PORTLAND DEVELOPMENT CORPORATION
Board Meeting

DATE: Thursday, February 20, 2025
TIME: 4:00 PM
LOCATION: This meeting will take place remotely via Zoom.

Please click the link below to join the webinar.
https://portlandmaine-gov.zoom.us/j/85229414013?pwd=N2tESU9mMmUzZ000T1F4cVErZTRnQT09
Passcode:272505

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Webinar ID: 852 2941 4013

International numbers available: https://portlandmaine-gov.zoom.us/u/kiIXpoqU0

AGENDA

1. President's comments

2. Review and accept Meeting Minutes of the following dates:

   a. December 19, 2024

   b. January 16, 2025.

   c. January 29, 2025.

3. Review and vote on the following ARPA Microenterprise Grant Applications (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 these applications):

   a. Calmbrook Residential Care LLC, 75 Bishop St, Suite 19

   b. Al-shawk LLC, DBA Luxe White Studio, 188 State St, Suite 404

   c. Pinecoast Painting, 57 Copley Woods Circle

   d. Lauren Chunias DBA Underdog Candles, 105 St. James Street.

   e. Tealight Studio, 3 Pleasant Ave, Unit 207

4. Review and vote on request to use up to $10,000 in Brownfields program income funds for Phase II ESA at 197 Oxford St.

   a. See attached Memorandum and back up materials to the Board regarding 197 Oxford Street.

5. Review and vote on a recommendation to the City Council regarding TIF-funded Downtown Improvement Loan Guidelines.

   a. See attached Memorandum

6. Treasurer's Report - January 2025

   a. Monthly Administrative Budget Report

b. Cash Management Report

c. Schedule of Loans 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. Staff verbal updates.

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

9. Next Regular Meeting Date: March 20, 2025

Minutes
Portland Development Corporation
Remote Zoom Meeting
Held on December 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, December 19, 2024. Present from the Board of Directors were Board President Kierson Van Soest and Directors Jonathan Berg, Matthew Buonopane, Sam Dargan, Eamonn Dundon, and Nikki Yanok. Board Directors Nate Henry, Scott Kleiman, Dena Libner, Beverly Werber, and Councilor April Fournier could not be present. Present from City staff were ARPA Project Coordinator Kaela Gonzalez, Business Programs Manager Nancy Martin, Associate Corporation Counsels Avery Dandreta and Amy McNally, Principal Administrative Officer Lori Paulette, and Housing and Economic Development Director Greg Watson. PDC underwriters David McLaughlin and Liam Benson were also present. Councilor Benjamin Grant was also in attendance.

Item #1: President's comments.

Mr. Dundon began the meeting by announcing that he would be Chairing, as President Ms. Van Soest was feeling under the weather.

Item #2: Review and vote on draft Meeting Minutes for Board Meetings held on:

a. **August 15, 2024**
b. **October 17, 2024**
c. **November 14, 2024**

On a motion by Mr. Berg and seconded by Ms. Van Soest the Board voted 6-0 to table the Meeting Minutes from August 15, 2024.

On a motion by Ms. Yanok and seconded by Ms. Van Soest the Board voted 4-0-2 (Mr. Buonopane and Mr. Dargan abstained) to approve the Meeting Minutes from October 17, 2024.

On a motion by Mr. Berg and seconded by Mr. Buonopane, the Board voted 4-0-2 (Ms. Van Soest and Ms. Yanok abstained) to approve the Meeting Minutes from November 14, 2024.

Item #3: Review and vote on a recommendation for the following loan applications:

a. **Luna LLC, 275 Marginal Way**

b. **Mandy & Matt's Cafe, 1160 Forest Ave**

c. **Moonbats Poster Shop, 615a Congress Street**

Ms. Martin introduced loan requests from Luna LLC, Mandy & Matt's Cafe, and Moonbats Poster Shop to the Board, beginning with Luna LLC with a $57,000 loan request from the female-owned startup coffee and smoothie shop that will open in the newly expanded Salud Studios space at 275 Marginal Way in Portland's East Bayside neighborhood. The loan request will cover startup costs, machinery and equipment, initial inventory, and build-out expenses. Ms. Martin introduced Naomi Hall, who answered questions regarding the drop-in childcare component, whether other resources were sought such as CEI and SCORE, and if there is an expectation of walk-in business outside of business derived from Salud Studios.

The next loan presented to the Board was a $150,000 request from Mandy & Matt's Cafe, which would be used to provide gap financing for real estate acquisition, with Kennebec Savings Bank as the lead lender, to purchase real estate located at 1160 and 1170 Forest Avenue. Matt and Mandy Lebel shared their restaurant experience and answered questions from the Board, including whether staff has been hired or is needed and available parking.

