Minutes
Portland Development Corporation Board of Directors
Remote Zoom Meeting
Held on February 20, 2025

A special remote meeting, via Zoom, of the Portland Development Corporation (PDC) Board of Directors was held at 4:00 p.m. on Thursday, February 20, 2025. Present from the Board of Directors were its President Kierston Van Soest and Directors Jonathan Berg, Sam Dargan, Eamonn Dundon, Scott Kleiman, and Beverly Werber. Board Directors not able to attend were Matthew Buonopane, Councilor Ben Grant, Nathan Henry, Dena Libner, and Nikki Yanok. Present from City staff were Business Programs Manager Nancy Martin, Associate Corporation Counsel Amy McNally, Principal Administrative Officer Lori Paulette, and Housing and Economic Development Director Greg Watson. PDC Underwriter Liam Benson was also present.

Item #1: President's comments.

Ms. Van Soest waived the President's comments.

Item #2: Review and accept meeting Minutes of the following dates:

a. December 19, 2024.

On motion made by Mr. Dundon, seconded by Mr. Dargan, the Board voted 4-0-2 (Kleiman and Werber abstained) to accept the Minutes as presented.

b. January 16, 2025.

On motion made by Ms. Werber, seconded by Mr. Dundon, the Board voted 5-0-1 (Dargan abstained) to accept the Minutes as presented.

c. January 29, 2025.

On motion made by Mr. Dundon, seconded by Mr. Berg, the Board voted 4-0-2 (Kleiman and Van Soest abstained) to accept the Minutes as presented.

<u>Item #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):</u>

<u>a. Calmbrook Residential Care LLC, 75 Bishop St, Suite 19</u>

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

<u>c. Pinecoast Painting, 57 Copley Woods Circle</u>

<u>d. Lauren Chunias DBA Underdog Candles, 105 St. James Street.</u>

<u>e. Tealight Studio, 3 Pleasant Ave, Unit 207</u>

Ms. Martin noted that there was $25,000 left from the prior rounds. This round of funding opportunity was noticed through the City's News Alerts. Five applications were received, of which 2 received prior grants. She asked if there were any general questions before going into executive session, and there were none.

On motion made by Mr. Berg, seconded by Mr. Dargan, the Board voted 6-0 to go into executive session pursuant to 1 M.R.S.A. 405(6)(F) and 5 M.R.S.A. 13119-A to review proprietary information associated with these applications, as well as the Confidential Delinquency Report. The Board went into executive session at approximately 4:10 p.m. and came back into public session at approximately 4:20 p.m.

On motion made by Ms. Werber, seconded by Mr. Dundon, the Board voted 6-0 to approve the grant applications as recommended by staff, that is: (1) conditional approval of a $5,000 grant to Calmbrook Residential Care LLC; (2) a $5,000 grant to Al-shawk LLC, d/b/a Luxe White Studio; and, (3) a $5,000 grant to Pinecoast Painting.

Item #4: Review and vote on a request to use up to $10,000 Brownfield Program Income Funds for assessment work at 197 Oxford Street.

Ms. Martin noted this grant request is for environmental assessment work at 197 Oxford Street, the former homeless service shelter. The Assessment grant funds of $500,000 are utilized administratively, that is the PDC Board gave the staff authority to use these funds with regular reporting back to the Board. These funds prepare sites for clean-up.

There remains assessment work to be done at 197 Oxford Street, and $83,000 has been committed from the Assessment Fund for this work. There is a delta of up to $10,000 for the remaining assessment work so staff is requesting PDC Board approval to utilize the Brownfield Program Fund, Fund 278, for this purpose - up to $10,000. She noted that the Planning Board approved the development project last month.

On motion made by Mr. Dundon, seconded by Mr. Werber, the Board 5-0-1 (Berg abstained) to fund up to $10,000 from Brownfield Program Funds (Fund 278) to fill the gap needed for the Phase II ESA, supplemental HBMS, and geotechnical investigation at 197 Oxford Street.

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

President Van Soest noted the good explanatory Memorandum from Ms. Martin.

Ms. Martin thanked the President, noting that this is an initiative designed to activate the Downtown District. This is an incentive for storefront improvements proposed to be funded from the Downtown Transit Oriented Development TIF (DTIF) District in the amount of $250,000. She went through the eligible activities and noted the following questions from Director Buonopane, who could not be present today, as follows::

- The interest rate being at zero. Ms. Martin noted that this has to be as attractive as possible. These no interest loans could then revolve, as opposed to grants.
- Non-owner occupied space can get loans. Ms. Martin said that these are new loan guidelines; only one property can get a loan, whether owner or a lessee.
- Eligible uses – plans and engineering. Ms. Martin noted that the loan funds would used to be pay for hard costs and would also exclude City fees.
- Loan size and maybe $10,000 not enough. Ms. Martin noted that higher loan amounts would result in fewer businesses getting to use the program. At a maximum of $10,000 each, 25 businesses could participate in the program.

The Board discussed the proposed maximum loan amounts, eligible uses – noting that there is no one silver bullet that can take care of all the issues and that the Chamber and Portland Downtown are also working on programs for this area, as well as Police and Social Services. This is one of many different programs that are being discussed to reverse the decline.

Grant versus loan was discussed, with the preference being loans as they revolve.

Additional eligible uses discussed were interior lighting, security cameras/systems, outdoor dining. A match of 50/50 was noted as a possibility. Salaries are a prohibited use, but clarify that labor to pay for the improvements is allowable.

It was questioned whether landlords would participate, and Mr. Watson updated the Board that City staff has been working on a vacancy ordinance which is working its way for consideration by the Council's Housing and Economic Development Committee for its recommendation to the City Council.

Mr. Dargan and Mr. Kleiman had to leave the meeting at this point.

President Van Soest summarized that the Board consensus was to table this to the next meeting for staff to consider the following:

- Increasing the loan amounts to be up to $20,000, to be at no interest;
- Applications to be reviewed/approved by the PDC Board;
- Eligible uses include interior lighting, security cameras/systems, outdoor dining;
- Clarify that labor to pay for the improvements is allowable;
- Confirm that eligible uses are okay under state statute.

Item #6: Treasurer's Report - January 2025

President Kierston asked if there were any questions on the Report as presented, and there were no questions; consensus was acceptance.

Item #7: Staff verbal updates.

Mr. Watson said that there has been a lot of movement on the Federal freeze of funds, but the PDC's current Brownfield funding is now still available.

There being no quorum, consensus was to adjourn at approximately 5:14 p.m.

Respectfully, Lori Paulette