PORTLAND DEVELOPMENT CORPORATION
Board Meeting

DATE: Thursday, October 17, 2019
TIME: 4:00 PM
LOCATION: Room 209, Second Floor, Portland City Hall

AGENDA

1. President's Comments

2. Review and accept Minutes of August 22, 2019, meeting.

    a. See attached Minutes for review and approval.

3. Review and vote on the following applications for commercial grants from the Business Assistance Program for Job Creation:

    a. Anouche, LLC - 43 Washington Avenue

    b. Quattrucci and Rouda, LLC (d/b/a Monte's Fine Foods) - 78 Washington Avenue

    c. PelotonLabs, LLC - 795 Congress Street

    d. Leeward Maine, LLC - 85 Free Street

    e. Ready Seafood Company - 40 Commercial Street

    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 proprietary information of any of the applications listed above.

4. Treasurer's Report - September 2019

a. Monthly Administrative Budget Report
Schedule of Loans Receivable
Cash Management Report
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.

5. Annual Meeting of Board

a. Election of Officers - President, Treasurer, Secretary

b. Accepting Annual Report FYE19 and vote to forward to Corporator as a communication.

c. Setting Date for Annual Meeting of Corporator as November 4, 2019.

d. Any other business that may come before the Board.

6. Other items to be discussed/brought up by Board Directors.

7. Next Meeting Date: November 21, 2019

Minutes
Portland Development Corporation
August 22, 2019

A meeting of the Portland Development Corporation (PDC) Board of Directors was held at 4:00 p.m. on Thursday, August 22, 2019, in Room 209 of Portland City Hall. Present from the Board was its President Tim Agnew and Board Directors James Dowd, Tom Dunne, Blaine Grimes, Jeffery Hicklin, Jon Jennings, Laura Reading, and Julie Viola. Board Directors Steve Lovejoy, Mayor Strimling, and Briana Volk could not be present. Present from the City staff were Business Programs Manager Nelle Hanig, Economic Development Director Greg Mitchell, and Senior Executive Assistant Lori Paulette.

Item #1: President's Comments

President Agnew waived the President's comments.

Item #2: Review and accept Minutes of July 25, 2019 meeting.

On motion made by Mr. Dowd, seconded by Mr. Dunne, the Board voted 5-0-3 (Grimes, Hicklin, and Viola abstained) to accept the Minutes as published.

Item #3: Review and vote on a recommendation to the City Council regarding the PEDPIP Program.

President Agnew noted that the Board starting reviewing the future of this program beginning in March, noting that it has been a good program and accomplished many things. From its inception in FY14 to date, grants have been approved totalling over $465,000 but the source is rapidly drying up as it started with $1.2 Million and is now at $350,000. With two loans of $150,000 each, that source would be almost gone. When PEDPIP started, there was a recession and it was felt that this program would be beneficial to jumpstart items in the

Economic Development Plan and Vision. At this point, it is staff's recommendation that it has served its purpose and that it be discontinued.

Mr. Mitchell added the PEDPIP grant funds come from the most flexible loan funds – Unrestricted CIP and UDAG, noting that the other loan funds have restrictions. The recent Rosemont Market loan of $150,000 had to be taken from the UDAG fund due to the restrictions of the other loan funds.

President Agnew asked about other possible sources of funding, and Mr. Mitchell mentioned CDBG, which funds the BAP program and is jobs related. Ms. Hanig added that CDBG is used for social services and economic development but it is a very competitive process to obtain those funds.

Mr. Jennings agreed, noting that CDBG is a highly challenging source of funds that the community relies on, so another allocation for economic development purposes would be difficult. He also noted that funding from the City General Fund is not a source with all the other needs of the City, including $75 Million in sidewalk needs right now.

President Agnew opened the meeting for public comment. There being none, the public comment session was closed.

Ms. Viola made a motion to forward this to the City Council with a recommendation that the PEDPIP be discontinued; Ms. Grimes seconded the motion.

Mr. Dunne noted that while he supports the PEDPIP program, the low balance in unrestricted funds is the determining factor to support the motion; Ms. Viola agreed.

Mr. Dowd added that commercial lending dollars are easier to obtain than grant funding and was disappointed to see the program discontinued but would support the motion for reasons stated by Mr. Dunne.