Lastly, Ms. Martin presented a loan request of $80,000 from Moonbats Poster Shop, a female-owned retail establishment located next to the State Theatre on Congress Street, in Portland's Arts District. Kimberly "Kehben" Grier has been operating the business for two years through sidewalk sales and plans to use the funds to purchase inventory, a vehicle, and marketing materials to expand operations into a brick-and-mortar space. Ms. Grier provided a brief introduction on her background/career history and vision for her business. The Board asked for more information on the leased space, the artists and inventory planned, and business hours. Mr. Watson asked Ms. Grier to elaborate on leveraging the proximity of the space to the State Theater and collaborating with visiting artists. Ms. Grier explained that there are often copyrighting issues with promoters of performing artists, but is exploring opportunities to capitalize on this opportunity.

On a motion by Mr. Dargan and seconded by Ms. Van Soest, the Board voted 6-0 to go into executive session at 4:45 p.m. pursuant to 1 M.R.S.A. 405(6)(F) and 5 M.R.S.A. 13119—A to discuss both Items #3 and #4 of the agenda.

At approximately 5:22 p.m. the Board returned to the public session.

On a motion by Ms. Yanok and seconded by Ms. Van Soest, the Board voted 6-0 to approve a loan for $57,000 to Luna LLC on the terms and conditions recommended by staff and the underwriter, except for the amendment of an interest-only period for the first 6 months.

On a motion by Mr. Buonopane and seconded by Mr. Berg, the Board voted 6-0 to table the loan request for Matt and Mandy's Cafe until a future meeting pending additional proprietary information obtained from staff.

On a motion by Mr. Dargan and seconded by Ms. Van Soest the Board voted 6-0 to approve a loan for $80,000 to Moonbats Poster Shop on the terms and conditions recommended by staff and underwriter.

Item #4: Review and vote to recommend approval of the following 10 Job Creation Grant applications:

Ms. Martin introduced the Job Creation Grant with an overview of the requirements and eligibility, as well as the funding and process in which staff and underwriters scored all applicants, with a short slide presentation. The businesses recommended for a $10,000 grant include the following; Belleflower Brewing, Luna LLC, Two Fat Cats, Sur Lie, Hunt and Alpine, Cong Tu Bot, Polish Nail Salon, Driscoll Childcare, Burundi Star Coffee, and Salud Studios. Ms. Martin answered questions brought forth by the Board including the fraudulent applications received, the process by which money is paid, and how long the business must retain employees. Ms. Martin clarified that the grant follows the job, not the employee.

On a motion by Mr. Dargan and seconded by Ms. Yanok, the Board voted 6-0 to approve all ten recommended businesses for a $10,000 grant, listed previously for the Job Creation Grant.

Item #5: Treasurer's Report - October 31, 2024

The Delinquency report was reviewed in Executive Session with Items #3 and #4.

Item #6: Staff Update:

Ms. Martin gave the Board an update regarding the American Rescue Plan Act Funds that are still available for Microenterprise Grants. Ms. Martin welcomed Councilor Ben Grant who will be joining as a Board Director in January of 2025 replacing Councilor April Forunier as an ex officio member. Ms. Martin also wanted to bring to the Board's attention that on December 9, 2024, the City Council held a goal-setting workshop and that the State of City Address will be given by the Mayor on January 6, 2025.

Item #6: Other Items to be discussed/brought up by Board Directors

Ms. Yanok shared with the Board that GMRI has been doing a fair amount of climate resiliency work in cooperation with One Climate Future along with other organizations and believes there will be opportunities for collaboration.

Item #7: Next Regular Meeting Date: January 16, 2025.

There being no further business, on a motion by Mr. Dargan and seconded by Mr. Berg, the Board voted 6-0 to adjourn the meeting at 5:32 p.m.

Respectfully, Kaela Gonzalez

<u>Minutes</u>
<u>Portland Development Corporation</u>
<u>Remote Zoom Meeting</u>
<u>Held on January 16, 2025</u>

A remote meeting, via Zoom, of the Portland Development Corporation (PDC) Board of Directors was held at 4:00 p.m. on Thursday, January 16, 2025. Present from the Board of Directors were Board President Kierston Van Soest and Directors Jonathan Berg, Eamonn Dundon, Councilor Ben Grant, Nathan Henry, Scott Kleiman, Dena Libner, and Beverly Werber. Board Directors Matthew Buonopane, Sam Dargan, and Nikki Yanok could not be present. Present from City staff were ARPA Project Coordinator Kaela Gonzalez, Business Programs Manager Nancy Martin, Associate Corporation Counsels Avery Dandreta and Amy McNally, Principal Administrative Officer Lori Paulette, and Housing and Economic Development Director Greg Watson. PDC underwriter David McLaughlin was also present.

<u>Item #1: President's comments.</u>

Board President Ms. Van Soest opened the meeting and inquired about the status of the August 15, 2024 Meeting Minutes.

<u>Item #2: Review and vote on draft Meeting Minutes for Board Meetings held on:</u>

a. **August 15, 2024**
b. **December 19, 2024**

On a motion by Ms. Werber and seconded by Mr. Berg the Board voted 4-0-4 (Mr. Dundon, Councilor Grant, Mr. Henry, and Mr. Kleiman abstained) to approve the Meeting Minutes from August 15, 2024.

