



PORTLAND DEVELOPMENT CORPORATION
Board Meeting

DATE: Thursday, August 6, 2020

TIME: 4:00 PM

LOCATION:

Via Zoom - meeting link: <https://zoom.us/j/95208655854>

AGENDA

1. You are invited to a Zoom webinar.
*When: Aug 6, 2020 04:00 PM Eastern Time (US and Canada) Topic: PDC Meeting Please click the link below to join the webinar:
<https://zoom.us/j/95208655854> Or iPhone one-tap : US:
+13017158592,,95208655854# or +13126266799,,95208655854# Or
Telephone: Dial(for higher quality, dial a number based on your current location): US: +1 301 715 8592 or +1 312 626 6799 or +1 646 558 8656
or +1 253 215 8782 or +1 346 248 7799 or +1 669 900 9128 Webinar ID:
952 0865 5854 International numbers available:
<https://zoom.us/u/aceF9kx5iO>*
2. President's Comments
3. Review and vote on draft meeting Minutes from Board meeting held on July 16, 2020.
 - a. See attached draft meeting Minutes.
4. Review and vote on request from Creative Portland for loan forgiveness.
 - a. See attached letter from Creative Portland Board President Kate Anker.

5. Items 5 and 6 below NOTE: See confidential backup. There will be no public presentation.
EXECUTIVE SESSION: Pursuant to 1 M.R.S.A. 405(6)(F) and 5 M.R.S.A. 13119-a, the Board will go into executive session to discuss proprietary information regarding Items #5 and 6 on the Agenda. After the executive session, the Board will vote in public session. Review and vote on COVID-19 Rapid Response Loan applications as follows:
- a. 02 Salon and Spa
 - b. Leeward Restaurant
 - c. Quiero Cafe
 - d. Little Root Child Care/Hug A Bug
 - e. Maine Art Project for Fine Art Conservation (non-profit)
 - f. Maine Irish Heritage Center (non-profit)
6. Review and vote on COVID-19 Microenterprise Grants as follows:
- a. Back Cove BBQ and Pizzeria
 - b. Fore River Gallery LLC
 - c. Nova House LLC
 - d. Little Children Play Yard
 - e. Carter Shappy
 - f. Melanie Vangel
 - g. Brandi Lawrence
 - h. Factory 3 LLC
 - i. Red Sea Restaurant
 - j. GSD Home Improvement LLC
 - k. Bloomers Custom Florals LLC
 - l. Timothy Mitchell
 - m. Land of Treasure LLC

- n. Flowers and Candy LLC
 - o. Niyat Catering
 - p. French and Company
 - q. Tegan Curry Jewelry
7. Review and vote on a proposed budget amendment to move a portion of funds from the COVID-19 BAP (Rehire) Grant Program to the COVID-19 Microenterprise Grant Program.
- a. See attached Memo from Nelle Hanig.
8. Treasurer's Report - Month Ending June 30, 2020
- a. Administrative Budget Report
 - b. Cash Management Report
9. Other items to be discussed/brought up by Board Directors and/or staff.
- a. Next regularly scheduled Board meeting date: August 20, 2020.
10. Pursuant to 1 M.R.S.A. 405(6)(F) and 5 M.R.S.A. 13119—A, the Board will go into executive session to discuss proprietary information and receive direction on a possible financial partnership to support a multi-family affordable housing project.

Minutes
Portland Development Corporation
Remote Zoom Meeting
Held on July 16, 2020

A remote meeting, via Zoom, of the Portland Development Corporation (PDC) Board of Directors was held at 4:00 p.m. on Thursday, July 16, 2020. Present from the Board were its President Julie Viola and Directors Tim Agnew, Councilor Tae Chong, James Dowd, Tom Dunne, Blaine Grimes (arriving as noted herein), Jeffery Hicklin, Steve Lovejoy, Laura Reading, and Briana Volk. Board Director Jon Jennings could not be in attendance. Present from the City staff were Business Programs Manager Nelle Hanig, Office of Economic Opportunity Liaison Angelina Klouthis, Economic Development Director Greg Mitchell, and Senior Executive Assistant Lori Paulette. Also present was Loan/Grant Underwriter Vin DiCara.

