBD	TBD	Gulf of Sashimi	10/19/2022	11/1/2027	$65,000	$0	$165,000	$65,000
		Sub-Total FAME Fund						**$608,208**
		FAME SSBCI 279:						
7580	1715	Biodiversity Research Institute	3/26/2021	4/1/2026	$200,000	$0	$200,000	$189,525
7600	1742	Driscoll Child Dev. Center	5/5/2021	6/1/2026	$60,000	$0	$60,000	$50,063
7601	1743	Flores Restaurant LLC	6/9/2021	7/1/2026	$38,000	$0	$38,000	$34,183
7614	1766	Wynsum, LLC	11/5/2021	12/1/2026	$131,250	$0	$131,250	$131,129
7626	1781	688 Forest Ave., LLC	12/21/2021	1/1/2027	$168,000	$0	$168,000	$166,298
		Sub-Total FAME SSBCI						**$571,198**
		Brownfields Loan Fund 278 and 280						
6555	1457	Forefront Partners, LP/Fund 278	7/30/2014	2/1/2025	$200,000	$0	$200,000	$51,275
7613	1765	Forefront Partners I, LP/Fund 280	4/12/2018	1/1/2032	$350,000	$0	$350,000	$339,425
		Sub-Total Brownfields						**$390,700**
		Grand Total Loans				**$0**	**$2,841,204**	**$1,874,784**
		Allowance for uncollectable loans at 15%						$281,218
		Total with Allowance for uncollectable loans:						**$1,593,567**

Portland Development Corporation

Board of Directors

Fiscal Year End 2022 Annual Report

The Housing and Economic Development Department provides the primary staff support to the Portland Development Corporation (PDC) Board of Directors, with legal assistance from Corporation Counsel. The Department is also responsible for marketing and administration of the PDC's Commercial Loan and Grant Programs.

The PDC Board of Directors met remotely via Zoom ten times over the course of the fiscal year; this year, as well as in FY2021, it did not have its Annual Business Awards Reception due to the COVID-19 Pandemic.

In response to the COVID-19 Pandemic in late FY2020, the PDC created three programs to assist businesses, which guidelines were approved by the City Council in May and June 2020. The programs included the COVID-19 Rapid Response Micro Loan Program, the COVID-19 Microenterprise Grant Program, and the COVID-19 BAP Rehire Grant Program. These programs are detailed later in this Report.

During FY2022, the PDC invested $1,485,250 in 86 businesses. This includes 3 commercial loans totaling $425,250; a Brownfield Loan of $200,000; a Brownfield Grant of $200,000; 5 COVID-19 loans totaling $40,000; 5 COVID-19 Microenterprise Grants totaling $17,500; 51 COVID-19 ARPA Microenterprise Grants totaling $272,500; and 20 Business Assistance Grants for Job Creation totaling $330,000.

See the table on the following page for loan and grant activity for FY2018 through FY2022.

	FY18	FY19	FY2020	FY2021	FY2022
No. of Commercial Loans Made	6	6	5	3	3
Total Amt. of Funds Lent	$405,000	$320,000	$434,000	$298,000	$425,250
Total Private Investment Leveraged	$5,112,884 (inc. Brownfield Loan Leveraging)	$1,882,700	$1,423,475	2,206,000	$4,280,759 (inc. Brownfield Loan/Grant Leveraging)
Jobs Created	14	21	2	8	4
Jobs Retained	62	7	125	40	6
No. of Brownfield Grants/Loans	2	1	1	2	1 Loan and 1 Grant Not Closed as FYE2022
Total Amt. of Grants/Loans	$350,000/Loan; $170,000/Grant	$125,000	$125,000	$250,000/Loan $150,000/Grant	$200,000/Loan $200,000/Grant
No. of Business Assistance Grants for Job Creation	7	9	13	0	20
Total Amt. of Grants	$130,000	$140,000	$200,000	0	$330,000
Jobs Created	12	14	20	0	33
COVID-19 Rapid Response Micro Loans			1 for $10,000	16 for $141,500	5 for $40,000
COVID-19 Microenterprise Grants			4 @ $2,500 each or $10,000 total	66 for $230,000	5 for $17,500
COVID-19 ARPA Microenterprise Grants					51 for $272,500
COVID-19 Business Assistance Grants for Job Creation				2 for $12,500	Discontinued
PDC Total Investment	**$1,062,900**	**$615,000**	**$779,000**	**$1,082,000**	**$1,485,250**

PDC Fiscal Year 2022 Loan and Grant Detailed Activity

FY2022 Loans Closed, Including COVID-19 Loans

The FY2022 PDC loan portfolio grew with 8 loans closed for a total of $465,250.

