



PORTLAND DEVELOPMENT CORPORATION
Board Meeting

DATE: Thursday, November 16, 2023

TIME: 4:00 PM

LOCATION: This meeting will take place remotely using Zoom.

This meeting will be held remotely pursuant to the Remote Meeting Policy adopted by the Portland Development Corporation and as authorized under 1 M.R.S. 403-B. Allow your computer to install the free Zoom app to get the best meeting experience. If you are not able to attend live, a recording will be available in the Agenda Center following the meeting.

The Portland Development Corporation Board meeting is not required to take public comment, and this will continue during remote meetings
Meeting will be held via Zoom.

Please click the link below to join the webinar:

<https://portlandmaine-gov.zoom.us/j/84623562904?pwd=SWg5aW5wSkpvVmE4Z0luWWxxdjV4UT09>

Passcode: 823249

Or One tap mobile :

+13092053325,,84623562904#,,,*823249# US

+13126266799,,84623562904#,,,*823249# US (Chicago)

Or Telephone:

Dial(for higher quality, dial a number based on your current location):

+1 309 205 3325 US

+1 312 626 6799 US (Chicago)

+1 646 931 3860 US

+1 929 205 6099 US (New York)

+1 301 715 8592 US (Washington DC)

+1 305 224 1968 US

+1 719 359 4580 US

+1 253 205 0468 US

+1 253 215 8782 US (Tacoma)

+1 346 248 7799 US (Houston)

+1 360 209 5623 US

+1 386 347 5053 US

+1 507 473 4847 US

+1 564 217 2000 US

+1 669 444 9171 US

+1 669 900 6833 US (San Jose)

+1 689 278 1000 US

Webinar ID: 846 2356 2904

Passcode: 823249

International numbers available: <https://portlandmaine-gov.zoom.us/j/84623562904>

AGENDA

1. President's comments
2. Review and accept Minutes of October 19, 2023 meeting.
 - a. See attached draft meeting Minutes.
3. Review and vote on proposed amendments to the ARPA Microenterprise Grant Program Guidelines.
 - a. See attached Memorandum and proposed redlines to the current guidelines.
4. Review and vote on the tabled application for the ARPA Microenterprise Grant Program in the amount of \$5,000.
 - a. **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 review proprietary confidential information associated with this application.
 - a) Rewild Maine, 111 Sheridan Street, #3
5. Review and vote on the following new application received for the ARPA Microenterprise Grant Program in the amount of \$5,000.
 - a. **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 review proprietary confidential information associated with this application.
 - a) Still Life Studio, LLC, 222 St. John St., Ste 142

6. Vote to Recommend James Dowd to Execute Letter of Support for the Community Development Block Grant Application.
 - a. See attached Memorandum and backup.
7. Vote to Appoint Gregory P. Watson as Assistant Secretary to the PDC Board.
 - a. See attached Memorandum.
8. Staff verbal update
 - a. Marketing/Outreach
 - b. CDBG Application for funding Business Assistance Grant Program for Job Creation
9. Treasurer's Report - October 2023
 - a. Monthly Administrative Budget Report
 - b. Cash Management Report
 - c. Schedule of Loans Receivable
 - d. 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 on the Report.
10. Other Items to be discussed/brought up by Board Directors
11. Next Regular Meeting Date: December 21, 2023

Minutes
Portland Development Corporation
Remote Zoom Meeting
Held on October 19, 2023

A remote meeting, via Zoom, of the Portland Development Corporation (PDC) Board of Directors was held at 4:00 p.m. on Thursday, October 19, 2023. Present from the Board of Directors were Directors Krista Cole, Sam Dargan, Eamonn Dundon, James Dowd, Blaine Grimes, Jeff Hicklin, Thomas Mitchell, Kierston Van Soest, and Beverly Werber. Councilor April Fournier, and Danielle West could not be present. Present from the City staff were Interim Housing and Economic Development Director Mary Davis, ARPA Program Manager Kaela Gonzalez, Business Programs Manager Nancy Martin, Associate Counsel Amy McNally, and, Principal Administrative Officer Lori Paulette.

Item #1: Presidents Comments

President Dowd welcomed everyone to the meeting, and summarized the general plan for the meeting. Mr. Dowd acknowledged previous Director Julie Viola for her 5 years of service on the Board in which Ms. Viola thanked everyone for the opportunity and privilege to serve on the Board. Mr. Hicklin was also recognized for his 5 years of service on the Board by Mr. Dowd as this is his last meeting. Mr. Hicklin thanked the Board and City staff for the honor of serving. Mr. Dowd informed the Board of the City Council approval and acceptance of the Annual Report, presented on Monday, October 16, 2023, and highlighted praise offered by the City Mayor.

Item #2: Review and vote on draft meeting Minutes for Board meeting held on September 21, 2023.

