PORTLAND DEVELOPMENT CORPORATION
Board Meeting

DATE: Thursday, August 15, 2024
TIME: 4:00 PM
LOCATION: Remote Meeting Via Zoom Link Below:

https://portlandmaine-gov.zoom.us/j/85229414013?pwd=N2tESU9mMmUzZ000T1F4cVErZTRnQT09

AGENDA

1. President's comments

2. Review and accept Minutes of July 18, 2024 meeting

   a. See attached draft meeting Minutes.

3. Review and vote on new loan application from Two Fat Cats Bakery, 144 State Street.

   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.

4. Review and vote on new loan application from Mayhem Rage Room, Storefront lease in Bayside pending.

   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.

5. Review and vote on a recommendation to the City Council for approval of amended CDBG funding Job Creation Grant Guidelines.

   a. See attached Memorandum and backup.

6. Treasurer's Report - July 31, 2024

   a. Monthly Administrative Budget Report

   b. Cash Management Report

   c. Schedule of Loan Receivable

   d. Confidential Delinquency Report; update on loan modifications, if any.
   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.

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

8. Next Regular Meeting Date: September 19, 2024

Minutes
Portland Development Corporation
Remote Zoom Meeting
Held on July 18, 2024

A remote meeting, via Zoom, of the Portland Development Corporation (PDC) Board of Directors was held at 4:00 p.m. on Thursday, July 18, 2024. Present from the Board of Directors were President James Dowd and Directors Jonathan Berg, Eamonn Dundon, Blaine Grimes, Nathan Henry, Kierston Van Soest, and Beverly Werber. Directors Sam Dargan, Thomas Mitchell, Councilor April Fournier, and Dena Libner could not be present. Present from City staff were Associate Counsel Avery Dandreta, ARPA Project Coordinator Kaela Gonzalez, Business Programs Manager Nancy Martin, Associate Counsel Amy McNally, Principal Administrative Officer Lori Paulette, and Housing and Economic Director Greg Watson. Also present was PDC Underwriter David McLaughlin, and Housing and Economic Development Department intern Nguyen Lam.

Item #1: Presidents Comments

President James Dowd welcomed new Board member Jonathan Berg, a Portland resident who works at Gorham Savings Bank.

Item #2: Review and vote on draft meeting Minutes for Board meeting held on April 18, 2024.

On motion made by Ms. Grimes, seconded by Mr. Dundon, the Board voted 4-0-2 (Mr. Berg and Mr. Dowd abstained) to accept the meeting Minutes of April 18, 2024 as published.

Item #3:Presentation, Discussion, Public Comment, and Possible Vote on Brownfields Assessment Sub-Grant and Loan Application from Avesta Housing for Remediation and Clean-up at 89 Elm Street.

Mr. Berg recused himself from discussion on this item due to a potential conflict of interest.

Ms. Martin introduced a request for $2,636,424 in Brownfields cleanup funding for an affordable housing development at 89 Elm Street by Avesta Housing in the Bayside neighborhood, approved by the Planning Board in October 2023. The Board is not required to enter into executive session to discuss as Avesta Housing's financials are available publicly. The total request of approximately $2.6 million includes a $500,000 sub-grant and loan of approximately $2.1 million loan secured by a third mortgage on the property. If approved, the City would leverage $31 for every $1 of Brownfields funding and would also deplete our funding availability. This, however, allows the City to apply for additional funding likely to be received by mid-2025 due to available Bipartisan Infrastructure Law funds.

Nate Howes with Avesta Housing presented the Board with a brief presentation of the Bayside Master Plan, and the project at 89 Elm Street, which will offer 201 units of affordable housing at 60% at or below Area Median Income (AMI), with rents ranging from approximately $1340-$1720. Mr. Howes reiterated that this is a large project with total costs of $82.8 million, with most of the funds being provided through a Maine Housing loan and Low Income Housing Tax Credits (LIHTC).

Mr. Dundon asked Mr. Howes to confirm that this project was using $20 million Project Labor Agreements (PLAs) restricted funds from the Maine Jobs and Recovery Plan, which Mr. Howes did. Mr. Dundon also wanted to know how confident is Avesta Housing on the costs of remediating the site. Micheal Barton with Reveler said that through the process of itemizing the costs for the work that needs to occur on site, environmental assessments, remediation costs, soil management, and engineered covered systems and that there is a 90-95% confidence level in the numbers. Mr. Dundon asked about the $3 million that the City received 2 years ago and questioned whether there had been any inquiries regarding use of the funding. Ms. Martin affirmed that $3 million funding would be the source of the remediation for 89 Elm Street, explaining the City was first using a FY16 pot of funding that helped the Thompson's Point project and other Brownfields projects, and is near expiring and closing out with the recent approval of funds for the Front Street project.

