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