Item #1: President's Comments

President Viola noted this meeting is to review applications received for the PDC's COVID-19 Loan and Grant programs. Due to the 20 applications, she suggested delaying a vote on the minutes; Board agreed.

Item #3: Review and vote on COVID-19 Microenterprise Grant applications as follows:

- a) **Claramunt Group, Ltd. Co., 83 Vesper St.**
- b) **Fleetwood House, 10 Fleetwood St.**
- c) **Landlords Best Friend Property Management, 19 Anderson St.**
- d) **Abraxas, LLC, 650 Congress St.**
- e) **Convinced Photography, 93 Morning St.**
- f) **Ashley Flowers Yoga, 3 Fernald St.**
- g) **Nuf Sed, 61 India St.**
- h) **West End Property Preservation, 15 Salem St.**

- i) Resilience Maine LLC, 110 Marginal Way
- j) Catgut Productions, 167 Falmouth St.
- k) No Slack! Sportfishing Charters, 667 Congress St.
- l) Kendall Hinkley Massage Therapy, 615 Congress St.
- m) Above & Beyond Home Stages, LLC, 219 Allen Avenue
- n) Tu Casa, 70 Washington Ave.
- o) Natalies Nugget Nest, 32 Sara Lane
- p) Coco Cones, 28 Monument Sq.
- q) Eddie's Nails, 1283 Congress St.
- r) Waterlily, 26 Milk St.
- s) Chez Castel, LLC, 799 Forest Ave.

Note: See confidential backup. There will be no public presentation.

Executive Session: Pursuant to 1 M.R.S.A. 405(6)(F) and 5 M.R.S.A. 13119—A, the Board will go into executive session to discuss proprietary information regarding these grant applications. After the executive session, the Board will vote in public session.

Item #4: Review and vote on COVID-19 Business Assistance Grant Program application as follows:

- a) Dock Fore, 336 Fore St.

Note: See confidential backup. There will be no public presentation.

Executive Session: Pursuant to 1 M.R.S.A. 405(6)(F) and 5 M.R.S.A. 13119—A, the Board will go into executive session to discuss proprietary information regarding these loan applications. After the executive session, the Board will vote in public session.

Ms. Hanig said that because the Guidelines were recently amended it has resulted in the City seeing more applications from a variety of businesses – a total of 41, 20 of which are being reviewed today. She noted that Claramunt was denied at the last meeting as being ineligible because of no office in Portland. Because it is an at-home business, it is eligible due to the recent amendments. Ms. Hanig closed by saying that should the Board vote favorably on all applications today, it will still have enough funding available for the remaining applications.

A motion was then made by Mr. Dunne, seconded by Mr. Dowd to go into executive session at approximately 4:15 p.m. pursuant to 1 M.R.S.A. 405(6)(F) and 5 M.R.S.A. 13119-A to review and discuss proprietary of the applications listed above. (Ms. Grimes joined the

meeting at approximately 4:30 p.m.) At approximately 4:45 p.m., the Board came out of executive session.

Mr. Hicklin said that he would recuse himself from voting on the application from Kendall Hinkley Massage Therapy due to a conflict.

Mr. Hicklin then made a motion to approve all of the COVID-19 Microenterprise Grant applications, except for Kendall Hinkley Massage Thereapy. Councilor Chong seconded the motion and it passed unanimously.

Mr. Dunne made a motion to approve the COVID-19 Microenterprise Grant application from Kendall Hinkley Massage Therapy. Councilor Chong seconded the motion and it passed 9-0-1 (Hicklin abstained).

Mr. Dowd made a motion to approve the COVID-19 Business Assistance Grant application from Dock Fore. Councilor Chong seconded the motion and it passed unanimously.

Item #2: Review and vote on draft meeting Minutes from Board meetings held on May 15, 2020, and June 9, 2020.

May 15, 2020 Minutes: Mr. Agnew noted on page 5 it referred to him as Councilor Agnew and requested amending it to Mr. Agnew.