On motion made by Ms. Werber, seconded by Ms. Van Soest , the Board voted 7-0-2 (Mr. Mitchell and Mr. Dargan abstained) to accept the Minutes as published.

Item #3: Review and vote on the following applications received for the ARPA Microenterprise Grant Program - each request is for a \$5,000 grant. 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 grant applications. After the executive session, the Board will vote in public session.

- a) Beppa Brigata LLC (Radici), 52 Washington Ave
- b) 240 Strings, PO Box 10193, 10 Stratton Place
- c) LanguageXS, 9 Lloyd Ave (need to talk w/David)
- d) VAS Property Management, 108 Emery Street
- e) The Maine Project for Fine Art Conservation, 615 Congress Street, Unit 313
- f) NRTG Photography, 341 Cumberland Ave, Apt #8
- g) OratCare Institute of Health, 45 Kellogg Street
- h) ZagOn Beauty LLC, 499 Stevens Ave
- i) Hassoon's LLC (Falafel Time), 1053 Forest Ave
- j) Sit.Stay.Forever LLC, 726 Brighton Ave
- k) Rejoice Cleaning Service, 409 Cumberland Ave, Unit #109
- l) Bliss Body LLC, 81 Market Street
- m) Carter Shappy, 250 Anderson Street
- n) UNO 2 3 DayCare LLC, 1837 Washington Ave
- o) Friends of Congress Square Park, PO Box 5056, 227 Valley Street #2
- p) Lauren Chunias (Underdog Candles), 105 Saint James Street
- q) Beth Clarke LCSW (Clarke Cumberland Counseling), 25 Middle Street
- r) The Proper Cup LLC, 500 Forest Ave
- s) Moonday Coffee LLC, 93 Washington Ave, Unit #1
- t) Thicket Jewelry LLC, 93 Washington Ave, Unit #1
- u) Katie Made Bakery LLC, 181 Congress Street
- v) ReadyGlobal, 795 Congress Street
- w) Haole Ice LLC (Zephyr Ice), 129 Spring Street
- x) Claramunt Group Ltd. Co., 125 Forest Ave #1034
- y) Handshake Bitters LLC, 52 Alder Street, Suite #1
- z) Jennifer Lunden (Author), 74 Grant Street, Unit #2
- aa) Jennifer Lunden (The Center for Creative Healing), 74 Grant Street, Unit #2
- bb) Bright Star World Dance LLC, 108 High Street
- cc) Brems Barrels LLC (CarHop), 10 Dana Street
- dd) Brems Logistics LLC, 667 Congress Street
- ee) Factory 3 LLC, 105 Saint James Street
- ff) Victorieux LLC, 10 Dana Street, Suite 301
- gg) Brems Law LLC, 10 Dana Street
- hh) Community of Immigrants Couples of Maine (Eutrapelia), 100 State Street
- ii) Elizabeth Taylor (Longstocking Design), 34 Exeter Street
- jj) Yardie Ting LLC, 28 Monument Square

- kk) Love Lab Studio LLC, 26 Brackett Street
- ll) Green Hand Bookshop, 661 Congress Street
- mm) Exotic Eats, 28 Monument Square, 2nd Floor
- nn) Language Access Providers, 501 Forest Ave, Suite #123
- oo) TrainRiders Northeast, 500 Forest Ave, Unit #10
- pp) East West Therapeutic Arts, 22 Cushman Street, Suite C
- qq) Coast City Comics and the Fun Box Monster Emporium, 634 Congress Street
- rr) Food For All Services, 151 Walton Street
- ss) Twist LLC, 28 Monument Square
- tt) Hope Harbor, 1375 Forest Avenue, D-11
- uu) YES! Program, 110 Marginal Way, Suite 9515-181
- vv) Burundi Star Coffee, 261 St. John Street
- ww) Learn Around the World Network Inc., 1 Forest Ave, 2A
- xx) Emma B. Garcelon (Woodnote), 20 Sawyer Street, Apt #2
- yy) Rewild Maine, 111 Sheridan Street, #3
- zz) Art of Self Worth LLC, PO Box 8034, 36 Saunders Street
- aaa) Kaleidoscope, 51 Ingersoll Drive
- bbb) Abraxas LLC, 615 Congress Street, Suite #312
- ccc) Waterlily, 26 Milk Street
- ddd) Radical Emprints LLC, 78 Mellen Street, Apt #4
- eee) Tealight Studios LLC, 3 Pleasant Ave, Unit 207

Ms. Van Soest noted a conflict with Proper Cup, LLC.

Mr. Dudon noted a conflict with Friends of Congress Square Park and TrainRiders Northeast.

On a motion made by Ms. Grimes and seconded by Ms. Cole, the Board voted 9-0 to go into executive session at approximately 4:12 p.m. 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 grant applications. At approximately 5:54 p.m. the Board came out of executive session.