Ms. Grimes inquired about the timeline for the project and what contingencies are in place. Mr. Howes replied that Avesta Housing plans to acquire the property in late 2024, using the Brownfields sub-grant funding to remediate the site, which would lead to a second tax credit closing in December of 2024, in which the Brownfields loan would come into play, after which construction of the building would start. Since this project has three major parties involved in the lending process, it is a relatively simple capital stack with secured commitments to seeing this project realized.

Mr. Dowd questioned if this project is dependent on any of the other phases of the Bayside Master Plan and why the closing of the project is not occurring sooner. Both Michael Barton with Reveler and Mr. Howes have confirmed that this project will move forward regardless of all other Bayside Master Plan phases. Mr. Howes explained that due to the PLAs and the time it takes to confirm final construction costs combined with the 60 days it takes to close takes the closing date to December.

Ms. Van Soest asked about the 1% interest rate and how that might compare to other loans to nonprofits. Ms. Martin explained that this is the first Brownfields loan for an affordable housing project, thus there are no apples to apples comparison; however, the interest rate aligns with the Maine Housing financing rates and also has been approved by the EPA.

Mr. Dowd opened public comment. George Rheault, from the West Bayside neighborhood spoke regarding his opposition to the project as a whole and urged the Board to vote against approving this loan. There being no further public comments, Mr. Dowd closed public comment.

Mr. Dundon believes that Inclusionary Zoning compliance is a standard of the site plan process and a process that the Planning Board addresses and does not have any bearing on a Brownfields loan. Mr. Dowd is in favor of any Brownfields remediation. Ms. Grimes asked for clarification of whether the $2 million loan would be paid back if something went awry before the closing, which Mr. Howes stated that only funds at play at this time is the $500,000 subgrant and the $2 million loan would only be utilized at closing in December, thus not putting it at risk.

On a motion made by Mr. Dundon and seconded by Ms. Van Soest, the Board voted 6-0-1 (Mr. Berg abstained) to approve the $500,000 subgrant to Avesta Housing Development Corporation and $2,136,424 loan to Avesta 89 Elm LP at the terms recommended by City staff.

Item #4: Discussion of Inclusive Loan Policies.

Ms. Martin would like the Board to discuss the addition of "Borrowers may pay a flat fee instead of interest" to our online loan intake form to provide the option for the City's loans to be more accessible to potential borrowers. This proposal was widely accepted and the initiative appreciated, with some discussion around legal requirements.

Item #5: Staff Verbal Update:

Ms. Martin introduced Nguyen Lam, the Department's Summer intern, a senior at University of Southern Maine and gave an overview of the marketing work done that highlights the recent Microenterprise Grant Program and PDC Commercial Loan recipients.

Ms. Martin shared a few slides regarding the Arts District looking for feedback from the Board on ways the City can help alleviate some of the challenges this area of Portland faces and highlight some of the program and incentives that some other cities use to combat empty storefronts such as displaying art, public investments, and vacancy ordinances. Mr. Watson outlined current and future efforts along with potential partners in the area. Board members offered initial thoughts on the Arts District and indicated a desire to learn more about the overarching goals of the City, along with interest in continuing the conversation.

Ms. Martin updated the Board on the current application to the Department of Energy for $3 million of funding for a clean energy revolving loan fund, with an expected response next month.

Ms. Martin asked for the Board's opinion on holding a Business Award event this year and after some discussion the Board determined that they would like the Business Awards event to continue on an annual basis.

Item #6: Treasurer's Report - June 30, 2024

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.

This item was not discussed.

Item #7: Other items to be discussed/brought up by Board Directors and/or staff.

Board members did not have anything further to report.

Item #9: Next regular meeting date: August 15, 2024.

There being no further business, based on a consensus of the Board the meeting adjourned at 5:15 p.m as the meeting no longer had a quorum due to the departure of Mr. Dundon and Ms. Werber at 5:00 p.m.

Respectfully, Kaela Gonzalez

City of Portland | Housing and Economic Development Department
Gregory P. Watson, Director

TO: President James Dowd and PDC Board Members
FROM: Nancy L. Martin, Business Programs Manager
CC: Greg Watson, Director, Housing and Economic Development Department
DATE: August 15, 2024
RE: 2024 Business Assistance Program for Job Creation Program (funded by CDBG)

OVERVIEW:

The Business Assistance Program (BAP) for Job Creation offers grants to for-profit Portland businesses for projects that result in the creation of 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.

This program was originally capitalized with $100,000 from the Community Development Block Grant (CDBG) and launched in May of 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. Since inception,grants were made to 70 recipients resulting in the creation of 150 jobs.