President Agnew then asked for a vote on the motion and it passed unanimously.

Item #4: Treasurer's Report – July 31, 2019

Ms. Viola presented the report, noting the Schedule of Loans Receivable with total disbursements at over $2.7 Million, and principal outstanding at just over $2 Million.

Mr. Dowd asked if there were any loans not closed yet, and Ms. Hanig said that the Mellen Street Market has not yet closed because of a title issue that is being worked on, and Above the Line Accounting has not closed but is expected to next week.

President Agnew asked for consensus as to whether to go into executive session to review the delinquency report; consensus was that it was not needed.

Ms. Grimes asked about timing of charging off loans, and Ms. Hanig said that timing is done on a case-by-case basis.

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

President Agnew said that the Awards Committee, made up of himself, Jon Jennings, and Laura Reading, met this week with Mr. Mitchell and Ms. Hanig. One thing the Committee recommended was to not use a public process for nominations as it did not result in much feedback.

President Agnew then said that the Committee reviewed a long list of potential recipients for the awards, and came up with a nomination slate as noted in Ms. Hanig's memo she handed out to the Board. He noted that the Committee recommended a new award, the "Legacy Award", for a company or organization that has been in Portland for over 20 years and has made a substantial contribution to Portland. The Committee recommended two for the Board to vote on, i.e., DiMillo's and Paradigm Windows.

Mr. Jennings said that an entrepreneurial theme evolved as discussions on proposed nominees went on with the Committee.

The Awards Committee then gave their rationale for the slate as presented.

Ms. Grimes asked about past recipients, process, and how they are chosen as she did not recall being asked to provide any nominations. Mr. Mitchell said that he would email the entire Board the listing of past recipients and the proposed nomination listing that the Awards Committee reviewed, noting it was an error that the entire PDC Board was not notified to provide nominations. Mr. Mitchell also noted that the Awards Committee is formed yearly to review staff's and Board's proposed nominations.

Mr. Dunne then made a motion to approve the new Legacy Award, the modified guidelines, and the process of the Awards Committee making recommendations to the Board for a slate of awardees, noting that the public process is now not part of the process. Ms. Viola seconded the motion and the motion passed unanimously.

Mr. Grimes then made a motion to approve the nominations as presented by the Awards Committee, excepting the Legacy Award. Ms. Viola seconded the motion and it passed 7-0-1 (Reading abstained).

Mr. Dowd then made a motion for the Legacy Award to go to Paradigm Windows. Ms. Reading seconded the motion and it passed 7-0-1 (Viola abstained).

Mr. Jennings then made a motion to adjourn the meeting. Mr. Dunne seconded the motion and it passed unanimously at 5:00 p.m.

Respectfully, Lori Paulette

Portland Development Corporation
Preliminary Draft Operating
Report FY20
For Month Ending
9/30/2019

Operating transfer from EDF **28,522**

Total Funds Available **28,522**

FY20 Expenditures	Budget	Current Month	Year to Date	Percent of Budget	Balance
Administrative Services	575	0	3	0.5%	572
Postage	300	0	0	0.0%	300
Travel, Training, Meetings	4,000	0	25	0.6%	3,975
Contractual Services	10,500	0	0	0.0%	10,500
Operating Transfer to Fin.	9,647	0	0	0.0%	9,647
Advertising	2,000	0	0	0.0%	2,000
Auto Expense Reimb.	100	0	0	0.0%	100
Printing & Binding	650	0	0	0.0%	650
Office Supplies	750	0	75	10.0%	675
Total FY20 Expenditures	**28,522**	**0**	**103**	**0.4%**	**28,419**

Downtown Portland Corporation
Schedule of Loans Receivable
For the Month Ending September 30, 2019