On motion then made and seconded, the Board voted 8-0-2 (Reading and Volk abstained) to accept the Minutes as amended.

June 9, 2020 Minutes: On motion made and seconded, the Board voted 8-0-2 (Councilor Chong and James Dowd abstained) to accept the Minutes as presented.

Other Items to be Discussed/Brought up by Board and/or Staff:

Ms. Hanig noted that in her confidential Memo to the Board, under the heading of “Budget”, the following sentence should be corrected as follows regarding CDBG funding the COVID-19 Microenterprise Grant and COVID-19 BAP Rehire Grant programs: “Funds can be moved from one program to ~~the another~~ with Housing and Community Development staff approval ~~and PDC Board approval moving up to \$56,000 and Council approval to move a greater amount.~~”

Regarding the next Board meeting, Ms. Hanig asked for a show of hands as to who could make an August 6, 4:00 p.m. meeting. There appeared to be a quorum, and Ms. Paulette said she would follow-up with an email to confirm.

On motion made by Councilor Chong, seconded by Mr. Agnew, the Board voted unanimously to adjourn at approximately 5:00 p.m.

Respectfully, Lori Paulette

CREATIVEPORTLAND^{ME}

84 Free Street | Portland, ME 04101 | 207-370-4784

July 27, 2020

Ms Julie Viola
President
Portland Development Corporation

Re: Loan # 1607 Forgiveness Request

On behalf of the Board of Directors of Creative Portland, I am proposing a loan forgiveness.

In 2016, we received a \$25,000 loan from the PDC to renovate 84 Free Street for Creative Portland's new office and community center. Since then, we have hosted receptions for juried art exhibitions, meetups for artists, and a monthly open house called Monday Morning Drop By for community gatherings. In addition we use the space to host professional development workshops, board meetings, and multi-use "free" rentals for organizations like Side x Side, Portland Bach Experience, and Friends of Congress Square, seeking meeting or workshop space. As we build capacity with increasing numbers of volunteers and community steering committees, we are able to fulfill our mission to promote the creative economy through the arts. Creating a street presence has been a game-changer for our organization, opening our doors to a wider audience and cultivating arts patronage. We are most grateful for your investment.

As of January 2020, our staff transitioned to official employees of the City of Portland in the Economic Development Department (EDD), with 100K in TIF investment originally allocated to our nonprofit, folded back into the EDD. The Board of the nonprofit continues to serve as an advisory board recommending an annual work plan to the City. Once approved, the staff implements the programs.

As of the close of FY20, we have paid off over half of our loan, with a remaining balance of \$12,000. In addition to a nominal rent of \$1000/year to the City, we pay \$319/month in loan payments to PDC.

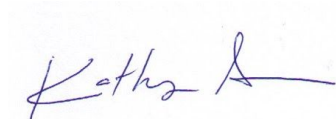
We are asking for a loan forgiveness for the remaining \$12,000 for two reasons:

- 1) During COVID, we are unable to raise operating expenses through sponsorships or other revenue-producing programs.
- 2) The staff, who are city employees, remain in place at 84 Free Street, occasionally accommodating other City personnel, in a City-owned space and building. We are hoping that our remaining loan balance can be absorbed by the PDC on behalf of the City.

Thank you for your consideration.

I can be reached at kate@rwsartstudios.com should you have further questions.

In gratitude,



Kate Anker
President



CITY OF PORTLAND
Economic Development
Gregory A. Mitchell, Director

MEMORANDUM

TO: President Julie Viola and PDC Board Members
FROM: Nelle Hanig, Business Programs Manager
CC: Greg Mitchell, Economic Development Director
DATE: July 31, 2020
RE: **CONSIDERATION TO TRANSFER FUNDS FROM COVID-19 BAP (REHIRE) TO MICROENTERPRISE GRANT PROGRAM**

COVID-19 PROGRAM BUDGETS

The Microenterprise Grant Program has been, by far, the most popular of the three COVID-19 financial assistance programs, receiving 44 applications versus 2 for the COVID BAP (Rehire) and 11 for the Rapid Response Micro Loan Programs. Should the PDC decide to approve all requests for Round 2-B, the funds remaining in each program for a potential third round would be as follows:

- \$20,000 - Microenterprise Grant Program budget (originally \$120,000)
- \$235,244 - COVID BAP Rehire budget (originally \$240,244):
- \$335,000 - Rapid Response Micro Loan Program budget (originally \$400,000).