On a motion by Mr. Dundon and seconded by Mr. Berg the Board voted 4-0-4 (Councilor Grant, Mr. Henry, Mr. Kleiman, and Ms.Werber abstained to approve the Meeting Minutes from December 19, 2024. POST NOTE: Upon review of the recording, Ms. Libner did not cast a vote, so these will be brought to an upcoming Board meeting for review and approval since 4 votes are needed to pass a motion and without her vote there were only 3 positive votes.

Item #3: Review and vote on a revision to a loan request by Luna LLC, 275 Marginal Way.

Ms. Martin is bringing this revision to the Board to correct a typographical error in the amount requested for financing by Luna LLC at the December 19, 2024 meeting. Underwriter Mr. McLaughlin clarified that these funds would provide 60 days of working capital, an industry standard.

On a motion by Mr. Kleiman and seconded by Mr. Henry, the Board voted 8-0 to go into executive session at 4:15 p.m. pursuant to 1 M.R.S.A. 405(6)(F) and 5 M.R.S.A. 13119—A to discuss Item #3 and the Delinquency Report from Item #4.

At approximately 4:25 p.m. the Board returned to the public session.

On a motion by Mr. Henry and seconded by Mr. Dundon, the Board voted 8-0 to approve a revision to the loan request for Luna LLC as recommended by staff.

Item #4: Treasurer's Report - December 31, 2024

Ms. Paulette gave a brief overview of the administrative budget, the cash management report and the schedule of loans receivable.

The Delinquency report was reviewed in Executive Session with Item #3.

Item #5: Other Items to be discussed/brought up by Board Directors

Ms. Werber asked for an update on the Arts District, which Mr. Watson provided. There is a draft ordinance that is currently being reviewed by the City's Legal Department. The next step will be to present the draft ordinance to the Housing and Economic Development Committee, who would ultimately recommend it to the City Council. Staff is hoping to ask the

PDC for recommendations that would accompany the ordinance such as offering incentives for property owners.

Item #7: Next Regular Meeting Date: February 20, 2025.

There being no further business, on a motion by Mr. Dundon and seconded by Mr. Kleiman, the Board voted 8-0 to adjourn the meeting at 4:30 p.m.

Respectfully, Kaela Gonzalez

Minutes
Portland Development Corporation
Special Remote Zoom Meeting
Held on January 29, 2025

A special remote meeting, via Zoom, of the Portland Development Corporation (PDC) Board of Directors was held at 12:00 p.m. on Wednesday, January 29, 2025, although the meeting started at approximately 12:20 once a quorum was reached. Present from the Board of Directors were Directors Jonathan Berg, Sam Dargan, Eamonn Dundon, Nathan Henry, Dena Libner, Beverly Werber, and Nikki Yanok. Board President Kierston Van Soest and Directors Matthew Buonopane, Councilor Ben Grant, and Scott Kleiman could not be present. Present from City staff were ARPA Project Coordinator Kaela Gonzalez, Business Programs Manager Nancy Martin, Associate Corporation Counsel Amy McNally, Principal Administrative Officer Lori Paulette, and Housing and Economic Development Director Greg Watson, who joined during Item #2. PDC Underwriter David McLaughlin joined the meeting during the Executive Session.

Item #1: President's comments.

Board President Ms. Van Soest was unable to attend. Director Dundon chaired the meeting in her absence.

Item #2: Review and vote on a recommendation for loan application from Mandy & Matt's Cafe, 1160 Forest Avenue - tabled at the December 19, 2024, Board Meeting.

Ms. Martin referenced the memorandums sent under confidential cover and noted the original loan amount request has increased to $200,000. Owners Matt and Amanda Lebel thanked the Board for holding a special meeting to hear their request.

On a motion made by Mr. Henry and seconded by Ms. Werber the Board voted (7-0) to move to executive session pursuant to 1 M.R.S.A. 405(6)(F) and 5 M.R.S.A. 13119-A, at approximately 12:24 p.m.

At approximately 12:38 p.m. the Board returned to public session.

On a motion made by Ms. Werber and seconded by Mr. Dargan the Board voted 6-0-1 (Mr. Henry abstained) to approve the loan to Mandy & Matt's Cafe at the terms recommended by staff.

Item #3: Other Items to be discussed/brought up by Board Directors

Mr. Dudnon asked that by the next Board Meeting, if available, the Board receive an update on how the Federal funding freeze affects the work of the Board. Ms. Martin noted that progress on 89 Elm Street has been delayed due to the freeze.

Item #4: Next Regular Meeting Date: February 20, 2025.

There being no further business, on a motion by Mr. Dargan and seconded by Mr. Henry, the Board voted 7-0 to adjourn the meeting at 12:42 p.m.

Respectfully, Kaela Gonzalez

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

MEMORANDUM

TO:	President Kierston Van Soest and PDC Board Members
FROM:	Nancy Martin, Business Programs Manager
CC:	Gregory Watson, Director, HEDD
DATE:	February 20, 2025
RE:	Request to use up to $10,000 in Brownfields program income funds for 197 Oxford St

OVERVIEW

The City has committed to perform assessment work at the site of the former homeless shelter at 197 Oxford Street. This building is one of three sites (197 Oxford, 158 Lancaster, and 50 Cedar) that Avesta and Reveler are planning to collaboratively develop into housing-first, affordable, and market-rate apartments. The City's Qualified Environmental Professional, TRC, has already completed the Phase I ESA, as well as the Site-Specific Quality Assurance Project Plan (SSQAPP).