					----Committed/Disbursed Funds-----			
Cust #	**Ln #**	**Account No. & Name**	**Date of Loan**	**Maturity Date**	**Original Loan**	**Not Yet Disb.**	**Total Disb .**	**Outstanding Princ. Bal.**
		Portland Business Fund 271 (UDAG/Unrestricted):						
7527	1622	320 P St., LLC (Casco Bay Elec.)	5/30/2018	6/1/2028	$200,000	0	$200,000	$189,553
7566	1683	Rosemont Market, Inc.	8/8/2019	9/1/2022	$150,000		$150,000	$150,000
7158	1561	Forefront Brick South, LLC	11/18/2016	12/1/2026	$100,000	$0	$100,000	$78,329
		Sub-Total PBF (UDAG)						**$417,881**
		Portland Business Fund 272 (Restricted - CIP):						
7124	1554	Creative Portland	10/11/2016	11/1/2023	$25,000	$0	$25,000	$15,287
6502	1436	Portland Food Cooperative	6/4/2014	10/1/2021	$130,000	$0	$130,000	$72,456
		Sub-Total PBF (Bonds/CIP Restricted)						**$87,742**
		Portland Micro Capital Fund 271 (UDAG/Unrestricted):						
5837	1341	Back Bay Skate	9/10/2012	9/1/2017	$12,500	$0	$12,500	$1,844
6120	1380	Portland Trading Co. LLC	4/26/2013	8/1/2018	$15,000	$0	$15,000	$11,264
6501	1435	Sur Lie Wine Bar, LLC	5/2/2014	9/1/2021	$37,335	$0	$37,335	$12,048
7092	1559	Vin Bar, LLC	7/26/2016	9/2/2021	$50,000	$0	$50,000	$29,369
		Sub-Total Micro Capital Fund						**$54,525**
		Portland Business Fund Fund 274 (CIP/Unrestricted):						
6597	1458	Back Cove School	8/29/2014	9/1/2019	$55,000	$0	$55,000	$148
6868	1512	Billdotcom, LLC	8/29/2015	9/1/2022	$102,500	$0	$102,500	$89,317
7091	1546	Skunk Ape, LLC	7/21/2016	8/1/2023	$75,000	$0	$75,000	$44,713
7479	1611	On Time Transportation	3/26/2018	4/1/2023	$10,000	$0	$10,000	$7,441
7554	1664	Quattrucci & Rouda, LLC	3/19/2019	4/1/2029	$100,000	$0	$100,000	$95,881
		Sub-Total PBF (Bonds/CIP Unrestricted)						**$237,500**
		FAME Fund 277:						
6598	1459	Browne Trading CO.	9/3/2014	10/1/2019	$83,333	$0	$83,333	$1,870
6784	1485	SB & LC Properties, LLC	4/6/2015	5/1/2020	$101,200	$0	$101,200	$89,120
6973	1524	Auto-Care, LLC	2/5/2016	3/1/2021	$32,500	$0	$32,500	$24,137
7029	1533	BayCycle	5/13/2016	9/1/2023	$20,000	$0	$20,000	$12,315
7103	1548	Cakeworks, Inc.	8/5/2016	9/1/2022	$62,500	$0	$62,500	$56,241
7157	1560	Forefront Brick South, LLC	11/18/2016	12/1/2026	$250,000	$0	$250,000	$195,822
7276	1580	Union Bagel	6/20/2017	1/1/2021	$46,000	$0	$46,000	$25,586
6485	1429	Evo Rock & Fitness Portland	4/14/2014	11/1/2024	$132,954	$0	$132,954	$77,901
7176	1565	Adele Masengo Designs, Inc.	1/6/2017	2/1/2022	$15,000	$0	$15,000	$10,475
7528	1623	KJ Monument Square, LLC	6/1/2018	12/1/2025	$25,000	$0	$25,000	$22,858
7532	1629	CAG RE, LLC	8/15/2018	9/1/2023	$50,000	$0	$50,000	$41,255
7529	1624	Cousins Seafood, LLC	7/11/2018	8/1/2023	$20,000	$0	$20,000	$16,505
7293	1582	Wallace James	7/14/2017	8/1/2022	$100,000	$0	$100,000	$69,670
7553	1661	Maine Family Services	2/8/2019	3/1/2024	$25,000	$0	$25,000	$22,884
7357	1593	747 Congress LLC	1/25/2017	7/1/2022	$150,000	$0	$150,000	$131,166
7561	1674	Calendar Sailing Company	5/2/2019	6/1/2024	$50,000	$0	$50,000	$49,117
7562	1675	Gallery Acquisition Co. Inc.	5/16/2019	6/1/2026	$75,000	$0	$75,000	$72,830
7564	1681	Above the Line Accounting	8/30/2019	7/1/2024	$34,000	$0	$34,000	$34,000
7565	1682	Zootility Co.	8/7/2019	9/1/2024	$150,000	$0	$150,000	$150,000
		Sub-Total FAME Fund						**$1,103,753**
		FAME SSBCI 279:						
6199	1390	Inn at Diamond Cove LLC	7/10/2013	10/1/2019	$200,000	$0	$200,000	$150,174
6867	1511	Billdotcom, LLC	8/19/2015	9/1/2022	$92,500	$0	$92,500	$80,605
7233	1570	KODA, LLC	3/31/2017	4/1/2027	$100,000	$0	$100,000	$91,346
		Sub-Total FAME SSBCI						**$322,125**
		Brownfields Loan Fund 278 and 280						
6555	1457	Forefront Partners, LP/Fund 278	7/30/2014	2/1/2020	$200,000	$0	$200,000	$116,925
		Forefront Partners I, LP/Fund 280	4/12/2018	7/12/2028	$350,000	$339,769	$10,231	$10,231
		Sub-Total Brownfields						**$127,156**
		Grand Total Loans				**$339,769**	**$3,087,553**	**$2,350,682**
		Allowance for uncollectable loans at 15%						$352,602
		Total with Allowance for uncollectable loans:						**$1,998,080**