The application for additional funding in FY2023 was not initially successful, but staff was notified in late July of 2024 that it would be funded with reallocated funds. Of the $105,000 awarded, $100,000 will go towards grants and $5,000 will be reserved for underwriting and related administrative expenses.

MODIFICATIONS TO PREVIOUS PROGRAM:

The substantive modifications to this latest program iteration are:

1. Part time jobs will now be eligible (only full time jobs were eligible in prior programs, leading to challenges), and
2. Employers must maintain the job for one year (new jobs had to be “permanent” in previous programs, leading to challenges with verification)
3. Eligible uses has been limited to just working capital, equipment and machinery (additional uses such as renovation and construction triggered burdensome reporting requirements)

RECOMMENDATION:

Staff recommends approval and recommendation to the City Council of the proposed guidelines for the Business Assistance Program for Job Creation grant.

ATTACHMENTS:

Award Letter
Notice to Proceed
BAP for Job Creation Draft Guidelines – Redlined format
BAP for Job Creation Draft Guidelines – Clean format
Draft Outreach Plan

City of Portland | Housing and Economic Development Department
Housing and Community Development Division
Mary P. Davis, Director

Greg Watson
Director of the Housing and Economic Development Department
City of Portland
389 Congress St,
Portland ME 04101

July 29, 2024

Dear Recipient,

Congratulations! On July 25, 2024 Portland's City Manager reallocated Community Development Block Contingency funds to your Department for the purpose of providing the following program during the fiscal year beginning July 1, 2024:

$105,000 for the Business Assistance Program

In order to process your award please review the application instructions and the information that was submitted, and provide updated information regarding your program.

Regulations: In Section I of the Application, please review: Federal HUD Regulations, Portland's CDBG Goals Principles and Priorities, the Reservation of Rights and Post Award and Sub-recipient Criteria.

Federal Contract Provisions: If there is a construction project involved with this program, it will be subject to federal requirements, including:

1. *Environmental Review*: All funded projects that include construction will require an Environmental Review by the City to ensure compliance with the State Historic Preservation Office, local Historic Preservation Ordinances and other environmental regulations. If applicable, this will take two to four weeks to process *once a final scope of work is submitted and approved by staff.*
2. *Federal Labor Standards:* Sub-recipients who receive funds for construction or rehabilitation projects must ensure that they and all subcontractors meet requirements for federal prevailing wage rates specified under the Davis-Bacon and Related Acts (DBRA). The Act requires that all laborers and mechanics employed by contractors in the performance of construction financed in whole or in part with assistance received under HUD programs (CDBG), shall be paid wages at rates no less than the prevailing rates provided. This will require certified payroll to be submitted to the City for all workers on site.
3. *Lead Safe Practices:* Any contractor, plumber, electrician or painter who disturbs lead paint in a pre-1978 home, school or day care center must be Lead-Safe certified.

4. *Section 3*: applies to projects funded with more than $200,000 of total federal funds (including from non-CDBG sources); please see staff for details.
5. *BABA:* Applies to all projects funded with more than $250,000 of total federal funds (including from non-CDBG sources).
6. *Procurement*: full and open competition & cost reasonableness, procurement must comply with the more strict of the City's Purchasing Ordinance and HUD guidelines.
    1. All construction services must be competitively bid if over $25,000. This includes the project being publicly advertised in a local daily newspaper that specifies a time for contractor walk-through, bid deadline, and that the project is funded with federal HUD funds. It also includes obtaining the appropriate wage rates prior to bid release and during the bid process. Please contact staff in advance of creating your bid packet if your project will require construction.
    2. For non-construction services or goods less than $25,000, three quotes are required to ensure fair pricing.
    3. For non-construction services or goods over $25,000 work must be competitively bid. This includes the project being publicly advertised in a local daily newspaper that specifies a time for contractor walk-through, bid deadline, and that the project is funded with federal HUD funds.

UEI Registration: All sub-recipients are required to have a UEI and be registered in sam.gov prior to signing a sub-recipient agreement. To get a UEI, visit https://sam.gov/content/duns-uei. To register in sam.gov, visit https://sam.gov/content/entity-registration. This registration in sam.gov must be updated annually. The UEI is permanent.

Reporting: Quarterly updates will be required in order to process payments. Updates will provide project status updates. A form will be provided. Reporting will occur on a quarterly basis, due on the 10th of the month (October 10, January 10, April 10 and July 10). Please identify who will submit the quarterly reports.

Payment: Requests will be submitted and processed through the City's accounting system. Payments are made on a reimbursement basis only. All construction payment requests will be required to submit certified payroll with each requisition reflecting the workers on site. *Payment requests typically take 7-10 days to process once the certified payroll is submitted and approved.* Checks can be mailed or picked up in room 313 City Hall.