BACKGROUND

The City was awarded a $500,000 grant from the EPA in August of 2023 to assess potentially contaminated sites in the City, with the goal of encouraging remediation and redevelopment. Since then, the grant has been used for environmental assessments at more than a dozen sites in the City, and the funds are now fully committed. The City plans to apply for another grant later this year.

Reveler currently owns 197 Oxford Street, the site of the former homeless shelter, and is planning to transfer the site to Avesta Housing as part of a Housing First development, offering both housing and support services for residents, in collaboration with Preble Street. The proposed development received Planning Board approval last month, the first to receive municipal approval since the Maine legislature approved a statewide expansion and dedicated funding for Housing First projects in 2023.

The City's Brownfields Assessment grant funds have been used to perform a Phase I ESA, as well as a SSQAPP, a work plan in which the City committed to perform a Phase II ESA, supplemental Hazardous Building Materials Survey (HBMS) & Geotechnical Investigation. EPA and the Maine Department of Environmental Protection (MEDEP) have reviewed and approved the SSQAPP. The proposed investigation is required to design the future buildings and generate construction costs associated with the redevelopment project, including costs to abate hazardous building materials and remediate contaminated soil. The City anticipates that Reveler and Avesta will apply to the City's Brownfields Revolving Loan Fund (RLF) for future abatement and cleanup costs. The cost of the

Phase II ESA, supplemental HBMS, & Geotechnical Investigation is $93,550, of which only $84,000 is available from the EPA Assessment grant. Staff are therefore requesting that the Portland Development Corporation approve the use of Post-Closeout Program Income (PCPI) to fund the remainder.

RECOMMENDATION

Staff requests the PDC Board approve the use of PCPI funds of up to $10,000 to perform a Phase II ESA, supplemental HBMS, & Geotechnical Investigation at 197 Oxford Street.

ATTACHMENT:

- Task order from TRC
- Maine Public article dated January 15, 2025

Date:	January 22, 2025		
To:	Ms. Nancy Martin, Business Programs Manager, City of Portland		
Proposed Task Order Name:	Avesta Oxford Street – Phase II ESA & Geotechnical Investigation		
Proposed Funding Source:	FY23 Brownfields Assessment Grant & Post Closeout Program Income		
TRC Project Number:	613987	**Original Contract Date:**	October 9, 2024

At your request, TRC is providing this task order for a Phase II Environmental Assessment (ESA) & Geotechnical Investigation for cleanup planning associated with the Avesta redevelopment project at 197 Oxford Street in Portland, Maine (Site).

TRC previously completed a Site-Specific Quality Assurance Project Plan (SSQAPP) for this Site, which was funded by the City's FY23 Brownfields Assessment Grant. The SSQAPP was approved and signed by the Maine Department of Environmental Protection (MEDEP) and the United States (U.S.) Environmental Protection Agency (EPA) on November 5, 2024, and serves as the basis for the costs associated with this task. The proposed work includes the following:

<u>Phase II ESA & Geotechnical Investigation: **$93,550**</u>

- Preparation of a Site-Specific Health & Safety Plan (HASP);
- Dig Safe pre-marking and notifications to Dig Safe/OK to Dig for utility location;
- Completion of a supplemental hazardous buildings material survey (HBMS) with sampling for asbestos containing materials (ACM), composite toxicity characteristic leachate procedure (TCLP), and polychlorinated biphenyls (PCBs). The HBMS will also include an updated universal waste inventory;
- Vacuum excavation or ground-penetrating radar (GPR) surveying at each proposed boring location to pre-clear the soil boring locations;
- Completion of seven soil borings for collection of both environmental and geotechnical soil samples and for characterization of subsurface conditions. Associated quality assurance/quality control samples are also included;
- Completion of four of the seven soil borings as groundwater monitoring wells, a relative groundwater elevation survey, and collection and laboratory analysis of groundwater samples and associated quality assurance/quality control samples;
- Preparation of a Phase II ESA report to summarize environmental conditions;
- Preparation of a supplemental HBMS report; and,
- Preparation of a geotechnical soil evaluation report.

Please note that TRC has eliminated select portions of the sampling program described in the SSQAPP (soil sampling through the existing building slab and sub-slab soil gas sampling). These scope items were removed both as a cost-savings measure and based on recent experiences with similar projects. Due to availability of funding, the scope of work detailed in this task order will be funded by a combination of the City of Portland's FY23 Brownfields Assessment Grant and Post-Closeout Program Income (PCPI). TRC proposes that the City fund up to $84,000 from the assessment grant and $9,550 from PCPI. The total proposed cost associated with this task order is provided on the following page.