Commercial (Non-COVID) Loans: The PDC closed three commercial loans totaling $425,250 which assisted in retaining 6 jobs and creating 4 new jobs. In addition, these loans leveraged over $1.3 Million in private commercial investment for a 3:1 private/public investment ratio; that is for every dollar of public investment there was approximately three dollars of private investment. Types of businesses provided loan assistance included an African supermarket, chiropractic service, and an ice cream parlor.

COVID-19 Loans: The PDC closed 5 COVID-19 Loans for a total of $40,000. Maximum loan amount was $10,000 with $5,000 forgiven if the business met the job rehire conditions. Of the 5 loans, all met the forgiveness for a total of $25,000 forgiven. Leveraging was minimal for these loans due to their nature. Types of businesses assisted included a restaurant, superette, gym, arts, and young men development - “Maine Boys to Men”.

Commercial and COVID-19 Loans: From FY2010 through FY2022, the PDC has extended 101 loans for a total of just under $6.7 Million, while leveraging just under $84 Million in private investment and creating/retaining over 875 jobs.

PDC Loan Portfolio

As of the end of FY2022, the PDC active loan portfolio grew from FY2021 of $2.6 Million with 36 loans to $2.7 Million with 38 loans under management. This loan portfolio of $2.7 Million leverages $63.6 Million in private investment in Portland, for a leverage of $23 of private funds invested to each dollar of public funds invested, a 23:1 ratio. These loans helped to create/retain over 320 jobs, and include a diverse mix of PDC investments in businesses noted above, as well as a paddle boat company on Portland’s waterfront, fitness, retail, recreation, Thompson’s Point, and service businesses. It is also noted that of the 38 loans under management, 11 are to the immigrant community.

As a result of a successful grant application, beginning in 2012, funds from the U.S. Treasury’s State Small Business Credit Initiative (SSBCI) became available to the City as a lending source. To date, the PDC has utilized $922,500 in SSBCI funds for loans to six Portland businesses. Since the SSBCI Program expired in early 2017, all of the loan funds became the City’s, expanding the PDC loan pool by just under $1 million. The City will be applying for additional SSBCI funds during FY2023

PDC Lending History

Since its inception in 1991, the PDC has made 203 loans to diverse businesses including manufacturing (e.g., breweries and biosciences), hospitality, restaurants, retail, child care, sports/fitness, biodiversity research, and service, among others. The following table provides an overall view of the activities:

Total Amount of Funds Lent:	**$12,475,285**
Leveraged Amount of Private Financing:	**$172,746,505**
Jobs Retained:	**1,530**
Jobs Created:	**826**
COVID-19 Loans/Jobs Rehired/Retained:	**78**
18 Loans Defaulted*	**$753,899**

*****Default amount of $753,899 is 6.04% of total amount of funds lent.

COVID-19 Microenterprise Grant Program

CDBG Microenterprise Grant Program: This Grant Program provided grants of up to $5,000 for Portland businesses that operate out of leased commercial space and $2,500 to other Portland microenterprises, including home-based businesses, that have been and/or are being impacted by the COVID 19 crisis. Startups were also eligible given that they were opening during this challenging period.

This Grant Program started towards the end of FY2020, with the PDC Board approving four Grants at $2,500 each.

During FY2021, the PDC Board approved grants for 66 businesses in the total amount of $230,000, and, during FY2022, the PDC Board approved grants for 5 businesses totaling $17,500, at which time funding ran out.

ARPA Microenterprise Grant Program

ARPA Microenterprise Grant Program: This Grant Program, created during FY2022, provided grants of up to $7,500 for Portland businesses that operate out of leased commercial space and $3,500 to other Portland microenterprises, including home-based businesses, that have been and/or are being impacted by the COVID 19 crisis. Startups were also eligible given that they were opening during this challenging period.