Cash Management Report
8/31/2019 - Preliminary and Subject to Change

			UDAG	FAME	FAME	Brown-	Brown-	Brown-		Year-to-Date						
	CIP		271		SSBCI	field 1	field 2	field 3		Principal/Interest						
	272	274	(Unrestricted)	277	279	278-Closeout	280-RLF	281-Assess		CIP		UDAG			278	280
	Restricted	Unrestricted	Loans/Grants						TOTAL	Restricted	Unrestricted	Unrestricted	FAME	SSBCI	Brnfld 1	Brnfld 2
										272	274	271	277	279	278	280
Cash Bal. Beginning of Reporting Mo.	**311,073**	**94,863**	**397,518**	**121,557**	**776,774**	**396,795**	**941,618**	**99,319**	**3,139,517**							
Plus:																
Principal payments received	1,034	22,031	3,992	10,432	1,464	1,671				2,960	29,649	9,914	31,318	4,377	4,884	0
Interest payments received from loans	282	1,114	2,265	4,037	1,152	307				630	2,101	5,280	13,249	4,108	1,050	60
Interest Income														0	0	0
Other Income/Adjustments																0
Pass Through From FAME/SSCBI/EPA																
Sub-Total Cash Available	**312,389**	**118,008**	**403,774**	**136,026**	**779,390**	**398,773**	**941,618**	**99,319**	**3,189,297**	**3,590**	**31,750**	**15,193**	**44,567**	**8,485**	**5,934**	**60**
Less:																
FAME Annual Admin. Fee; Invoices																
Disbursements - Loans/Grants			-400													
Sub-Total Cash Available:	**312,389**	**118,008**	**403,374**	**136,026**	**779,390**	**398,773**	**941,618**	**99,319**	**3,188,897**							
Less Reserves for:																
Beautification Program (EC0301)			(72,000)													
PEDPIP Fund Commitments thru FY16			(32,767)													
PEDPIP Fund FY18 Commitment			(22,924)													
PEDPIP Fund FY19 Commitment			(15,000)													
Transfers not yet recorded (UDAG Int)			(5,280)													
Fund 280 Reserve for Commitments							(509,769)									
Fund 280 Reserve for Administration							(56,849)	-7300								
Total Ending Loan/Grant Cash Bal.	**312,389**	**118,008**	**255,404**	**136,026**	**779,390**	**398,773**	**375,000**	**92,019**	**2,467,009**							

Portland Development Corporation

Board of Directors

Fiscal Year End 2019 Annual Report

The Economic Development Department provides the primary staff support to the Portland Development Corporation (PDC) with legal assistance from Corporation Counsel. The Economic Development Department is responsible for marketing and administration of the PDC's Commercial Loan and Grant Programs.

The PDC Board of Directors met eight times over the course of the fiscal year, not including its Annual Awards Reception held on December 6, 2018 – detailed further below. It is noted that the PDC invested just over $600,000 in FY19 in 18 businesses and economic development projects, which leveraged over $2 Million in private sector funds associated with creating 43 jobs and retaining 7 jobs. FY19 loan activity included a public to private investment ratio of 1:6.