Contract Value – TRC Project No. 613987

DESCRIPTION & DATE AUTHORIZED	AMOUNT ($)
RLF Grants	
TBD	$0
Current RLF Grant Total	**$0**
FY23 Assessment Grant	
1 – FY23 Cooperative Agreement Oversight / Additional Grant Support / QEP Services (10/15/2024)	$10,000
2 – Phase II ESA/Geotech - Reveler Bayside Center Phase 2, Phase 3, & UnPhased (10/15/2024)	$59,900
3 – HBMS - Mechanics' Hall (12/3/2024)	$17,000
4 – Phase I ESA Update - ECC, 25 Casco Street (12/5/2024)	$3,500
5 - Avesta Oxford Street – Phase II ESA & Geotechnical Investigation (Pending)	*$84,000*
Current FY23 Assessment Grant Total	**$90,400**
Proposed FY23 Assessment Grant Total	***$174,400***
Post-Closeout Program Income	
1 - Avesta Oxford Street – Phase II ESA & Geotechnical Investigation (Pending)	*$9,550*
Current PCPI Total	**$0**
Proposed PCPI Total	***$9,550***
Current Total Brownfields Contract Value	**$90,400**
Proposed Total Brownfields Contract Value	***$183,950***

Housing First development approved for Portland

Maine Public | By Nicole Ogrysko

Courtesy Of Avesta Housing And Reveler Development

Portland's former Oxford Street shelter is the site for the new housing project that will include 28 Housing First units.

The Portland planning board has approved nearly 100 new apartments, including units intended to serve chronically unhoused people, in the city's Bayside neighborhood.

The project, developed by Avesta Housing and Reveler Development, will have 28 Housing First units at the site of the city's former Oxford Street shelter. And it will offer both housing and 24/7 support services for residents.

The development will also include 20 income-restricted apartments and 48 other units rented at market rates, and it will be built in phases. The project received some pushback, particularly from neighbors.

Residents, for example, argued that the plans to segregate Housing First apartments, income-restricted units and market-rate housing into separate buildings contradict with Portland's inclusionary zoning rules. And neighbors said they weren't satisfied with the developers' plans for public safety; as Bayside has encampments and shelters that they said already draw trafficking, open drug use and crime.

"This proposal is not good for future clients, it's not good for the neighborhood, and it's not good for Portland," said Bayside resident Jim Hall.

But Greg Payne, the governor's senior housing adviser, said the projects like this one will help Portland and Maine end chronic homelessness.

"This is not a band-aid or a shelter or transitional housing," he told members of the Portland planning board Tuesday night. "It is a solution."

Payne and advocates for the unhoused said Housing First is seen as a proven model to help the most vulnerable, many of whom have untreated mental health conditions and substance use disorder. The non-profit Preble Street will provide 24/7 support services to residents at the new development, just as it does at Maine's existing Housing First properties.

The state currently has three, and all are in Portland.

The Oxford Street project is the first to receive municipal approval since Maine lawmakers approved a statewide expansion and dedicated funding for Housing First projects back in 2023.

Payne said at least seven projects throughout Maine will initially apply for state Housing First funding, which is expected to come online this summer.

Tags Business and Economy | Housing First | homelessness

TRC
63 Marginal Way, 4th Floor
Portland, ME 04101
T 207.879.1930
TRCcompanies.com

Date: January 22, 2025			
To: Ms. Nancy Martin, Business Programs Manager, City of Portland			
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City of Portland | Housing and Economic Development Department
Gregory P. Watson, Director

MEMO

TO:	President Kierston Van Soest and PDC Board Members
FROM	Nancy L. Martin, Business Programs Manager
CC:	Greg Watson, Director, Housing and Economic Development Department
DATE:	February 20, 2025
RE:	Request to approve guidelines for TIF-funded Downtown improvements

PROJECT OVERVIEW:

At the July 18th, 2024 Portland Development Corporation meeting, the Board was briefed on staff involvement in finding solutions to activate properties Downtown Portland, especially in the Arts District along Congress Street. As part of that discussion, the Board discussed potential financial incentives to encourage activation of storefronts.

BUDGET AND BACKGROUND:

The proposed program would use $250,000 of Downtown Transit Oriented Development Tax Increment Financing to provide no-interest loans of up to $10,000 to commercial property owners and leaseholder tenants to support up to 25 businesses to make upgrades to building façades on highly visible commercial properties in downtown Portland. These investments will support neighborhood safety through improved environmental design and infrastructure investments such as lighting and entryway improvements, encourage accessibility, and spur upgrades to commercial properties.

RECOMMENDATION:

PDC staff (Nancy Martin) recommends the Board approve and recommend funding appropriation by the City Council within the FY26 budget to provide financial incentives to improve commercial storefronts in the Downtown TOD TIF District.

ATTACHMENTS:

- Draft Program Guidelines
- Downtown Portland Transit Oriented Development Tax Increment Finance District map

No-interest loans for Storefront Improvements in the Downtown Portland Transit Oriented Development (TOD) Tax Increment Finance (TIF) District
DRAFT PROGRAM GUIDELINES

Program Description
The City of Portland's no-interest loans for Storefront Improvements program provides financial incentives to commercial property owners and leaseholder tenants for the purposes of addressing the following goals:

- Support upgrades to building façades and storefronts on highly visible commercial properties in downtown Portland;
- Improve neighborhood safety through improved environmental design and infrastructure investments such as lighting and entryway improvements;
- Encourage public accessibility and inclusion to address ADA requirements and community needs;
- Spur investment and upgrades to properties that will support small business growth, pedestrian activity, safety, and future development.