On a motion made by Mr. Hicklin, seconded by Mr. Dundon, the Board voted 7-0-1 (Van Soest abstaining) to approve the grant application from Proper Cup, LLC in the amount of \$5,000.

On a motion made by Mr. Hicklin and seconded by Mr. Dargan, the Board voted 7-0-1 (Dundon abstaining) to approve the grant application from Friends of Congress Square Park and TrainRiders Northeast in the amount of \$5,000 each.

On a motion made by Mr. Hicklin and seconded by Mr. Dargan, the Board voted 8-0 to not approve the grant applications from Beppa Brigata LLC, Jennifer Lunden (writer), ReadyGlobal, Brems Logistics, LLC, Victorieux LLC, Brems Law, LLC, VAS Property Management, and Hope Harbor.

On a motion made by Mr. Dundon and seconded by Mr. Dargan, the Board voted 8-0 to table the grant application from Rewild Maine.

On a motion made by Mr. Dundon and seconded by Mr. Dargan, the Board voted 8-0 to approve all remaining applications with or without conditions for \$5,000 as follows:

- a. 240 Strings
- b. LanguageXS
- c. The Maine Project for Fine Art Cons.
- d. NRTG Photography
- e. OratCare Institute of Health
- f. ZagOn Beauty LLC
- g. Hassoon's llc dba Falafel Time
- h. Sit. Stay. Forever. LLC
- i. Rejoice Cleaning service
- j. Bliss Body LLC
- k. Carter Shappy dba Studio Shappy
- l. Uno 2 3 Day Care LLC (conditions)
- m. Friends of Congress Square Park
- n. Lauren Chunias DBA Underdog Candles
- o. Beth Clarke LCSW
- p. The Proper Cup LLC
- q. Moonday Coffee LLC
- r. Thicket Jewelry LLC
- s. Katie Made Bakery LLC
- t. Haole Ice LLC dba Zephyr Ice
- u. Claramunt Group Ltd. Co.
- v. Handshake Bitters
- w. Jennifer Lunden dba The Center for Creative Healing
- x. Bright Star World Dance, LLC

- y. Brems Barrels, LLC dba CarHop
- z. Factory 3 LLC
- aa. community of immigrants couples of Maine (Eutrapelia)
- bb. Elizabeth Taylor dba Longstocking Design
- cc. Yardie Ting LLC
- dd. Love Lab Studio LLC
- ee. Green Hand Bookshop
- ff. Exotic Eats
- gg. Language Access Providers
- hh. TrainRiders Northeast
- ii. East West Therapeutic Arts
- jj. Coast City Comics and the Fun Box Monster Emporium
- kk. Food For All Services
- ll. Twist, LLC dba Twirl (conditions)
- mm. YES! To Youth
- nn. Burundi Star Coffee
- oo. Learn Around The World Network, Inc.
- pp. Emma B. Garcelon dba Woodnote
- qq. Art of Self Worth
- rr. Kaleidoscope
- ss. Abraxas (conditions)
- tt. Waterlily
- uu. Radical Emprints
- vv. Tealight Studios

Item #4: Staff Update on marketing/outreach

Ms. Martin highlighted the new marketing outreach program and demonstrated a successful outcome with this new strategy and a recent loan recipient. Ms. Werber asked if the Board would have interest in forming a subcommittee to engage the community and aid with marketing. Ms. Davis summarized the rules regarding public meetings.

Item #5: Treasurer's Report - August 31, 2023

- a) **Monthly Administrative Budget Report**
- b) **Cash Management Report**
- c) **Schedule of Loans Receivable**
- d) **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 on the Report.**

Item was not taken up by the Board.

Item #6: Other items to be discussed/brought up by Board Directors and/or staff.

Mr. Dowd reminded the Board to share the invitation to the Annual Business Award on November 15, 2023.

Item #7: Next regular meeting date: November 16, 2023.

There being no further business, on motion made by Mr. Hicklin, seconded by Mr. Cole the Board voted unanimously to adjourn at 6:07 p.m.

Respectfully, Kaela Gonzalez



TO: President James Dowd and PDC Board Members
FROM: Nancy Martin, Business Programs Manager
CC: Mary Davis, Interim Director, HEDD
DATE: November 9, 2023
RE: Proposed Guideline Modifications to the ARPA-funded Microenterprise Program

OVERVIEW

The Microenterprise Grant Program funded by the American Rescue Plan Act (ARPA) has provided more than half a million dollars in grant funding to Portland micro enterprises since 2022. After the latest round of approvals granted by the Portland Development Corporation, in October 2023, staff reviewed the guidelines based on feedback from potential applicants. To avoid further confusion about whether yet-to-be-created organizations are eligible to apply, staff made minor edits to the guidelines that the PDC approved in August of 2023.