If a business applied for a grant under this program, and had been previously approved for either a $5,000 or $2,500 grant under the CDBG Microenterprise Grant Program, the business would be eligible for $2,500 if it previously received $5,000, or $5,000 if it previously received $2,500.

The PDC approved Grants to 51 businesses in the amount of $272,500, at which time the funds were depleted.

COVID-19 Business Assistance Program for Job Creation (Rehire) Grant Program

This Grant Program provides up to $10,000 in grant funding to small businesses for rehiring up to four full-time employees or jobs that were on the payroll just before the COVID-19 crisis. The Program provided a total of $12,500 in grant funds to two businesses during FY2021. Because other COVID-19 programs proved to be more helpful to businesses, this program received very few applications. Consequently, the additional funding for this program was moved to the Microenterprise Grant program which better met the needs of small businesses.

Business Assistance Program for Job Creation – Non COVID-19 Program

The Business Assistance Program for Job Creation offers grants to new and expanding Portland businesses for projects that result in the creation of permanent net new jobs for low/moderate income individuals. A private match is required in an amount that is at least equal to the grant requested. The maximum grant amount per recipient is $20,000. For every $10,000 of grant funds, one full-time permanent job must be created.

This program was originally capitalized with $100,000 from the Community Development Block Grant (CDBG) and launched in May 2012. It was re-capitalized by the CDBG program in FY14 and FY16 with an additional $100,000 each of those years, an additional $108,543 for FY18, $145,000 for FY19, $200,000 for FY2020, and $205,000 for FY2022. Combined with leftover BAP funds from previous allocations, funding for FY2022 totaled $330,000, and the PDC Board approved 20 grants to businesses totaling this amount and associated with creating 33 jobs.

Grants awarded since the Program's inception (FY12 through FY2022) were made to 70 recipients, including over 15 to the immigrant community, resulting in the creation of 150 jobs. The program has provided assistance to a diverse group of start-up and existing businesses including restaurants, bakeries, food production, clothing and textile manufacturers, pharmacy, computer services, music venue, bicycle sales/service, hair salons, auto repair, and home health care services.

Brownfields Grant Award from the United States Department of Environmental Protection (EPA)

The City of Portland applied for a Brownfields Grant from the EPA during FY2016. At the beginning of FY2017, the City was awarded a grant of $800,000 to support loan and grant investments in environmental site cleanup. The City was awarded an additional $500,000 in cleanup funds and $200,000 in assessment funds during FY18. During FY2021, the City applied for additional Brownfield grant funds and received $480,850 in cleanup funds. Most recently, the City was awarded $3,000,000 in cleanup funds during the latter part of FY2022.

The City Council accepted and appropriated these funds to recapitalize the Brownfields Revolving Loan and Grant Program and a Brownfield Assessment Program. The funds are used as loans to for-profit developers, and, in some cases, as grants to non-profits for clean-up of Brownfields sites throughout the City. The assessment funds will cover the cost of Phase I and Phase II Environmental Site Assessments in Portland.

Brownfield actions of FY18, FY19, FY2020, FY2021, and FY2022:

1. In FY2018, a loan of up to $350,000 was approved and provided to Forefront Partners I LP for engineering and clean-up/remediation connected to projects on Thompson's Point. Those projects included the East Loop Road (to the future Children's Museum and Theatre building), a Pavilion, and a Hotel.

2. Again, in FY2018, a $170,000 grant was approved for Children's Museum & Theater of Maine (CMTM), a non-profit organization which purchased a 1.12 acre property (Lot 7) on Thompson's Point. This grant assisted with remediation/cleanp of the site. In this $14 Million project, CMTM constructed a 3-story 29,000 sq. ft. building on that property with outdoor play areas and opened to the public late June 2021.

3. In FY2019, a $125,000 grant was approved for the Portland Housing Authority (PHA) to assist with remediation/cleanup costs for contaminated property at 58 Boyd Street. Once remediated, PHA moved forward with the $13 Million project and developed a six-story, 55-unit mixed income residential building with multi-family affordable apartments (65% low income), which opened November 2020.