All businesses will be required to submit a W-9 form. Payment cannot be released without a W-9 on file. Checks will be mailed to the address listed on the W-9.

If you have any questions, please contact me.

Sincerely,

Rowen McAllister

Rowen McAllister
Housing & Community Development Program Manager
City of Portland, Maine
rmcallister@portlandmaine.gov
(207) 874-8731

City of Portland | Housing and Economic Development Department
Housing and Community Development Division
Mary P. Davis, Director

Community Development Block Grant (CDBG) Program Subrecipient's Notice to Proceed

Date: Jul 29, 2024
Activity Address: 389 Congress St, Portland ME
Organization: City of Portland, Housing and Economic Development Department

Pursuant to the requirements outlined in the CDBG Policies, with a term of July 1, 2024 - June 30, 2026, you are hereby notified that you may proceed with the Business Assistance Program. Upon receipt of this notice, you are responsible for performing this work on the above referenced address under the terms and conditions of the Agreement.

Please be advised that it is recommended you meet with program staff and other relevant parties prior to publishing a request for proposals. CDBG program staff will provide technical support for CDBG requirements throughout the grant term.

HCD Program Manager: Rowen McAllister

Date: 7/29/24

Portland Business Assistance Program for Job Creation

Program Description

The City of Portland's Business Assistance Program for Job Creation (BAP) provides grants up to $20,000 to ~~new and expanding~~ for-profit Portland businesses for the creation of ~~net new, permanent full~~new full-time jobs or part-time jobs for low/moderate income individuals.

Program Objectives

- Job creation for low/moderate income individuals working in Portland;
- New business formation and existing business expansion;
- Help new and expanding businesses establish credit;
- Create economic opportunity through investing in Portland businesses to enable them to expand to create jobs;
- Enhance the health and vitality of Portland's neighborhoods and the City's economy as a whole.

Program Requirements/Eligibility

- ► Business must be for-profit and must be located within the City of Portland;
- ► Business will create one (1) ~~full-time job (at least 1,750 hours/year* which is at least 34~~part-time job (at least 875 hours/year* which is at least 17 hours/week) for a $5,000 grant, or one (1) full-time job (at least 1,750 hours/year* which is at least 34 hours/week) or two (2) part-time jobs (at least 875 hours/year* which is at least 17 hours/week) for every $10,000 of approved grant funding;
- ► Applicant business location fits any of the following: in a low income area of the City; within walking distance to one or more of these low income areas; easily accessible from these low income areas via public transportation;
- ► ~~Net new~~New jobs created with the help of the grant are marketed and provided to low/moderate income** individuals;
- ► Wages paid to new hires meet or exceed Portland's minimum wage;
- ► Applicant cannot owe outstanding property taxes, fees, or judgments to the City and property must be free of all City liens and encumbrances

Grant Terms

- Grant of $10,000 per full-time job, or $5,000 per part-time job, that business agrees to create, up to $20,000 per business;
- Job(s) must be created *after* the grant is approved in order to be counted as meeting the ~~grant requirement~~job creation requirement of this grant;
- Job(s) must be created within nine (9) months after signing a grant agreement;
- Once approved for a grant, no more than half the grant amount may be requested prior to job creation;
- Grants are provided ~~th.rough~~through reimbursement of paid receipts (for eligible

expenses) for twice the amount requested. For example, a request for a $5,000 grant ~~draw down~~drawdown must be accompanied by $10,000 worth of paid receipts for eligible expenses (see Eligible Funding Activities below).

Eligible Funding Activities

~~BAP Guidelines as Passed by City Council on 8/23/2021. 1~~

~~1. Equipment and machinery~~1. Working capital (e.g., rent, utilities, salaries, insurance);
2. Permanent working capital under $1,000, (e.g., inventory, furniture and fixtures, ~~relocation expense~~equipment);
3. ~~Working capital s (e.g., rent, utilities, salaries, insurance);~~
~~4. Business consulting services (e.g., accounting, marketing, software training, legal assistance);~~
~~5. Leasehold improvements, renovation, reconstruction, or restoration of vacant, under utilized or deteriorated space; building modifications to enhance accessibility to elderly or handicapped persons. (Construction projects must comply with Davis Bacon federal labor standards.).~~ Equipment and machinery over $1,000*;

*Three price comparisons are required as part of the application if the equipment exceeds the $1,000 threshold. The price comparisons may be formal quotes, screenshots, or pictures of the product and the price from different suppliers.

Property: The City will retain an interest in property improved or equipment purchased (worth $5,000 or more) with grant funds for up to five (5) years. If such property improvements or equipment are transferred, or otherwise disposed of within the five (5) year period from the date the improvements are completed or equipment is purchased, respectively, the City may require partial repayment of the grant funds (on a pro rata basis).