SUBSTANTIVE MODIFICATIONS

The purpose of the modifications, for your review and approval, are to clarify that businesses and nonprofits that have not yet been formed are not eligible to apply. The online application has been changed to reflect this as well. Specifically, staff removed the reference to “existing and new” businesses in the guidelines and on the online application, and changed the entry on the online application that previously asked “Date Business First Opened or Will Open” to “Date Business First Opened.”

RECOMMENDATION

Staff recommends approval of the proposed Microenterprise guidelines.

ATTACHMENTS

ARPA Microenterprise Guidelines – Redlined format
ARPA Microenterprise Guidelines - Clean

ARPA Microenterprise Grant Program (MGP)

Program Description

The City of Portland's Microenterprise Grant Program (MGP) is targeted to Portland businesses ~~that businesses, existing and new, that~~ have been or are still being impacted by the lasting economic effects of the pandemic. To be eligible, the business must have seven (7) or fewer employees [including the owner(s)], and the business owner(s) must be low/moderate income.* This program is open to for-profit and non-profit businesses. If the applicant is a non-profit, the organization must serve low-income populations, and it must have annual operating expenses of less than \$150,000.

City Microenterprise grants are provided on a reimbursement basis for demonstrated payments made by the awardee for eligible activities after the date of award. Grantees will have 9 months from the date of the signed grant agreement to submit reimbursement requests. These grant funds can only be used for items not already paid for by other governmental or private grants or loans. In other words, funds may not be used for costs where other assistance has already been provided for the same item/use and there is no demonstrated unmet need. (For example, this grant cannot pay for January rent payment if grant funds from another source are being used for the same month, but in that case this grant could be used for February rent.)

Program Objective

The stabilization and growth of small businesses in Portland that have been negatively impacted by the COVID-19 pandemic and its ensuing economic challenges.

Funding Source

American Rescue Plan Act (ARPA)

Grant Funding

- Up to a maximum grant of \$5,000

Program Requirements/Eligibility

- Owner(s) must be low/moderate income*;
- Business can have no more than seven (7) employees, including the owner;
- Business must be located within the City of Portland;
- Owner is unable to finance business expenses on his/her own;
- Applicant does not owe outstanding property taxes, fees, or judgments to the City and property must be free of all City liens and encumbrances.

Eligible Funding Activities:

Rent, utilities, inventory, equipment, insurance, payroll (not including owner) and other working capital needs. Grant funds can also be used for investments in business development support and services such as enrollment in business-related courses, hardware, software.

- Examples: Accounting software subscription; online or in-person business course; marketing; purchase of point-of-sale systems or software.

Ineligible Activities:

- Wages for business owner(s) and family members of the business owner(s);
- Refinance existing debt;
- Down payment for other financing;
- Expenses incurred before date of award notification;
- Use of grant funds for activities other than those that are noted as eligible.

Application Review Criteria

The Portland Development Corporation (PDC), the City's lending and granting board, will weigh the following criteria, but has the discretion to base its approval on other considerations as well:

- Completeness of application package (all required submittals);
- Business has been negatively impacted by COVID-19 pandemic;
- If business has employees, company profile of number of employee, wages and benefits;
- Priority will be given to applicants who did not receive previous ARPA Microenterprise grants from the City of Portland.

Required Submittals

- City of Portland ARPA Microenterprise Program Application;
- Signed commercial lease, if business is in a leased space, noting monthly or annual rate and CAM charges for NNN leases;
- Personal financial statement - from all owners of the business with 20% ownership or greater;
- Two most recent federal tax returns;
- Current Profit and Loss;
- Business plan, ~~if the applicant is a startup.~~

Application and Approval Process

The initial application period ~~began will begin~~ on September 11, 2023 and ~~will closed~~ on September 29, 2023. ~~Applications received by September 29 will be considered for grant funding.~~ If after this initial offer period there are unallocated funds, those funds ~~will may~~ be made available on a rolling basis at a later date until funds are depleted.

Information about the program and frequently asked questions (FAQs) will be located on this website: <https://www.portlandmaine.gov/252/Microenterprise-Grant>. The online application will be available on that same website beginning September 11. The City's Housing and Economic Development Department is responsible for administration of the ARPA funded Microenterprise Grant Program. Applications are submitted to staff for eligibility review and may be analyzed by an underwriter. Potential applicants can access technical assistance for assistance in determining eligibility and in submitting an application by contacting the City's Business Program Manager, Nancy Martin, at nmartin@portlandmaine.gov or (207) 756-8019. Eligible requests are presented to the Portland Development Corporation (PDC) for its review and approval. Once approved, applicants must participate in a short online workshop to review the grant guidelines, reimbursement process, eligible uses of funds, and how to obtain additional resources if needed. Funding is provided on a reimbursement basis for approved uses.

