FINAL
Approved 01/16/2025

Minutes
Portland Development Corporation
Remote Zoom Meeting
Held on August 15, 2024

A remote meeting, via Zoom, of the Portland Development Corporation (PDC) Board of Directors was held at 4:00 p.m. on Thursday, August 15, 2024. Present from the Board of Directors were Directors Jonathan Berg, Blaine Grimes, Nathan Henry, Dena Libner, Thomas Mitchell, Kierston Van Soest, and Beverly Werber. President James Dowd and Directors Sam Dargan, Eamonn Dundon, and Councilor April Fournier 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 Matt Buonopane, and Housing and Economic Development Department intern Nguyen Lam.

Item #1: Presidents Comments

Director Van Soest opened the meeting and chaired as Board Treasurer due to the absence of Board President James Dowd.

Ms. Van Soest began with a notice sent out by the City Clerk announcing that five seats on the PDC with 3-year terms are available through 10/31/2027. Deadline to apply is 8/31/2024. These five seats include vacancies caused by the terming out of James Dowd and Blaine Grimes, who cannot reapply. The three others who can reapply are Eamonn Dundon, Thomas Mitchell, and Beverly Werber. All can continue to serve on the Board until their seats are filled and/or incumbents re-appointed by the City Council.

Ms. Van Soest welcomed Dena Libner to the Board, currently serving as Assistant City Manager, as the City Manager’s designee.

Ms. Van Soest thanked Krista Cole for her service on the Board from December 2021 through June 2024.

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

On motion made by Ms. Werber, seconded by Mr. Henry, the Board voted 5-0-1 (Ms. Libner abstained) to accept the meeting Minutes of July 18, 2024 as published.

Item #3: Review and vote on new Loan Application Two Fat Cats Bakery, 144 State Street.

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

Ms. Martin introduced this request by Two Fat Cats Bakery, for $40,000 to close a funding gap in the construction budget for a new bakery location at 144 State Street, owned by Stacy Begin and Matthew Holbrook. Ms. Martin introduced Stacy Begin, who provided background information regarding their business that started 20 years ago, with a main location at 195 Lancaster Street. A decision was made to close the South Portland location and to move into the old Mercy Hospital building, with expanded operations to fit the needs of the neighborhood, which will include a cafe and a small market area with prepared foods and some grocery essentials, with plans to open in mid-October. There have been some cost overruns due to the thick concrete flooring, increasing the costs for plumbing and electrical work. The Directors asked a few questions regarding staffing and employment opportunities and the closure of the South Portland location, which were all answered by Ms. Begin.

On a motion made by Ms. Grimes and seconded by Ms. Werber, the Board voted 7-0 to go into executive session at approximately 4:35 p.m. pursuant to 1 M.R.S.A. 405(6)(F) and 5

M.R.S.A. 13119-A to review proprietary confidential information for both Item #3 and Item #4, the two loan applications. At approximately 5:15 p.m. the Board of Directors returned to the public session.

On a motion made by Ms. Grimes and seconded by Mr. Henry, the Board voted 6-0-1 (Mr. Berg abstained) to approve the loan as recommended and presented in the amount of $40,000 to Two Fat Cats Bakery.

Item #4: Review and vote on new loan application from Mayhem Rage Room, storefront lease in Bayside is pending.

Ms. Martin introduced this request from Mayhem Rage Rooms LLC owned by Paul Taylor in the amount of $70,000. Mr. Taylor is planning to lease commercial space in the East Bayside neighborhood and operate a rage room, also known as a smash room. Ms. Martin introduced Mr. Taylor, who provided a more comprehensive description of his business plan. The Directors asked a few questions regarding the employment potential, insurance options, the size and layout of the space, anticipated flow of customers, and research of other similar successful businesses. Mr. Watson asked to hear further details on how materials are acquired for destruction. Mr. Taylor was able to provide answers on questions asked, and Ms. Martin was able to screen share the proposed layout for the space.

On a motion made by Mr. Henry and seconded by Ms. Werber, the Board voted 7-0 to approve the loan for $70,000 to Mayhem Rage Room as recommended and presented to the Board.

Item #5: Review and vote on recommendation to the City Council for amending the CDBG Job Creation Grant Guidelines.

Ms. Martin summarized the memorandum included in the backup documents, including the history of the grant program and highlighted changes for the new round of this program. The program was awarded a total of $105,000, of which $5,000 will be reserved for underwriting and related administrative expenses. The grant will offer for-profit Portland businesses up to $20,000 for the hiring of new employees that are low/moderate income and will require a private match equal to the grant requested. Ms. Martin made a few new minor edits prior to the meeting which were presented to the Board which will be redlined and shared in the posted materials. These included adding “construction” and “everything else” to ineligible activities, revising “property interest” language, and a change to make the minimum grant $10,000 as opposed to $5,000.

On a motion made by Mr. Berg and seconded by Mr. Mitchell, the Board voted 7-0 to approve and recommend to City Council the proposed amendments to the CDBG Job Creation Guidelines, including the additional edits as presented by Ms. Martin.

Item #6: Treasurer’s Report - July 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.

Ms. Paulette provided an overview of the monthly administrative report including one notable expenditure, recapped available funds in the non Brownfields funds and the Brownfields Revolving Loan Fund, and the number of active loans with the outstanding balance.

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

Ms. Paulette gave an update on the PDC Award Subcommittee, tasked with bringing to the Board proposals for the five awards as follows: Economic Development Achievement to Portland Ship Yard; Business of the Year to ImmuCell; Small Business of the Year to Portland Community Squash; PDC Client of the Year to Biodiversity Research Institute; and Legacy Award to DiMillo's on the Waterfront.

On a motion made by Ms. Grimes and seconded by Ms. Werber the Board voted 7-0 to approve the recommendations for the five PDC Business Awards.

Ms. Van Soest thanked Ms. Grimes for her six years of service on this Board and for her role as President, Treasurer and Secretary. Ms. Grimes opened a gift of appreciation, a framed picture of City Hall, citing her service from 2018-2024.

Item #8: Next regular meeting date: September 19, 2024.

There being no further business on a motion was made by Ms. Grimes and seconded by Ms. Werber, and the Board voted 7-0 to adjourn the meeting at 5:37 p.m.

Respectfully, Kaela Gonzalez