Ineligible Activities

a. Refinance existing debt;
b. Down payment for other financing;
c. Use of grant funds for activities commenced or completed prior to program funding approval and prior to signing a grant agreement (e.g., purchases of equipment and supplies).

Application Review Criteria/Preferences (listed in no particular order)

- Career Potential
  - o Job training for new hire(s) in a marketable skill;
  - o Potential for job advancement within the company or elsewhere.
- Employer
  - o Demonstrated need for grant funds to create job(s);
  - o Number of net new jobs exceeds one (1) per $10,000 of grant funding.

- Compensation and Benefits
    - o Quality of compensation and benefits package (for example, wages, health coverage, vacation, sick leave);
    - o Wages paid to new hire(s) exceeds Portland's minimum wage.

Application and Approval Process

The City's Housing and Economic Development Department is responsible for administration of the Business Assistance Program for Job Creation. Eligible applications are analyzed by an underwriter and then presented to the Portland Development Corporation (PDC) for its review. The PDC has final decision-making authority in approving applicants for grant awards.

Post Grant Requirements

Jobs

- ~~Jobs~~ must be created within nine (9) months of signing a grant agreement after being approved for a grant;~~.~~

~~BAP Guidelines as Passed by City Council on 8/23/2021. 2~~

- ~~Post job description(s)~~
- Job must be retained for one year after its creation;
- Job description(s) must be posted where low/moderate income people are likely to see it, and grantees must provide a photo ~~provided~~ to the City showing that posting;
- Baseline payroll provided prior to job creation;
- Quarterly report (listing new hire) until all required hires are made, then a summary report (list of all new hires) and an annual report one year beyond that;
- Income certification for each new hire(s).

~~Property~~

~~The City will retain an interest in property improved or equipment purchased (worth \$5,000 or more) with grant funds for up to five (5) years. If such property improvements or equipment are transferred, or otherwise disposed of within the five (5) year period from the date the improvements are completed or equipment is purchased, respectively, the City may require partial repayment of the grant funds (on a pro rata basis).~~

~~**Program Actions if Grantee Business is Unable to Meet Job(s) Requirements**~~

~~Nine (9) months from the date of signing the grant agreement, if a grantee business has been unable to create the required number of jobs, the PDC Board, at its discretion, may require that the grantee return all grant funds that it has drawn down. Alternatively, should the PDC Board determine, in its judgement, that the grantee has made a good faith effort to create the required number of jobs within the nine (9) month timeframe, the Board may approve the use of the following option if it deems it appropriate: Allow the creation of two part-time jobs for~~

~~low/moderate income individuals in place of one full-time job to meet the job creation requirement per $10,000 in grant funds. A part-time job is defined as working at least 875 hours per year but less than 1,750 per year.***~~ ¶

Program Actions if Grantee Business is Unable to Meet Job(s) Requirements

Nine (9) months from the date of signing the grant agreement, if a grantee business has been unable to create the required number of jobs, the PDC Board, at its discretion, may require that the grantee return all grant funds that it has drawn down. In the case of a grantee business that has been unable to retain the required job(s) for one year from the time the job(s) was initially created, the PDC Board, at its discretion, may require the partial repayment of grant funds (on a pro-rata basis).

Definitions

*Definition of a full-time job, per the Maine Department of Economic and Community Development;

**For the purposes of this Program, low/moderate income is defined by the U.S. Department of Housing and Urban Development as 80% of median household income. A chart showing qualified income levels can be found ~~on the City's website at the following link: https://www.portlandmaine.gov/523/Business-Financing-Loans-and-Grants~~here.

***Definition of a part-time job, per the Maine Department of Economic and Community Development. ¶

~~BAP Guidelines as Passed by City Council on 8/23/2021. 3~~

Portland Business Assistance Program for Job Creation

Program Description

The City of Portland's Business Assistance Program for Job Creation (BAP) provides grants up to $20,000 to for-profit Portland businesses for the creation of new full-time jobs or part-time jobs for low/moderate income individuals.

Program Objectives

- Job creation for low/moderate income individuals working in Portland;
- New business formation and existing business expansion;
- Help new and expanding businesses establish credit;
- Create economic opportunity through investing in Portland businesses to enable them to expand to create jobs;
- Enhance the health and vitality of Portland's neighborhoods and the City's economy as a whole.