Sunset Provision

Program terminates when the grant funds are depleted.

* Low/moderate income is defined by the U.S. Department of Housing and Urban Development as 80% of median household income. A chart showing qualifying income levels is below.

*FY 2023 Income Limits - Effective June 15, 2023								
Number in Household	1	2	3	4	5	6	7	8
Low/Moderate Income 80%	\$66,250	\$75,700	\$85,150	\$94,600	\$102,200	\$109,750	\$117,350	\$124,900
Portland, ME HUD Metro FMR Area								

ARPA Microenterprise Grant Program (MGP)

Program Description

The City of Portland's Microenterprise Grant Program (MGP) is targeted to Portland businesses that have been or are still being impacted by the lasting economic effects of the pandemic. To be eligible, the business must have seven (7) or fewer employees [including the owner(s)], and the business owner(s) must be low/moderate income.* This program is open to for-profit and non-profit businesses. If the applicant is a non-profit, the organization must serve low-income populations, and it must have annual operating expenses of less than \$150,000.

City Microenterprise grants are provided on a reimbursement basis for demonstrated payments made by the awardee for eligible activities after the date of award. Grantees will have 9 months from the date of the signed grant agreement to submit reimbursement requests. These grant funds can only be used for items not already paid for by other governmental or private grants or loans. In other words, funds may not be used for costs where other assistance has already been provided for the same item/use and there is no demonstrated unmet need. (For example, this grant cannot pay for January rent payment if grant funds from another source are being used for the same month, but in that case this grant could be used for February rent.)

Program Objective

The stabilization and growth of small businesses in Portland that have been negatively impacted by the COVID-19 pandemic and its ensuing economic challenges.

Funding Source

American Rescue Plan Act (ARPA)

Grant Funding

- Up to a maximum grant of \$5,000

Program Requirements/Eligibility

- Owner(s) must be low/moderate income*;
- Business can have no more than seven (7) employees, including the owner;
- Business must be located within the City of Portland;
- Owner is unable to finance business expenses on his/her own;
- Applicant does not owe outstanding property taxes, fees, or judgments to the City and property must be free of all City liens and encumbrances.

Eligible Funding Activities:

Rent, utilities, inventory, equipment, insurance, payroll (not including owner) and other working capital needs. Grant funds can also be used for investments in business development support and services such as enrollment in business-related courses, hardware, software.

- Examples: Accounting software subscription; online or in-person business course; marketing; purchase of point-of-sale systems or software.

Ineligible Activities:

- Wages for business owner(s) and family members of the business owner(s);
- Refinance existing debt;
- Down payment for other financing;
- Expenses incurred before date of award notification;
- Use of grant funds for activities other than those that are noted as eligible.

Application Review Criteria

The Portland Development Corporation (PDC), the City's lending and granting board, will weigh the following criteria, but has the discretion to base its approval on other considerations as well:

- Completeness of application package (all required submittals);
- Business has been negatively impacted by COVID-19 pandemic;
- If business has employees, company profile of number of employee, wages and benefits;
- Priority will be given to applicants who did not receive previous ARPA Microenterprise grants from the City of Portland.

Required Submittals

- City of Portland ARPA Microenterprise Program Application;
- Signed commercial lease, if business is in a leased space, noting monthly or annual rate and CAM charges for NNN leases;
- Personal financial statement - from all owners of the business with 20% ownership or greater;
- Two most recent federal tax returns;
- Current Profit and Loss;
- Business plan.

Application and Approval Process

The initial application period began on September 11, 2023 and closed on September 29, 2023. If after this initial offer period there are unallocated funds, those funds will be made available on a rolling basis until funds are depleted.

Information about the program and frequently asked questions (FAQs) will be located on this website: <https://www.portlandmaine.gov/252/Microenterprise-Grant>. The online application will be available on that same website beginning September 11. The City's Housing and Economic Development Department is responsible for administration of the ARPA funded Microenterprise Grant Program. Applications are submitted to staff for eligibility review and may be analyzed by an underwriter. Potential applicants can access technical assistance for assistance in determining eligibility and in submitting an application by contacting the City's Business Program Manager, Nancy Martin, at nmartin@portlandmaine.gov or (207) 756-8019. Eligible requests are presented to the Portland Development Corporation (PDC) for its review and approval. Once approved, applicants must participate in a short online workshop to review the grant guidelines, reimbursement process, eligible uses of funds, and how to obtain additional resources if needed. Funding is provided on a reimbursement basis for approved uses.

Sunset Provision

Program terminates when the grant funds are depleted.

* Low/moderate income is defined by the U.S. Department of Housing and Urban Development as 80% of median household income. A chart showing qualifying income levels is below.