See table on following page for loan and grant activity for FY15 through FY19.

FY15, FY16, FY17, FY18 and FY19 Loan and Grant Activity Totals:

	FY15	FY16	FY17	FY18	FY19
No. of Commercial Loans Made	8	5	10	6	6
Total Amt. of Funds Lent	$607,033	$370,000	$873,500	$405,000	$320,000
Total Private Investment Leveraged	$3,467,095	$1,139,361	$11,439,338	$5,112,884 (inc. Brownfield Loan Leveraging)	$1,882,700
Jobs Created	40	8	40	14	21
Jobs Retained	55	11	17	62	7
No. of Brownfield Grants/Loans	1	1	2	2	1
Total Amt. of Grants/Loans	$200,000/Loan	$75,000/Grant	$192,000/Grants	$350,000/Loan; $170,000/Grant	$125,000
No. of Business Assistance Grants for Job Creation		7	0*	7	9
Total Amt. of Grants		$100,000	0	$100,000	$140,000
Jobs Created	0	21	0	11	22
No. of Portland Econ. Dev. Plan Implementation Grants	8	3	8	4	2
Total Amt. of Grants	$98,820	$37,300	$48,331	$37,900	$30,000
PDC Total Investment	**$756,503**	**$502,300**	**$926,831**	**$1,062,900**	**$615,000**

*****No funds were available during FY17.

PDC Fiscal Year 2019 Loan and Grant Detailed Activity

FY19 Loans Closed

FY19 was a year in which the PDC loan portfolio grew with six loans closed for a total of $320,000. These PDC's loans assisted in retaining 7 jobs and creating 21 new jobs. In addition, these loans leveraged over $1.88 Million in private commercial investment. Types of businesses provided loan assistance included auto repair, home health care, two food retailers, a sailing company and an art center/gallery.

During the past nine years, FY10 through FY19, the PDC has extended 69 loans for a total of just over $5.35 Million, while leveraging just under $79 Million in private investment and creating/retaining over 600 jobs.

PDC Loan Portfolio

As of the end of FY19, the PDC loan portfolio exceeds $2.77 Million, with 36 loans under management. This loan portfolio of $2.77 Million leverages $31.6 Million in private investment in Portland, for a leverage of $11 of private funds to each dollar of public funds. These loans helped to retain 100 jobs and create 129 jobs, and include a diverse mix of PDC investments in businesses noted above, as well as a paddle boat company on Portland's waterfront, day care centers, bakeries, energy, fitness, retail, recreation, education, and service businesses. It is also noted that of the 36 loans under management, 6 are to the immigrant community.

As a result of a successful grant application, beginning in 2012, funds from the U.S. Treasury's State Small Business Credit Initiative (SSBCI) became available to the City as a lending source. To date, the PDC has utilized $922,500 in SSBCI funds for loans to six Portland businesses. Since the SSBCI Program expired in early 2017, all of the loan funds, once paid off by the borrowers, become the City's, expanding the PDC loan pool by what will likely be over $1 million.

PDC Lending History

Since its inception in 1991, the PDC has made 172 loans to diverse businesses including manufacturing (e.g., breweries and biosciences), hospitality, restaurants, retail, and service, among others. The following table provides an overall view of the activities:

Total Amount of Funds Lent:	**$11,136,535**
Leveraged Amount of Private Financing:	**$124,533,984**
Jobs Retained:	**1,351**
Jobs Created:	**814**
16 Loans Defaulted*	**$708,480**

*****Default amount of $708,480 is 6.36% of total amount of funds lent.

Brownfields Grant Award from the United States Department of Environmental Protection (EPA)

The City of Portland applied for a Brownfields Grant from the EPA during FY2016. At the beginning of FY17, the City was awarded a grant of $800,000 to support loan and grant investments in environmental site cleanup. The City was awarded an additional $500,000 in cleanup funds and $200,000 in assessment funds during FY18. The City Council accepted and appropriated these funds to recapitalize the Brownfields Revolving Loan and Grant Program and a Brownfield Assessment Program. The funds will be used as loans to for-profit developers, and, in some cases, as grants to non-profits for clean-up of Brownfields sites throughout the City. The assessment funds will cover the cost of Phase I and Phase II Environmental Site Assessments in Portland.

