Minutes
Portland Development Corporation
Remote Zoom Meeting
Held on September 19, 2024

A remote meeting, via Zoom, of the Portland Development Corporation (PDC) Board of Directors was held at 4:00 p.m. on Thursday, September 19, 2024. Present from the Board of Directors were Board President James Dowd and Directors Jonathan Berg, Sam Dargan, Eamonn Dundon, Nathan Henry, Thomas Mitchell, and Beverly Werber. Directors Dena Libner, Kierston Van Soest, and Councilor April Fournier could not be present, and there is one vacancy at this time. 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.

Item #1: Presidents Comments

President James Dowd welcomed new Board members; Matthew Buonopane, Scott Kleiman, and Nikki Yanok who were appointed by the City Council on September 16, 2024. He noted that there is a 10-day waiting period on approved Council Orders, so their appointments take effect September 26, 2024. President Dowd also announced that this will be his last meeting serving on the Board.

Item #2: Review and vote on draft meeting Minutes for Board meeting held on August 15, 2024.

Item was tabled until more members at the August meeting can be present.

Item #3: Review and vote on Brownfields Assessment Funding Request of $70,000 from Hearts of Pine Soccer Team

Ms. Martin introduced a request from Hearts of Pine Soccer Team for up to $70,000 in Brownfields Assessment funds after encountering contaminated fill while working on field improvements at Fitzpatrick Stadium. The contaminated soil needs to be characterized in order to assess off-site disposal or appropriate on-site reuse options. Although there is sufficient funding in Assessment Fund 281 which is administratively managed by HEDD staff, the use of revolved program funds, or Post Closeout Program Income (PCPI), is more expedient and will allow the stockpile to be sampled and managed as quickly as possible. Current balance of PCPI funds stands at $481,388 and use of these funds requires Board approval. Ms. Martin introduced Gabe Huffman-Johnson, founder of Hearts of Pine, and Kevin Schohl, Hearts of Pine President, who spoke briefly on investments made to Fitzpatrick Stadium, including some stormwater and utility work resulting in contaminated soils. Emily Wassmer with TRC, the City's Qualified Environmental Professional, added that the hope is that the soil will be able to remain onsite with a proper covering system approved by the Maine Department of Environmental Protection. If not, the soil would be removed from the site and taken to a proper facility for disposal.

There were some questions raised by a few Board members, which were answered by Ms. Martin, Ms. Wassmer and Catherine Culley (Redfern Properties), regarding potential for additional funds and how they determined that the soils were contaminated to begin with.

On a motion made by Mr. Dundon and seconded by Ms. Werber the Board voted 7-0 to approve a grant of up to $70,000 from the PCPI fund to Hearts of Pine for Brownfields Assessment.

Item #4: Review and vote on new loan application from Cultivating Community, 58 Boyd St, Suite A.

Ms. Martin introduced a loan request in the amount of $80,000 from Cultivating

Community, a Portland-based non-profit, seeking bridge funding for a remediation project for the City of Portland's Community Garden Program, which is managed in partnership with the City's Parks, Recreation & Facilities Department. The organization has already secured U.S. Department of Agriculture (USDA) National Resource Conservation Service grant funding to bring Portland's gardens into safe growing standards after soil contamination was found this Spring. However, the USDA grant is reimbursable, so Cultivating Community has requested a loan of $80,000 to use for the upfront cost of project implementation and staff time.

Ms. Martin introduced Executive Director, Silvan Shawe, who introduced Cultivating Community, their mission, and the project that will transition the program from in-ground growing to raised beds.

Mr. Dowd and Mr. Mitchell raised questions regarding the proposed term, the interest rate, and the reimbursement process. There was some discussion regarding the interest rate and whether the PDC could lower the interest rate and be consistent with past decisions. Mr. Dargan asked for further clarification on reimbursement timing from the USDA grant.

On a motion made by Ms. Werber and seconded by Mr. Mitchell the Board voted 7-0 to approve a $80,000 loan at a 2% interest rate with a 2-year term to Cultivating Community.

Item #5: Review and vote on new loan application from Yardie Ting LLC, 28 Monument Square.

Ms. Martin introduced the loan request in the amount of $45,000 from Yardie Ting LLC to expand to a new space in the Portland Public Market. Yardie Ting is a female, immigrant, and minority owned Jamaican restaurant.