4. In FY2019, the PDC recommended to the City Council, and the City Council approved, that Phase I and Phase II Environmental Assessments from the Assessment Fund received from USEPA in 2018 (Fund 281) can now be approved administratively, rather than brought to the PDC Board for approval. If assessments are to use Brownfields Closeout funds (Fund 278), staff will bring these requests to the Board for approval, as it has done in the past.

5. In FY2020, a $125,000 grant was approved for the PHA to assist with cleanup costs for demolishing 50 units of public housing on Front Street (in the East Deering neighborhood) that are the end of their useful life. In their place, 105 units of affordable mixed-income apartments (for those earning less than 60% of Area Median Income) will be constructed with a significant amount of open space for use by residents. Total project costs for both Phase 1 and Phase 2 is estimated at $20.5 Million.

6. In FY2021, a Brownfields remediation/cleanup loan of $250,000 and grant of $150,000 was approved for Youth and Family Outreach for their renovation and construction project at 337 and 331 Cumberland Avenue, in partnership with the Portland Housing Authority. The Project is a mixed income 5-story,

60-unit apartment building, with a 10,000 sq. ft. child care/education facility on the first floor. These loan and grant funds will assist with the remediation/cleanup of hazardous building materials and urban fill type contaminants in the soil, at a total estimated cost of $2 million.

7. In FY2022, a Brownfields remediation/cleanup grant of $200,000 was approved for Portland Housing Authority's second phase of its Front Street project. This phase includes the demolition of 22 units of public housing in eight buildings to be replaced with 45 units in one building for tenants with less than 60% of median income, aged 55+ or disabled. As noted earlier, total project costs for both Phase I and Phase 2 are estimated at $20.5 Million.

8. In FY2022, a Brownfields remediation/cleanup loan of $200,000 was approved for Forefront Partners for Lot 13 on Thompson's Point, the former Suburban Propane/Northern New England Passenger Rail Authority parcels. The end result will be the renovation of an existing 5,300 sq. ft. brick office building and construction of an approximately 450-space parking garage.

Portland Economic Development Plan Implementation Program (PEDPIP) Grant Fund

History:

The PEDPIP Grant Fund was created during FY12 to provide grant funds to invest in economic development projects and programs that carry out Portland's Economic Development Vision and Plan ("Plan"), and its companion Work Plan which is updated every two years. Grants must be matched by an equal or greater dollar amount from funding sources other than the PDC.

The PEDPIP grants have funded planning studies and other "soft" costs associated with economic development projects and programs that advance the initiatives spelled out in the Plan and current Work Plan. PEDPIP does not invest in "hard" costs for public infrastructure or private development projects. Its focus is on expenditures for economic development projects and programs.

The PEDPIP program was initially capitalized by PDC loan funds in the amount of $250,000 in FY12. The maximum grant amount was originally $75,000. By the end of 2014, the full $250,000 had been awarded in PEDPIP grants. During FY2015, the PDC Board recommended to the City Council, and the Council approved, re-capitalizing PEDPIP by establishing a yearly cap at the beginning of each fiscal year using 10% of Unrestricted PDC loan funds that were available/uncommitted, beginning with FY16. They also amended the maximum grant amount to $15,000.

Since its inception through FY19, the PDC Board approved grants in the total amount of $465,245 as follows:

Portland Community Chamber for the following projects:

- "Why Portland" Videos
- Growing Portland Initiative
- Scorecard Updates (2014; 2015)
- Startup and Create Week (2014; 2015)

Creative Portland for the following projects:

- Branding Portland
- LiveWork Website Update
- Creative Economy Metrics
- Artspace Survey
- Creative Map and Guide
- Creative Space (inventory, web-based clearing house, resource guides)
- UNESCO Creative Cities Application
- Work in Place Summit
- Green Light Series Finale
- Update to Portland Cultural Plan
- Hire Professional "Experience Design" Consultant/Cultural Application

Portland Performing Arts Festival

City of Portland - Staff participation in the Maine International Trade Center Mission to Iceland and UK

City of Portland/Portland Community Chamber – Industry Sector Research Conducted by the Maine Center for Business and Economic Research