*FY 2023 Income Limits - Effective June 15, 2023								
Number in Household	1	2	3	4	5	6	7	8
Low/Moderate Income 80%	\$66,250	\$75,700	\$85,150	\$94,600	\$102,200	\$109,750	\$117,350	\$124,900
Portland, ME HUD Metro FMR Area								



MEMORANDUM

To: Portland Development Corporation Board Members

From: Nancy Martin, Business Programs Manager

Date: 11/15/2023

RE: Request to authorize the President to sign a letter of support of the City's CDBG application

Introduction

Staff is planning to submit an application to the City for Community Development Block Grant (CDBG) funding. The application seeks \$105,000 to implement a new round of the Business Assistance Program for Job Creation (BAP). This grant/match program would continue to provide grants to Portland businesses of up to \$20,000 (\$10,000 per 34hr/work permanent full-time job, or \$5,000 per half-time equivalent job). As a result, at least 10 full-time jobs (or 20 half-time equivalent jobs) will be made available to low/moderate income (LMI) individuals as well as Portland residents. It is likely that over 51% will be Portland residents, and 100% of the jobs will go to LMI individuals. Each business awarded a grant is required to match 100% of the grant with private funds. Each application will be reviewed by an underwriter and will be presented to, reviewed by, and approved by the Portland Development Corporation (PDC). Almost all of the \$105,000 grant being requested will be used for job creation grants to businesses (\$100,000) and the remainder (\$5,000) will be for the services of a consulting underwriter. The underwriter will analyze the viability of each applicant's business, whether a start-up or an existing business, its potential for growth, and the soundness of its strategies to support job creation.

Grant applicants will be required to provide documentation to support that their start-up will be viable, or that their existing business is sustainable, and that they have a realistic strategy for creating the required number of full-time or part-time jobs within 9 months, with a 3-month extension (if a realistic plan to create these jobs is provided). Reviewed and analyzed by an underwriter, existing businesses will submit historical and current financials as well as projections. Start-ups will submit business plans and financial projections. The hourly rate for net new positions must meet or exceed Portland's minimum wage as established by the City Council (The 2023 minimum wage in the City of Portland is \$14 per hour for hourly

employees or \$7.00 for employees who earn over \$175 per month in tips (service employees). Starting January 1, 2024, the minimum wage in the City of Portland will be \$15 per hour for hourly employees, or \$7.50 for service employees.)

Preference will be given to applicants given one or more of the following: training in marketable job skills, potential for advancement within the company (if applicable), demonstrated need for the grant funds, and some level of benefits (e.g., vacation time and/or sick days). Applicant projects are presented to the PDC board with a report from the underwriter. The PDC will review all grant requests and approve those deemed to have the greatest merit.

Recommendation:

Staff recommend that the PDC vote to authorize the President to sign a letter of support on behalf of the Board of Directors.

Attachment:

Draft Letter of Support from the PDC President



PORTLAND DEVELOPMENT CORPORATION

November 16, 2023

To Whom It May Concern:

I am pleased to submit this letter in support of the City of Portland's Housing and Economic Development Department (HEDD) CDBG application from the Portland Development Corporation (PDC), a 501c3 quasi-municipal organization formed by the City of Portland in January 1991. The HEDD is the primary staff to the PDC and its Board of Directors, and the eleven (11) member PDC board has oversight for the City's loan and grant programs including previously funded rounds of the *Business Assistance Programs for Job Creation (BAP)*.

The Portland Development Corporation provides a continuum of financial assistance to business and industry throughout the city and works to institute economic development programs in Portland to ensure compliance with the City's goals, objectives, and requirements. To this end, the PDC board will review qualified BAP applications and underwriting reports submitted to them by the HEDD staff and underwriter. At the PDC's monthly meetings, the board will discuss the projects proposed in the qualified applications and will award grants to those applicants whose project costs are reasonable, whose businesses are deemed financially sustainable and likely to create the proposed number of jobs, with 100% of the grants provided to low/moderate income individuals. In some cases, the PDC will be reviewing loan requests for applicants who need a City loan to meet 50% of the total private match required by the BAP.

The PDC reviews and approves all requests for commercial loans and grants from the City's business assistance program and has provided more than 209 Portland businesses with over \$13 million in financial assistance since 1991. We look forward to the opportunity to support even more Portland businesses and to create jobs for low and moderate income individuals with this next round of CDBG funding.

Sincerely,

James Dowd
President of the Portland Development
Corporation Board of Directors



MEMORANDUM

To: Portland Development Corporation Board Members

From: Nancy Martin, Business Programs Manager

Date: 11/15/2023

RE: PDC Assistant Secretary

Introduction

Mary Davis has steadfastly performed the duties of Interim Director of Portland's Housing and Economic Development Department following the retirement of the previous director, Greg Mitchell, in June of 2021. As part of this role, she also served as Interim Assistant Secretary for the Portland Development Corporation. Greg Watson assumed the role of Director of Portland's Housing and Economic Development Department on November 13, 2023.