The City has allocated $250,000 in Downtown Transit Oriented Development (TOD) Tax Increment Financing (TIF) funds to support façade improvements and other upgrades to improve activation of the commercial storefronts in the Downtown TOD TIF district. The maximum loan amount is $10,000.

The program is available to BOTH businesses occupying commercial space under a current lease agreement AND commercial property owners, but only one loan will be made per property. (In other words, an owner and tenant cannot both receive a loan for the same storefront.)

The commercial property must be located in the Downtown TOD TIF district of Portland, Maine.

The program can be utilized by businesses in conjunction with the City's Revolving Commercial Loan Fund (RLF) program. Active commercial loan recipients are eligible to apply, provided they remain current with their loan payments.

FOR LEASEHOLDERS: Funding supports on-site improvements made by a tenant, which are not already covered under an existing lease agreement, or which exceed the improvement allowance agreed to as part of a current lease agreement. Must have written permission by property owner for the proposed project.

FOR COMMERCIAL PROPERTY OWNERS: Funding supports façade, signage and landscape improvements, and other external upgrades to a commercial property.

FOR MIXED USE PROPERTIES: Funds are eligible for dedicated commercial use areas only, unless the proposed project is focused on external enhancements for the entire property (i.e. façade, landscaping, lighting).

FUNDS ARE LIMITED:
Applications are not guaranteed funding, and applications are not guaranteed total funding amount requested.

Program Objective
The City of Portland seeks applications for a new no-interest loan program focused on upgrades to existing commercial properties in the Downtown TOD TIF District. Improvements made to commercial properties will help recruit and retain quality businesses and promote activation of the streetscape.

Eligibility Requirements:
The proposed project must be located in the Downtown Portland TOD TIF district and must conform to existing land use and development code standards. All necessary approvals and/or permits are required prior to the start of any project. The project applicant must be current on all property taxes, fees, judgements, or liens.

Eligible funding activities:
- Signage and landscaping
- Exterior lighting
- Siding and exterior repairs or upgrades, including doors and windows (note: entryway improvements may not include barriers or gates)
- Improvements to onsite stormwater drainage and treatment
- Pedestrian improvements
- External accessibility improvements

Ineligible funding activities:
- Funds cannot be used for general operating expenses including working capita, inventory, purchases, debt repayments, salaries, utilities, and/or rent payments.
- Funds may not be used for gates or barriers in entryways
- Funds may not be used to support the purchase of land or property
- Anything not included in the eligible funding activities.

Application Process:
Applications will be reviewed by the Portland Development Corporation for final approval, and may require additional information from applicants as part of the review process. A determination of funding award will be based on the overall strength of the application, including alignment with stated program goals; the community benefit of the improvements made; and the overall need of the applicant for funding the project. Preference will be given to storefronts located along highly visible commercial corridors.

Loan administration:
No loan shall be made unless and until the proposed work has been reviewed and approved by the appropriate City department and/or committee.