Program Requirements/Eligibility

- ► Business must be for-profit and must be located within the City of Portland;
- ► Business will create one (1) part-time job (at least 875 hours/year* which is at least 17 hours/week) for a $5,000 grant, or one (1) full-time job (at least 1,750 hours/year* which is at least 34 hours/week) or two (2) part-time jobs (at least 875 hours/year* which is at least 17 hours/week) for every $10,000 of approved grant funding;
- ► Applicant business location fits any of the following: in a low income area of the City; within walking distance to one or more of these low income areas; easily accessible from these low income areas via public transportation;
- ► New jobs created with the help of the grant are marketed and provided to low/moderate income** individuals;
- ► Wages paid to new hires meet or exceed Portland's minimum wage;
- ► Applicant cannot owe outstanding property taxes, fees, or judgments to the City and property must be free of all City liens and encumbrances

Grant Terms

- Grant of $10,000 per full-time job, or $5,000 per part-time job, that business agrees to create, up to $20,000 per business;
- Job(s) must be created *after* the grant is approved in order to be counted as meeting the job creation requirement of this grant;
- Job(s) must be created within nine (9) months after signing a grant agreement;
- Once approved for a grant, no more than half the grant amount may be requested prior to job creation;
- Grants are provided through reimbursement of paid receipts (for eligible expenses) for twice the amount requested. For example, a request for a $5,000 grant drawdown must

be accompanied by $10,000 worth of paid receipts for eligible expenses (see Eligible Funding Activities below).

Eligible Funding Activities

1. Working capital (e.g., rent, utilities, salaries, insurance);
2. Permanent working capital under $1,000, (e.g., inventory, furniture and fixtures, equipment);
3. Equipment and machinery over $1,000*;

*Three price comparisons are required as part of the application if the equipment exceeds the $1,000 threshold. The price comparisons may be formal quotes, screenshots, or pictures of the product and the price from different suppliers.

Property: The City will retain an interest in property improved or equipment purchased (worth $5,000 or more) with grant funds for up to five (5) years. If such property improvements or equipment are transferred, or otherwise disposed of within the five (5) year period from the date the improvements are completed or equipment is purchased, respectively, the City may require partial repayment of the grant funds (on a pro rata basis).

Ineligible Activities

a. Refinance existing debt;
b. Down payment for other financing;
c. Use of grant funds for activities commenced or completed prior to program funding approval and prior to signing a grant agreement (e.g., purchases of equipment and supplies).

Application Review Criteria/Preferences (listed in no particular order)

- Career Potential
  - Job training for new hire(s) in a marketable skill;
  - Potential for job advancement within the company or elsewhere.
- Employer
  - Demonstrated need for grant funds to create job(s);
  - Number of net new jobs exceeds one (1) per $10,000 of grant funding.
- Compensation and Benefits
  - Quality of compensation and benefits package (for example, wages, health coverage, vacation, sick leave);
  - Wages paid to new hire(s) exceeds Portland's minimum wage.

Application and Approval Process

The City's Housing and Economic Development Department is responsible for administration of the Business Assistance Program for Job Creation. Eligible applications are analyzed by an underwriter and then presented to the Portland Development Corporation (PDC) for its review. The PDC has final decision-making authority in approving applicants for grant awards.

Post Grant Requirements

- Jobs must be created within nine (9) months of signing a grant agreement after being approved for a grant;
- Job must be retained for one year after its creation;
- Job description(s) must be posted where low/moderate income people are likely to see it, and grantees must provide a photo to the City showing that posting;
- Baseline payroll provided prior to job creation;
- Quarterly report (listing new hire) until all required hires are made, then a summary report (list of all new hires) and an annual report one year beyond that;
- Income certification for each new hire(s).

Program Actions if Grantee Business is Unable to Meet Job(s) Requirements

Nine (9) months from the date of signing the grant agreement, if a grantee business has been unable to create the required number of jobs, the PDC Board, at its discretion, may require that the grantee return all grant funds that it has drawn down. In the case of a grantee business that has been unable to retain the required job(s) for one year from the time the job(s) was initially created, the PDC Board, at its discretion, may require the partial repayment of grant funds (on a pro-rata basis).

Definitions

*Definition of a full-time job, per the Maine Department of Economic and Community Development;

**For the purposes of this Program, low/moderate income is defined by the U.S. Department of Housing and Urban Development as 80% of median household income. A chart showing qualified income levels can be found here.

***Definition of a part-time job, per the Maine Department of Economic and Community Development.

Draft outreach plan for 2024 CDBG Job Creation Grant

Objectives:

- Share program guidelines in advance so potential applicants have time to prepare their materials.
- Target relevant applicants (i.e., those who hire low/moderate income individuals)

Approach:

- Work with City's Communications staff to post on social media and/or press releases in advance of application start date.
- Send program guidelines to our stakeholder list (below) with a request that they share with their members/clients.