Recommendation:

Staff recommend that the PDC approve Greg Watson, Director of Portland's Housing and Economic Development Department, as the new Assistant Secretary to the Portland Development Corporation.

**Portland Development Corporation
Preliminary Draft Operating
Report FY2024
For Month Ending
10/31/2023**

Operating transfer from EDF	39,122

Total Funds Available	39,122

		Current	Year to	Percent	
FY2023 Expenditures	Budget	Month	Date	of Budget	Balance
Administrative Services	11,175	75	10,890	97.4%	285
Postage	300	0	0	0.0%	300
Travel, Training, Meetings	8,000	0	0	0.0%	8,000
Contractual Services	6,000	0	325	5.4%	5,675
Operating Transfer to Fin.	9,647	0	0	0.0%	9,647
Advertising	2,500	0	0	0.0%	2,500
Auto Expense Reimb.	100	0	0	0.0%	100
Printing & Binding	650	48	576	88.5%	75
Office Supplies	<u>750</u>	0	63	8.4%	<u>687</u>
Total FY2023 Expenditures	39,122	123	11,854	30.3%	27,269

FY 24 PDC CASH MANAGEMENT REPORT/Non-Brownfield Program

(Preliminary and Subject to Change)

Period Ending: 10/31/2023	UDAG		CIP		CIP		FAME		FAME SSBCI		TOTAL
	271		272		274		277		279		
	Unrestricted Loans/Grants		Restricted		Unrestricted						
Beginning Balance	370,061		378,003		172,619		694,539		671,305		2,286,527
Additions	MTD	YTD	MTD	YTD	MTD	YTD	MTD	YTD	MTD	YTD	
Principal payments received	2,543	12,276	1,256	4,998	2,393	12,048	5,006	30,176	2,142	10,528	
Interest payments received from loans	2,815	7,966	61	267	488	2,324	2,501	12,416	3,367	9,435	
Interest Income	689.36	2,789	-	2,192		965		4,181	-	3,868	
Other Income/Adjustments		-		-		-	-	-		-	
Pass Through From FAME/SSCBI		-		-		-	-	-		-	
Deductions											
FAME Annual Admin. Fee; Invoices											
Disbursements - Expenses							-479				
Disbursements - Loans/Grants							-716				
Ending Cash Balance (Munis)	376,108		379,319		175,500		700,851		676,813		
Less Reserves for:							0				
Beautification Program (EC0301)	(72,000)										
Transfers not yet recorded (UDAG Int)	(7,966)										
Adjusted Ending Cash Balance	296,142		379,319		175,500		700,851		676,813		2,228,625

FY 24 PDC CASH MANAGEMENT REPORT - BROWNFIELD PROGRAM

(Preliminary and Subject to Change)

September 2023	Brownfield 1		Brownfield 2		Brownfield 3		Brownfield 10/1/2022		Brownfield 10/1/2023		TOTAL
	278		280		281		RLF		Assessment		
	Unrestricted Loans/Grants		Restricted		Restricted/Assessments						
Beginning Balance	452,630		551,577		0		3,000,000		500,000		4,504,207
Additions	MTD	YTD	MTD	YTD	MTD	YTD	MTD	YTD	MTD	YTD	
Principal payments received	1,877	5,614	1,070	2,130		-		-		-	
Interest payments received from loans	101	218	960	1,930		-		-		-	
Interest Income	827.45	1,807	-	1,004		-		-	-	-	
Other Income/Adjustments		-		-		-		-		-	
Pass Through From FAME/SSCBI/EPA		-		-		-		-		-	
Deductions											
FAME Annual Admin. Fee; Invoices											
Disbursements -Other	-2,244										
Ending Cash Balance (Munis)	453,192		553,607		0		3,000,000		500,000		4,506,799
Less Reserves for:											
Reserve For Commitments	(153,632)		(450,000)		0						
Fund 280 Reserve for Administration			(27,126)								
Adjusted Ending Cash Balance	299,560		76,481		0		3,000,000		500,000		3,876,041

Portland Development Corporation
Schedule of Loans Receivable
For Month Ending October 31, 2023