Staff is proposing that the PDC consider moving \$80,000 from the COVID BAP (Rehire) Program budget to the Microenterprise Grant Program to begin a third round with \$100,000 in the budget. The funds that would remain in the COVID BAP budget would be \$155,244.

In order to transfer Community Development Block Grant (CDBG) funds, which provide the budgets for the Microenterprise Grant and COVID BAP Rehire programs, approval is needed from the PDC and the City's Housing and Community Development Division.

RECOMMENDATION

Staff recommends that the PDC vote to approve the transfer of \$80,000 from the COVID BAP (Rehire) budget to the Microenterprise Grant Program budget for a third round to be launched in September on a date to be determined. Staff also recommends that instead of setting a Round 3 application deadline, the three programs continue on a rolling basis until they sunset on December 31, 2020 or the funds run out, whichever comes first.

**Portland Development Corporation
Preliminary Draft Operating
Report FY20
For Month Ending
6/30/2020**

Operating transfer from EDF	28,522

Total Funds Available	28,522

		Current	Year to	Percent	
FY20 Expenditures	Budget	Month	Date	of Budget	Balance
Administrative Services	575	0	195	33.9%	380
Postage	300	0	70	23.3%	230
Travel, Training, Meetings	4,000	0	3,537	88.4%	463
Contractual Services	10,500	4,254	7,810	74.4%	2,690
Operating Transfer to Fin.	9,647	0	9,647	100.0%	0
Advertising	2,000	0	1,449	72.5%	551
Auto Expense Reimb.	100	0	0	0.0%	100
Printing & Binding	650	0	302	46.5%	348
Office Supplies	750		639	85.2%	111
Total FY20 Expenditures	28,522	4,254	23,649	82.9%	4,873

Cash Management Report

4/1 thru 6/30/2020 - Preliminary and Subject to Change

	CIP		UDAG	FAME	FAME	Brown-field 1	Brown-field 2	Brown-field 3	TOTAL	Year-to-Date Principal/Interest						
	272	274	(Unrestricted)	277	279	278-Closeout	280-RLF	281-Assess		CIP		UDAG	FAME	SSBCI	278	280
	Restricted	Unrestricted	Loans/Grants							Restric.	Unrestric.	Unrestric.			Brnflid 1	Brnflid 2
										272	274	271	277	279	278	280
Cash Bal. Beginning of Reporting Mo.	318,796	137,433	446,145	221,764	800,577	410,297	767,293	26,976	3,129,281							
Plus:																
Principal payments received	5,600	0	3,077	6,307	-	4,953				16,872	41,755	41,360	194,227	11,909	19,734	0
Interest payments received from loans	942	0	4,609	2,960		980				3,074	8,739	26,163	47,529	12,273	3,998	276
Interest Income					362	186								9,100	4,647	0
Other Income/Adjustments			(1,021)	25,852												0
Pass Through From FAME/SSBCI/EPA																
Sub-Total Cash Available	325,338	137,433	452,811	256,883	800,939	416,416	767,293	26,976	3,184,088	19,946	50,494	67,524	241,756	33,282	28,379	276
Less:																
FAME Annual Admin. Fee; Invoices																
Disbursements - Loans/Grants																
Sub-Total Cash Available:	325,338	137,433	452,811	256,883	800,939	416,416	767,293	26,976	3,184,088							
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)			(26,163)													
Fund 280 Reserve for Commitments							(337,504)									
Fund 280 Reserve for Administration							(52,476)	-500								
Total Ending Loan/Grant Cash Bal.	325,338	137,433	283,957	256,883	800,939	416,416	377,313	26,476	2,624,754							