Organization	**Contact Name**	**Email Address**	**Sent?**
CEI/Women's Business Center	Sarah Guerette and Grace Mo-Phillips	sarah.guerette@ceimaine.gov grace.mo-phillips@ceimaine.org	
CEI/StartSmart	John Scribner	john.scribner@ceimaine.org	
GPCOG	Paul Johnson	pjohnson@gpcog.org	
Immigrant Welcome Center	Stella Hernandez	stella@welcomeimmigrant.org	
HED Dept Newsletter list			
SCORE	Nancy Strojny	nancy.strojny@scorevolunteer.org	
SBDC	Peter Harriman	peter.harriman@maine.edu	
Portland Development Corporation	Various Board Members	Various	
Portland Chamber of	Quincy Hentzel,	qhentzel@portlandregio	

Commerce	Eamonn Dundon	n.com, edundon@portlandregion.com	
Black Chamber of Commerce	Joshua Brister	bristerjoshua101@gmail.com	
Black Owned Maine	Rose Barboza	rose@blackownedmaine.com	
Office of Economic Opportunity	(send announcement to their listserve)		
Downtown Portland	Cary Tyson	cary@portlandmaine.com	
Waterfront/Marine Businesses	Bill Needelman		
Portland Buy Local		info@portlandbuylocal.org	
Visit Portland	Lynne Tillotson	ltillotson@visitportland.com	
Greater Portland CareerCenter	Omolola Achuba	Omolola.Achuba@maine.gov	

Portland Development Corporation
Preliminary Draft Operating
Report FY2025
For Month Ending
7/31/2024

Operating transfer from EDF **40,122**

Total Funds Available **40,122**

			Current	Year to		Percent		
FY2023 Expenditures	**Budget**		**Month**	**Date**		**of Budget**		**Balance**
Administrative Services	11,175		11,070	11,070		99.1%		105
Postage	300		0	0		0.0%		300
Travel, Training, Meetings	9,000		0	0		0.0%		9,000
Contractual Services	6,000		0	0		0.0%		6,000
Operating Transfer to Fin.	9,647		0	9,647		100.0%		0
Advertising	2,500		0	0		0.0%		2,500
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	**40,122**		**11,070**	**11,070**		**27.6%**		**19,405**

FY2025 PDC CASH MANAGEMENT REPORT/Non-Brownfield Program

(Preliminary and Subject to Change)

Period Ending: 7/31/2024	UDAG		CIP		CIP		FAME		FAME SSBCI		TOTAL
	271		272		274		277		279		
	Unrestricted Loans/Grants		Restricted		Unrestricted						
Beginning Balance	**247,471**		**396,349**		**201,114**		**845,790**		**505,658**		**2,196,381**
Additions	MTD	YTD	MTD	YTD	MTD	YTD	MTD	YTD	MTD	YTD	
Principal payments received	4,494	4,494	2,579	2,579	2,672	2,672	24,169	24,169	4,030	4,030	
Interest payments received from loans	3,422	3,422	53	53	182	182	1,940	1,940	3,601	3,601	
Interest Income	555	555	911	911	455	455	1,928	1,928	1,174	1,174	
Other Income/Adjustments							20,000				
Pass Through From FAME/SSCBI											
Deductions											
FAME Annual Admin. Fee; Invoices	270 Interest Adj										
Disbursements - Expenses	(25,193)										
Disbursements - Loans/Grants											
Ending Cash Balance (Munis)	**230,748**		**399,892**		**204,422**		**893,828**		**514,463**		**2,243,354**
Less Reserves for: Loans							(250,000)				
Beautification Program (EC0301)	(72,000)										
Transfers not yet recorded (UDAG Int)	(3,422)										
Adjusted Ending Cash Balance	**155,327**		**399,892**		**204,422**		**643,828**		**514,463**		**1,917,932**

FY2025 PDC CASH MANAGEMENT REPORT - BROWNFIELD PROGRAM

(Preliminary and Subject to Change)

Period Ending: 07/31/2024	**Brownfield 1**		**Brownfield 2 (2016)**		**Brownfield 3**		**Brownfield 10/1/2022**		**TOTAL**
	278		280		281		280 RLF		
	Unrestricted Loans/Grants		**Restricted/Cleanup**		**Restricted/Assessments**		**Restricted/Cleanup**		
Beginning Balance	**477,387**		**455,626**		**422,798**		**2,996,428**		**4,352,239**
Additions	**MTD**	**YTD**	**MTD**	**YTD**	**MTD**	**YTD**	**MTD**	**YTD**	
Principal payments received	1,932	1,932	1,413	1,413		-		-	
Interest payments received from loans	46	46	1,104	1,104		-		-	
Interest Income	1,092	1,092		-		-		-	
Other Income/Adjustments		-		-		-		-	
Pass Through From FAME/SSCBI/EPA		-		-		-		-	
Deductions									
FAME Annual Admin. Fee; Invoices									
Disbursements -Other			-73,854		-29,030				
Ending Cash Balance (Munis)	**480,457**		**384,290**		**393,768**		**2,996,428**		**4,254,943**
Less Reserves for:									
Reserve For Commitments	(1,047)		(361,106)				(2,884,124)		
Fund 280 Reserve for Administration			(12,531)						
Adjusted Ending Cash Balance	**479,410**		**10,654**		**393,768**		**112,304**		**996,136**