				----Committed/Disbursed Funds----			
Case ID	Account No. & Name	Date of Loan	Maturity Date	Original Loan	Not Yet Disb.	Total Disb .	Outstanding Princ. Bal.
Portland Business Fund 271 (UDAG/Unrestricted):							
30124	Rosemont Market, Inc.	8/8/2019	9/1/2022	\$150,000	0	\$150,000	\$87,433
30179	Forefront Brick South, LLC	11/18/2016	12/1/2026	\$100,000	\$0	\$100,000	\$43,865
30400	Friends and Family	3/10/2023	4/1/2027	\$50,000	\$0	\$50,000	\$45,242
30423	Longfellow Property, LLC	6/26/2023	7/1/2030	\$200,000	\$0	\$200,000	\$200,000
Sub-Total PBF (UDAG)							\$376,541
Portland Business Fund 272 (Restricted - CIP):							
30230	Portland Food Cooperative	6/4/2014	10/1/2021	\$130,000	\$0	\$130,000	\$16,901
Sub-Total PBF (Bonds/CIP Restricted)							\$16,901
Portland Micro Capital Fund 271 (UDAG/Unrestricted):							
30250	Portland Trading Co. LLC	4/26/2013	8/1/2018	\$15,000	\$0	\$15,000	\$6,874
Sub-Total Micro Capital Fund							\$6,874
Portland Business Fund Fund 274 (CIP/Unrestricted):							
30062	On Time Transportation	3/26/2018	4/1/2023	\$10,000	\$0	\$10,000	\$1,480
30070	Emerson, James (C19RR[Brick Trust])	5/21/2021	6/1/2023	\$10,000	\$0	\$10,000	\$10,000
30075	Dos Naciones LLC	3/3/2021	3/1/2023	\$5,000	\$0	\$5,000	\$5,000
30056	Sai Deep LLC/Back Bay Superette	1/5/2022	1/1/2024	\$5,000	\$0	\$5,000	\$1,111
30316	Rankin WA, LLC	2/28/2022	2/1/2024	\$5,000	\$0	\$5,000	\$3,846
30119	Quattrucci & Rouda, LLC	3/19/2019	4/1/2029	\$100,000	\$0	\$100,000	\$51,053
30400	AAA Rue Marchie, d/b/a Timber	3/28/2023	4/1/2028	\$40,000	\$0	\$40,000	\$37,987
Sub-Total PBF (Bonds/CIP Unrestricted)							\$110,477
FAME Fund 277:							
30198	Auto-Care, LLC	2/5/2016	3/1/2021	\$32,500	\$0	\$32,500	\$18,567
30061	Forefront Brick South, LLC	11/18/2016	12/1/2026	\$250,000	\$0	\$250,000	\$108,858
30217	Evo Rock & Fitness Portland	4/14/2014	11/1/2024	\$132,954	\$0	\$132,954	\$18,101
30317	CAG RE, LLC	8/15/2018	9/1/2023	\$50,000	\$0	\$50,000	\$2,656
30120	Calendar Sailing Company	5/2/2019	6/1/2024	\$50,000	\$0	\$50,000	\$34,681
30127	Gallery Acquisition Co. Inc.	5/16/2019	6/1/2026	\$75,000	\$0	\$75,000	\$33,779
30125	Zootility Co.	8/7/2019	9/1/2024	\$150,000	\$0	\$150,000	\$121,010
30378	Gulf of Sashimi	10/19/2022	11/1/2027	\$65,000	\$0	\$65,000	\$38,019
30416	Forefront Partners I, LP	5/31/2023	5/31/2033	\$200,000	\$0	\$200,000	\$200,000
30442	Tiparos88 LLC (Matcha Mood)	9/28/2023	10/1/2030	\$49,999	\$0	\$49,999	
Sub-Total FAME Fund							\$575,669
FAME SSBCI 279:							
30107	Biodiversity Research Institute	3/26/2021	4/1/2026	\$200,000	\$0	\$200,000	\$182,350
30086	Driscoll Child Dev. Center	5/5/2021	6/1/2026	\$60,000	\$0	\$60,000	\$44,098
30085	Flores Restaurant LLC	6/9/2021	7/1/2026	\$38,000	\$0	\$38,000	\$25,943
30071	Wynsum, LLC	11/5/2021	12/1/2026	\$131,250	\$0	\$131,250	\$127,643
30068	688 Forest Ave., LLC	12/21/2021	1/1/2027	\$168,000	\$0	\$168,000	\$162,194
Sub-Total FAME SSBCI							\$542,228
Brownfields Loan Fund 278 and 280							
30222	Forefront Partners, LP/Fund 278	7/30/2014	2/1/2025	\$200,000	\$0	\$200,000	\$28,982
	Forefront Partners I, LP/Fund 280	5/31/2023	4/30/2033	\$200,000	\$200,000	\$0	
30072	Forefront Partners I, LP/Fund 280	4/12/2018	1/1/2032	\$350,000	\$0	\$350,000	\$326,013
Sub-Total Brownfields							\$354,995
Grand Total Loans					\$200,000	\$3,022,703	\$1,983,686
Allowance for uncollectable loans at 15%							\$297,553
Total with Allowance for uncollectable loans:							\$1,686,133