City of Portland – Greater Portland Economic Development Corporation/ Maine International Trade Center/Invest in Maine Program

City of Portland – Office of Economic Opportunity for the following projects:

– Develop Strategies and Measurable Plan to Integrate Immigrants

– Create Professional Connector Program/Jobs for New Mainers

World Affairs Council for its Celebrate Immigration Initiative

Cooperative Development Institute – Institutional Food Service and Procurement

Maine Center for Enterprise Development for the following projects:

– Top Gun Overhaul and Preflight

– E*Next Pilot Project

Maine Convention Center Collaborative/Portland Community Chamber – Feasibility Study for Convention Center

Portland Buy Local – Host Community Forum to Strengthen Portland's Economy

Portland Downtown for the following projects:

– Parking Study

– Walking Tour

Maine College of Art – Campus Master Plan

GPCOG – Portland Food Launch and Festival

Women United Around the World – Vocational Training Program for Immigrant Women

Maine Immigrant Rights Coalition – Create Database/Immigrant Economic

Opportunity Network

Maine Crafts Association – Gallery at 519 Congress Street for Maine Craft Artists, and a Hub for Education, and Culture
Portland Adult Education – New Mainers Resource Center Education Assistance

PEDPIP Program Discontinued in FY2020

The PDC Board recommended to the City Council discontinuation of this Program because, having been in existence for over 7 years, it produced what it had intended – to help facilitate the implementation of the primary objectives of the August 2011 Vision and Plan to stimulate private sector investment and growth. The Council voted to discontinue the program at its September 16, 2019, meeting.

PDC Annual Awards Program

Due to the continued Pandemic, the Annual Awards Program was again canceled during FY2022.

Summary

The PDC looks forward to continuing to assist in providing and leveraging investment in Portland area businesses and development projects. With grant programs, its loan portfolio growing, and loan funds available to invest, the PDC would like to thank the City Council for its continued support.

PDC Board of Directors:
Tim Agnew
Councilor Tae Chong
Krista Cole
James Dowd, Secretary
Eamonn Dundon
Blaine Grimes, Treasurer
Jeffery Hicklin
Kierston Van Soest
Julie Viola, President
Beverly Werber
Danielle West, Interim City Manager

PDC Staff:
Mary Davis, Interim Housing and Economic Development Director
Nelle Hanig, Business Programs Manager
Lori Paulette, Principal Adm. Officer
Michael Goldman, Associate Corporation Counsel

PORTLAND DEVELOPMENT CORPORATION
Statement of Net Position
June 30, 2022

(Preliminary and Subject to Audit)

Assets		
Cash		$ 3,019,141
Accounts receivable		4,154
Loans receivable	$ 1,901,730	
Allowance for uncollectible loans	(254,800)	1,646,930
Total assets		$ 4,670,225
Liabilities and Fund Equity		
Liabilities:		
Accounts payable	$ 7,406	
Total liabilities		$ 7,406
Fund equity:		
Reserves		
Loans receivable	$ 1,646,930	
Economic Development Fund	85,287	
Unrestricted UDAG	584,455	
Restricted CIP	357,384	
Unrestricted CIP	161,172	
FAME	743,499	
EPA Revolving Loan Fund (Brownfield)	470,602	
FAME SSBCI	595,113	
Brownfield grants	18,376	
Total fund equity		4,662,819
Total liabilities and fund equity		$ 4,670,225

PORTLAND DEVELOPMENT CORPORATION
Statement of Revenues, Expenditures,
and Changes in Fund Balance
For the Year Ended
June 30, 2022

(Preliminary and Subject to Audit)

Revenues and Financing Sources		
Federal grants	$ 490,559	
Application fees	3,077	
Interest received on loans	141,441	
Investment interest income	1,205	
Total revenues and financing sources		$ 636,281
Expenditures and Other Charges		
Administrative services	$ 17,966	
Net payments to contractors	159,625	
Adjustments to allowances	27,164	
Total expenditures and other charges		204,755
Excess (deficiency) of revenues over expenditures		$ 431,526
Fund balance, June 30, 2021		4,231,293
Fund balance, June 30, 2022		4,662,819