Brownfield actions of FY18 and FY19:

1. In FY18, a loan of up to $350,000 was approved and provided to Forefront Partners I LP for engineering and clean-up/remediation connected to four projects on Thompson's Point. Those projects include the Suburban Propane redevelopment site, the East Loop Road (to the future Children's Museum and Theatre building), a Pavilion, and a Hotel.

2. Again, in FY18, a $170,000 grant was approved for Children's Museum & Theater of Maine (CMTM), a non-profit organization which purchased a 1.12 acre property (Lot 7) on Thompson's Point. In this $14 Million project, CMTM will construct a 3-story 29,000 sq. ft. building on that property with outdoor play areas. This grant will assist in remediation/cleanup of the site.

3. In FY19, a $125,000 grant was approved for the Portland Housing Authority (PHA) to assist with remediation/cleanup costs for contaminated property at 58 Boyd Street. Once remediated, PHA will develop a six-story, 55-unit mixed income residential building with multi-family affordable apartments (65% low income). Project buildout costs are estimated at over $13 Million.

4. In FY19, the PDC recommended to the City Council, and the City Council approved, that Phase I and Phase II Environmental Assessments from the Assessment Fund received from USEPA in 2018 (Fund 281) can now be approved administratively, rather than brought to the PDC Board for approval. If assessments are to use Brownfields Closeout funds (Fund 278), staff will bring these requests to the Board for approval, as it has done in the past.

Portland Economic Development Plan Implementation Program (PEDPIP) Grant Fund

The PEDPIP Grant Fund was created during FY12 to provide grant funds to invest in economic development projects and programs that carry out Portland's Economic Development Vision and Plan ("Plan"), and its companion Work Plan which is updated every two years. Grants must be matched by an equal or greater dollar amount from funding sources other than the PDC.

The PEDPIP grants have funded planning studies and other "soft" costs associated with economic development projects and programs that advance the initiatives spelled out in the Plan and current Work Plan. PEDPIP does not invest in "hard" costs for public infrastructure or private development projects. Its focus is on expenditures for economic development projects and programs.

The PEDPIP program was initially capitalized by PDC loan funds in the amount of $250,000 in FY12. The maximum grant amount was originally $75,000. By the end of 2014, the full $250,000 had been awarded in PEDPIP grants. During FY2015, the PDC Board recommended to the City Council, and the Council approved, re-capitalizing PEDPIP by establishing a yearly cap at the beginning of each fiscal year using 10% of Unrestricted PDC loan funds that were available/uncommitted, beginning with FY16. They also amended the maximum grant amount to $15,000.

Since its inception through FY19, the PDC Board approved grants in the total amount of $465,245 as follows:

Portland Community Chamber for the following projects:
- "Why Portland" Videos
- Growing Portland Initiative
- Scorecard Updates (2014; 2015)
- Startup and Create Week (2014; 2015)

Creative Portland for the following projects:
- Branding Portland
- LiveWork Website Update
- Creative Economy Metrics
- Artspace Survey
- Creative Map and Guide
- Creative Space (inventory, web-based clearing house, resource guides)
- UNESCO Creative Cities Application
- Work in Place Summit
- Green Light Series Finale
- Update to Portland Cultural Plan
- Hire Professional "Experience Design" Consultant/Cultural Application

Portland Performing Arts Festival

City of Portland - Staff participation in the Maine International Trade Center Mission to Iceland and UK

City of Portland/Portland Community Chamber – Industry Sector Research Conducted by the Maine Center for Business and Economic Research

City of Portland – Greater Portland Economic Development Corporation/ Maine International Trade Center/Invest in Maine Program

City of Portland – Office of Economic Opportunity for the following projects:

– Develop Strategies and Measurable Plan to Integrate Immigrants
– Create Professional Connector Program/Jobs for New Mainers

World Affairs Council for its Celebrate Immigration Initiative

Cooperative Development Institute – Institutional Food Service and Procurement

Maine Center for Enterprise Development for the following projects:
– Top Gun Overhaul and Preflight
– E*Next Pilot Project

Maine Convention Center Collaborative/Portland Community Chamber – Feasibility Study for Convention Center

Portland Buy Local – Host Community Forum to Strengthen Portland's Economy

Portland Downtown for the following projects:
– Parking Study
– Walking Tour

Maine College of Art – Campus Master Plan

GPCOG – Portland Food Launch and Festival

Women United Around the World – Vocational Training Program for Immigrant Women

Maine Immigrant Rights Coalition – Create Database/Immigrant Economic Opportunity Network

Maine Crafts Association – Gallery at 519 Congress Street for Maine Craft Artists, and a Hub for Education, and Culture

Portland Adult Education – New Mainers Resource Center Education Assistance

Business Assistance Program for Job Creation

The Business Assistance Program for Job Creation offers grants to new and expanding Portland businesses for projects that result in the creation of permanent 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. For every $10,000 of grant funds, one full-time permanent job must be created.