Ms. Martin introduced Shanna-Kay Wright, owner of Yardie Ting who summarized the desired use of funds which include for staffing, equipment, renovating the space, and working capital.

Ms. Martin asked Mr. McLaughlin to comment on his suggestion for obtaining life insurance to be used as collateral due to the vital nature of Ms. Wright's role in the business. There was some discussion by the Board regarding the proposed interest rate and the collateral recommendation.

On a motion made by Mr. Henry and seconded by Mr. Dundon, the Board voted 7-0 to approve the $45,000 loan to Yardie Ting, LLC at 7% interest for a five-year term, with the condition of the assignment of life insurance in the amount of the loan.

Item #6: Review and vote to approve 89 Elm Entity Change.

Mr. Berg communicated the need to recuse himself from discussion and vote due to conflict of interest prior to the introduction by Ms. Martin.

Ms. Martin introduced the request from Avesta Housing Development Corporation (AHDC) to reassign the Brownfields loan commitment approved at the July 18, 2024 meeting from Avesta 89 Elm LP to 89 Elm Street Apartments LLC at the request of Maine Housing. This action will maintain the same entity listed on the application and the tax-exempt bonds issued by the Tax Equity and Fiscal Responsibility Reform Act (TEFRA).

Michael Barton, with Reveler, was asked to further clarify why this change is needed. Mr. Barton and Mr. McLaughlin explained and confirmed that both entities are both 100% Avesta-owned and that from a credit perspective there is no change and Avesta continues to be the guarantor.

Mr. Dowd opened public comment. George Rheault was given three minutes to provide comment. There being no further comments, public comment was closed.

On a motion made by Mr. Dargan and seconded by Mr. Henry voted 5-0-2 (with Mr. Dowd and Mr. Berg abstaining) to approve the entity change from Avesta 89 Elm LP to 89 Elm Street Apartments LLC.

Item #7: Staff Update on marketing/outreach.

Ms. Martin shared three verbal updates. On Monday the City Council approved the Community Development Block Grant (CDBG) Job Creation Grant Program, participation in the FAME portal, and Matthew Buonopane, Scott Kleiman, and Nikki Yanok as three new PDC Board members.

The joint application by the Economic Development Department and the Sustainability Office to the Department of Energy for a Clean Energy Revolving Loan Fund was not successful.

Lastly, Ms. Martin informed the Board that the Department did not close on the Mayhem Rage Room loan approved by the Board at its August 15, 2024 meeting, as the applicant decided to go with a lender offering a lower interest rate. Ms. Martin may ask the Board to further discuss interest rates at a later date.

Ms. Paulette informed the Board that this is also Mr. Mitchell's last meeting as a PDC Board member, but requested attendance to the next meeting for a proper send off.

Item #8: Annual Meeting of the Board

Ms. Gonzalez presented the Board with highlights from the Draft Annual Report.

On a motion made by Mr. Mitchell and seconded by Mr. Henry the Board voted 7-0 to set the date of the Annual Meeting of the Corporator as October 21, 2024.

Mr. Dowd outlined the proposed slate of officers as follows; Ms. Van Soest as President, Mr. Dundon as Treasurer, and Ms. Werber as Secretary.

On a motion made by Mr. Dowd and seconded by Mr. Dargan the Board voted 7-0 to approve the Board Officers as proposed by Mr. Dowd.

Item #9: Treasurer's Report - August 31, 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 #10: Other items to be discussed/brought up by Board Directors and/or staff.

Ms. Werber asked for an update on the Arts District and any efforts that can be undertaken by the PDC to help with job creation for example. Ms. Martin and Mr. Watson spoke on the current efforts; such as a survey that has been recently circulated among the Arts District property owners, feedback that has been received, policy/regulatory options to help alleviate the appearance of disinvestment, and efforts to reach out to stakeholders.

Mr. Dundon voiced support for a larger discussion on interest rates.

Item #11: Next regular meeting date: October 17, 2024.

There being no further business on a motion was made by Mr. Dundon and seconded by Mr. Berg, and the Board voted 6-0 (Mr. Henry left prior to adjournment) to adjourn the meeting at 5:28 p.m .

Respectfully, Kaela Gonzalez