Portland Development Corporation
Schedule of Loans Receivable
For Month Ending July 31, 2024

Case ID	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):						
30124	Rosemont Market, Inc.	8/8/2019	9/1/2022	$150,000	0	$150,000	$76,022
30179	Forefront Brick South, LLC	11/18/2016	12/1/2026	$100,000	$0	$100,000	$34,745
30400	Friends and Family	3/10/2023	4/1/2027	$50,000	$0	$50,000	$34,824
30423	Longfellow Property, LLC	6/26/2023	7/1/2030	$200,000	$0	$200,000	$198,897
30514	Longfellow Property, LLC	5/6/2024	7/1/2031	$182,688	$0	$182,688	$182,137
	Sub-Total PBF (UDAG)						**$526,624**
	Portland Business Fund 272 (Restricted - CIP):						
30230	Portland Food Cooperative	6/4/2014	10/1/2021	$130,000	$0	$130,000	$5,419
	Sub-Total PBF (Bonds/CIP Restricted)						**$5,419**
	Portland Micro Capital Fund 271 (UDAG/Unrestricted):						
30250	Portland Trading Co. LLC	4/26/2013	8/1/2018	$15,000	$0	$15,000	$5,274
							$5,274
	Sub-Total Micro Capital Fund						
	Portland Business Fund Fund 274 (CIP/Unrestricted):						
30062	On Time Transportation	3/26/2018	4/1/2023	$10,000	$0	$10,000	$916
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
30316	Rankin WA, LLC	2/28/2022	2/1/2024	$5,000	$0	$5,000	$2,715
30119	Quattrucci & Rouda, LLC	3/19/2019	4/1/2029	$100,000	$0	$100,000	$35,050
30400	AAA Rue Marchie, d/b/a Timber	3/28/2023	4/1/2028	$40,000	$0	$40,000	$36,099
	Sub-Total PBF (Bonds/CIP Unrestricted)						**$89,780**
	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	$88,322
30127	Gallery Acquisition Co. Inc.	5/16/2019	6/1/2026	$75,000	$0	$75,000	$25,473
30125	Zootility Co.	8/7/2019	9/1/2024	$150,000	$0	$150,000	$122,197
30378	Gulf of Sashimi	10/19/2022	11/1/2027	$65,000	$0	$65,000	$37,753
30416	Forefront Partners I, LP	5/31/2023	5/31/2033	$200,000	$0	$200,000	$189,097
30442	Tiparos88 LLC (Matcha Mood)	9/28/2023	10/1/2030	$49,999	$0	$49,999	$16,798
	Sub-Total FAME Fund						**$498,206**
	FAME SSBCI 279:						
30107	Biodiversity Research Institute	3/26/2021	4/1/2026	$200,000	$0	$200,000	$178,034
30086	Driscoll Child Dev. Center	5/5/2021	6/1/2026	$60,000	$0	$60,000	$35,980
30085	Flores Restaurant LLC	6/9/2021	7/1/2026	$38,000	$0	$38,000	$20,511
30071	Wynsum, LLC	11/5/2021	12/1/2026	$131,250	$0	$131,250	$124,576
30068	688 Forest Ave., LLC	12/21/2021	1/1/2027	$168,000	$0	$168,000	$157,231
30527	Another Round	6/5/2024	8/1/2029	$225,000	$0	$225,000	$225,000
	Sub-Total FAME SSBCI						**$741,331**
	Brownfields Loan Fund 278 and 280						
30222	Forefront Partners, LP/Fund 278	7/30/2014	2/1/2025	$200,000	$0	$200,000	$11,743
30515	Forefront Partners I, LP/Fund 280	5/31/2023	4/30/2033	$200,000	$34,106	$165,894	$165,299
30072	Forefront Partners I, LP/Fund 280	4/12/2018	1/1/2032	$350,000	$0	$350,000	$316,175
	Sub-Total Brownfields						**$493,217**
	Grand Total Loans			**$3,392,437**	**$34,106**	**$3,358,331**	**$2,359,852**
	Allowance for uncollectable loans at 15%						$353,978
	Total with Allowance for uncollectable loans:						$2,005,874