This program was originally capitalized with $100,000 from the Community Development Block Grant (CDBG) and launched in May 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, and, 145,000 for FY19.

Grants awarded since the Program's inception (FY12 through FY19) total $526,910 to 36 recipients, including 9 to the immigrant community, resulting in the creation of 97 jobs. The program has provided assistance to a diverse group of start-up and existing businesses including restaurants, bakeries, food production, clothing and textile manufacturers, pharmacy, computer services, music venue, bicycle sales/service, hair salons, auto repair, and home health care services.

PDC Annual Awards Program

At the 23nd Annual Awards Reception on December 6, 2018, the PDC gave awards for PDC Client of the Year, Small Business of the Year, Business of the Year, and an Economic Achievement Award – as follows:

- The ***PDC Client of the Year*** award was given to ***Gorgeous Gelato***

Donato Giovine and Mariagrazia Zanardi opened Gorgeous Gelato in the winter of 2010. As written by Meredith Goad in the Portland Press Herald, “opening a gelato shop in Maine in December seems a little like opening a hot chocolate stand in Phoenix in July…. It’s cold outside, but somehow a scoop of homemade gelato makes people feel warm.” Moving to Portland from Milan, the couple decided Portland would be a good place to raise their two children. “We arrived from Milano in August 2010 with a precise, long term business plan: produce the best Gelato west of Italy – and we are working hard every day to achieve this goal.” Eight years later, with 7 employees, the shop at 434 Fore St. is doing well. According to their website, “If you want to enjoy gelato as authentic as that made at Gorgeous Gelato, Alitalia Airlines has a number of direct flights from Boston to Milano and Roma every day!” This business borrowed $25,000 from the PDC in 2010 and paid it off on time and in full.

- The ***Small Business of the Year*** award was given to ***Harbor Fish Market***

A Portland landmark, 9 Custom House Wharf has been the location of a fish market since the 1800’s. It became the iconic Harbor Fish Market in 1966 when Portland’s Benjamin L. Alfiero purchased the business. Over the years, Benjamin and his sons, Nick, Ben Jr., and Mike, built one of the city’s most recognizable businesses and remains committed to its clients, employees, and the Portland community.

Now run by the second generation of the Alfiero family, Harbor Fish Market acts as an ambassador for Portland’s working waterfront and is consistently a top destination for locals and visitors in search of the freshest seafood they can find anywhere. Harbor Fish supplies many of the most highly-regarded restaurants, cafes, and specialty food markets in ME and NH, and provides wholesale products to large national distributors and institutions. It offers specialty cuts, custom orders, and rare species through its own production capabilities, delivers to Casco Bay Lines for orders to the islands, and promotes sustainable practices.

The real jewel of this business has been its renowned retail shop on Custom House wharf, where customers from all over the country visit to experience the amazing array of fresh products in a unique, authentic setting. **It’s Pledge:** “We pledge to set the standard for quality by purchasing and selling the highest quality fish and seafood obtainable. It will always be fresh, never frozen, unless we say otherwise. It is our #1 Goal.”

- The ***Business of the Year*** award was given to ***Tilson Technologies***

Tilson is on a mission to build America's information infrastructure. Recognized eight consecutive years on the Inc. 5000 list, Tilson provides network deployment and information system professional services to telecom, construction, utility, and government clients.

Headquartered in Portland, Maine, Tilson builds high-performing technology project teams who take on the largest and most impactful information infrastructure projects in the country.

Led by CEO Joshua Broder, a veteran of the U.S. Army, Tilson's early beginnings include taking on major regional projects, including Central Maine Power's grid modernization effort and Maine Fiber Company's Three Ring Project.