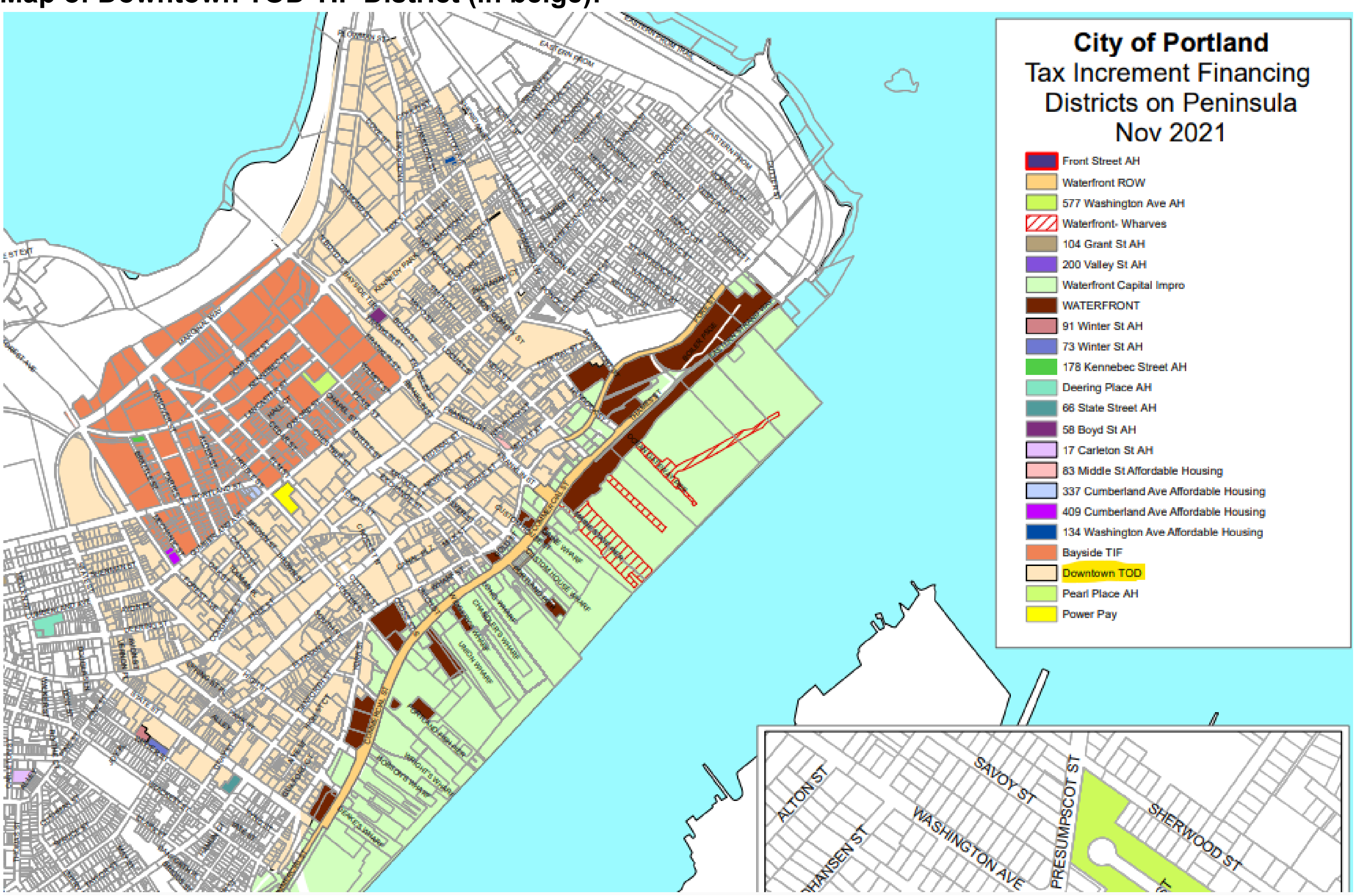
Loan proceeds will be paid by the City directly to the vendor/contractor.

The building must remain as a commercial or mixed-use property for three years following completion of the project.

<u>Loan terms:</u> Up to $10,000 at zero percent interest for a five-year term. Collateral will be required to secure the loans. Origination fee of 1% of loan amount applies.

Application Process:
Online application using Google Forms.
All applications received before the stated deadline will be considered.

Map of Downtown TOD TIF District (in beige):



Portland Development Corporation
Preliminary Draft Operating
Report FY2025
For Month Ending
1/31/2025

Operating transfer from EDF **40,122**

Total Funds Available **40,122**

FY2025 Expenditures	Budget	Current Month	Year to Date	Percent of Budget	Balance
Administrative Services	11,175	$0	11,232	100.5%	(57)
Postage	300	$0	128	42.7%	172
Travel, Training, Meetings	9,000	$0	8,790	97.7%	210
Contractual Services	6,000	$1,755	5,655	94.3%	345
Operating Transfer to Fin.	9,647	$0	0	0.0%	9,647
Advertising	2,500	$0	364	14.6%	2,136
Auto Expense Reimb.	100	$0	0	0.0%	100
Printing & Binding	650	$0	436	67.1%	214
Office Supplies	750	$0	330	44.0%	420
Total FY2025 Expenditures	**40,122**	**$1,755**	**26,935**	**67.1%**	**13,187**

FY2025 PDC CASH MANAGEMENT REPORT/Non-Brownfield Program

(Preliminary and Subject to Change)

Period Ending: 01/31/25	UDAG		CIP		CIP		FAME		FAME SSBCI		TOTAL
	271		272		274		277		279		
	Unrestricted Loans/Grants		Restricted		Unrestricted		REDLP				
Beginning Balance	**271,572**		**333,661**		**215,267**		**548,548**		**505,290**		**1,874,337**
Additions	MTD	YTD	MTD	YTD	MTD	YTD	MTD	YTD	MTD	YTD	
Principal payments received	2,884	17,486	10,082	15,246	404	6,928	6,595	56,920	2,998	14,780	
Interest payments received from loans	1,258	11,524	128	209	200	1,134	6,157	16,500	9,571	17,990	
Interest Income	640	2,960	795	4,457	516	2,418	1,300	10,139	1,205	6,026	
Other Income/Adjustments		-		-		-		-		-	
Pass Through From FAME/SSCBI		-		-		-		-		-	
Deductions											
FAME Annual Admin. Fee; Invoices											
Disbursements - Expenses											
Disbursements - Loans/Grants											
Ending Cash Balance (Munis)	**276,353**		**344,665**		**216,386**		**562,600**		**519,064**		**1,919,069**
Less Reserves for: Loans											
Beautification Program (EC0301)	(72,000)										
Transfers not yet recorded (UDAG Int)	(11,524)										
Adjusted Ending Cash Balance	**192,830**		**344,665**		**216,386**		**562,600**		**519,064**		**1,835,545**