Starting with just three people in 2007, Tilson now has over 450 employees in 17 locations across the country.

Tilson's ongoing growth is driven by its differentiated capability to lead technology advancement in support of expanding 5G infrastructure deployment.

- The ***Economic Development Achievement*** award was given to the ***Avesta Housing***

With over 45 years of experience, Avesta Housing is one of the largest non-profit developers of affordable housing in New England. Under the leadership of President and CEO Dana Totman, the organization is committed to providing quality affordable housing and preserving the existing stock of affordable multi-family housing in Maine. Of paramount importance to Avesta is the recognition of affordable housing as a valuable community asset. The organization is recognized nationally for groundbreaking work in bringing together non-profit, for-profit, private, and public sector organizations for the benefit of communities. It is also recognized among the 2018 Best Places to Work in Maine. Avesta has assets of $290 million, an annual operating budget of $45 million and a staff of 255 employees.

Among the projects that Avesta has developed in the City of Portland area (this is not an exhaustive list): Logan Place with 30 efficiency units (for chronically homeless); Florence House with 25 units (for chronically homeless women); Pearl Place with 43 units; Pearl Place II with 54 units; Oak Street Lofts with 37 units (marketed to artists, a LEED Platinum-certified housing project); 409 Cumberland with 57 units (Edson Award for Housing Credit development); Thomas Heights with 18-unit efficiencies (five units housing previously homeless vets); Bayside Anchor with 45 units; and, Huston Commons with 30 efficiency units (for chronically homeless people with chronic medical conditions). In total, Avesta owns and manages over 650 rental units that serve a wide range of Portland residents.

Summary

The PDC looks forward to continuing to assist in providing and leveraging investment in Portland area businesses and development projects. With grant programs, its loan portfolio growing, and loan funds available to invest, the PDC would like to thank the City Council for its continued support.

PDC Board of Directors:	Mayor Ethan Strimling Tim Agnew, President James Dowd Tom Dunne Blaine Grimes Jeffery Hicklin Jon Jennings, City Manager Steve Lovejoy Laura Reading Julie Viola, Secretary and Treasurer Briana Volk
PDC Staff:	Greg Mitchell, Economic Development Director Nelle Hanig, Business Programs Manager Lori Paulette, Senior Executive Assistant Michael Goldman, Associate Corporation Counsel

PORTLAND DEVELOPMENT CORPORATION
Statement of Net Position
June 30, 2019

(Preliminary and Subject to Audit)

<u>ASSETS</u>

Cash		$ 2,508,093
Due from other governments		135,065
Loans receivable	$ 2,084,878	
Allowance for uncollectible loans	(273,400)	1,811,478
TOTAL ASSETS		$ 4,454,636

<u>LIABILITIES AND FUND EQUITY</u>

Liabilities:		
Accounts payable	$ 153,488	
Accrued salaries	-	
Total Liabilities		$ 153,488
Fund Equity:		
Reserves		
Loans Receivable	$ 1,811,478	
Economic Development Fund	106,293	
Unrestricted UDAG	537,415	
Restricted CIP	305,393	
Unrestricted CIP	86,448	
FAME	285,958	
EPA Revolving Loan Fund (Brownfield)	391,396	
FAME SSBCI	772,968	
Brownfield Grants	3,799	
Total Fund Equity		4,301,149
TOTAL LIABILITIES AND FUND EQUITY		$ 4,454,636

PORTLAND DEVELOPMENT CORPORATION
Statement of Revenues, Expenditures,
and Changes in Fund Balance
For the Year Ended
June 30, 2019

(Preliminary and Subject to Audit)

Revenues and Financing Sources		
Federal Grants	$ 221,102	
State Grants	24,000	
Application Fees	3,200	
Interest Received on Loans	108,453	
Investment Interest Income	36,424	
Operating Transfers In	24,945	
Total Revenues and Financing Sources		$ 418,124
Expenditures and Other Charges		
Administrative Services	$ 8,685	
Net Payments to Contractors	278,900	
Cancellations of Loans	170,169	
Adjustments to Allowances	(39,400)	
Operating Transfers Out	24,945	
Total Expenditures and Other Charges		443,300
Excess (deficiency) of revenues over expenditures		$ (25,176)
Fund Balance, June 30, 2018		4,326,324
Fund Balance, June 30, 2019		4,301,149