FY2025 PDC CASH MANAGEMENT REPORT - BROWNFIELD PROGRAM

(Preliminary and Subject to Change)

Period Ending: 01/31/2025	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	**485,344**		**104,729**		**374,231**		**2,952,621**		**3,916,925**
Additions	MTD	YTD	MTD	YTD	MTD	YTD	MTD	YTD	
Principal payments received	1,966	13,644	1,771	11,510		-		-	
Interest payments received from loans	11	200	1,319	8,789		-		-	
Interest Income	1,176	6,725	236	1,653		-		-	
Other Income/Adjustments		-		7,536				-	
Pass Through From FAME/SSCBI/EPA		-		-		-		-	
Deductions									
Admin. Fee; Invoices			TRC				TRC		
Disbursements -Other			-7,536		(216,613)		$ (7,536)		
Ending Cash Balance (Munis)	**488,498**		**100,518**		**157,617**		**2,945,085**		**3,691,719**
Less Reserves for:									
Reserve For Commitments	(9,697)		0				(2,847,795)		
Fund 280 Reserve for Administration									
Adjusted Ending Cash Balance	**478,801**		**100,518**		**157,617**		**97,290**		**834,227**

Portland Development Corporation
Schedule of Loans Receivable
For Month Ending January 31, 2025

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	9/1/2029	$150,000	0	$150,000	$71,800
30179	Forefront Brick South, LLC	11/18/2016	12/1/2026	$100,000	$0	$100,000	$29,055
30400	Friends and Family	3/10/2023	4/1/2027	$50,000	$0	$50,000	$29,974
30423	Longfellow Property, LLC	6/26/2023	7/1/2030	$200,000	$0	$200,000	$197,321
30514	Longfellow Property, LLC	5/6/2024	7/1/2031	$182,688	$0	$182,688	$179,322
	Sub-Total PBF (UDAG)						$507,472
	Portland Business Fund 272 (Restricted - CIP):						
30568	Cultivating Community	10/17/2024	11/1/2026	$80,000	$0	$80,000	$66,782
	Sub-Total PBF (Bonds/CIP Restricted)						$66,782
	Portland Micro Capital Fund 271 (UDAG/Unrestricted):						
30250	Portland Trading Co. LLC	4/26/2013	8/1/2018	$15,000	$0	$15,000	$4,198
	Sub-Total Micro Capital Fund						$4,198
	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	$3,269
30119	Quattrucci & Rouda, LLC	3/19/2019	4/1/2029	$100,000	$0	$100,000	$29,539
30400	AAA Rue Marchie, d/b/a Timber	3/28/2023	4/1/2028	$40,000	$0	$40,000	$33,917
	Sub-Total PBF (Bonds/CIP Unrestricted)						$82,641
	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	$74,142
30127	Gallery Acquisition Co. Inc.	5/16/2019	6/1/2026	$75,000	$0	$75,000	$19,640
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	$23,260
30416	Forefront Partners I, LP	5/31/2023	5/31/2033	$200,000	$0	$200,000	$180,663
30530	Biodiversity Research Institute	8/22/2024	10/1/3031	$250,000	$0	$250,000	$248,187
30536	Blackbird Baking, d/b/a Two Fat Cats	10/1/2024	11/1/2031	$40,000	$0	$40,000	$39,814
30591	Salud Studios	11/19/2024	12/1/2030	$137,500	$0	$137,500	$137,500
	Sub-Total FAME Fund						$863,970
	FAME SSBCI 279:						
30107	Biodiversity Research Institute	3/26/2021	4/1/2026	$200,000	$0	$200,000	$173,781
30086	Driscoll Child Dev. Center	5/5/2021	6/1/2026	$60,000	$0	$60,000	$32,462
30085	Flores Restaurant LLC	6/9/2021	7/1/2026	$38,000	$0	$38,000	$15,967
30071	Wynsum, LLC	11/5/2021	12/1/2026	$131,250	$0	$131,250	$122,471
30068	688 Forest Ave., LLC	12/21/2021	1/1/2027	$168,000	$0	$168,000	$154,144
30527	Another Round	6/5/2024	8/1/2029	$225,000	$0	$225,000	$224,368
30592	Yardie Ting	11/14/2024	12/1/2029	$45,000	$0	$45,000	$43,985
	Sub-Total FAME SSBCI						$767,180
	Brownfields Loan Fund 278 and 280						
30222	Forefront Partners, LP/Fund 278	7/30/2014	2/1/2025	$200,000	$0	$200,000	$0
30515	Forefront Partners I, LP/Fund 280	5/31/2023	4/30/2033	$200,000	$0	$200,000	$193,075
30072	Forefront Partners I, LP/Fund 280	4/12/2018	1/1/2032	$350,000	$0	$350,000	$309,480
	Sub-Total Brownfields						$502,555
	Grand Total Loans			**$3,764,938**	**$0**	**$3,764,938**	**$2,794,798**
	Allowance for uncollectable loans at 15%						$419,220
	Total with Allowance for uncollectable loans:						$2,375,578