



PORTLAND DEVELOPMENT CORPORATION
Board Meeting

DATE: Thursday, March 21, 2019

TIME: 4:00 PM

LOCATION: Room 209, Second Floor, Portland City Hall

AGENDA

1. President's comments
2. Review and accept Minutes of February 21, 2019, meeting.
 - a. See attached Minutes for review and approval.
3. Review and vote on loan applications from:
 - a. Cove Street Arts at 71 Cove Street; and,
 - b. Calendar Island Sailing at Fore Points Marina, 58 Fore 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 confidential information regarding these loan applications.

4. Discussion regarding loan risks.
 - a. See attached memo from Nelle Hanig.

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 confidential information of PDC loans.
5. Discussion regarding future of the PEDPIP Program.

- a. See attached memo from Nelle Hanig.
- 6. Communication: Brownfields Assessment Fund Update
 - a. See attached memo from Nelle Hanig.
- 7. Treasurer's Report - February 2019
 - a. See attached Treasurer's Report.
 - Monthly Administrative Budget Report
 - Cash Management Report
 - Schedule of Loans Receivable
 - Listing of Grants approved through BAP and PEDPIP Program
 - Confidential Delinquency ReportNote: 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 Delinquency Report.
- 8. Other Items to be discussed/brought up by Board Directors
- 9. Next Regular Meeting Date: April 18, 2019

Minutes
Portland Development Corporation
February 21, 2019

A meeting of the Portland Development Corporation (PDC) Board of Directors was held at 4:00 p.m. on Thursday, February 21, 2019, in Room 209 of Portland City Hall.

Present from the Board was its President Tim Agnew and Board Directors James Dowd, Jeffery Hicklin, Steve Lovejoy, Laura Reading, Mayor Ethan Strimling, and Julie Viola. Board Directors Tom Dunne, Blaine Grimes, Jon Jennings, and Briana Volk could not be present. Present from the City staff were Housing and Community Development Division Director Mary Davis, Associate Corporation Counsel Michael Goldman, Business Programs Manager Nelle Hanig, and Senior Executive Assistant Lori Paulette. Also present was PDC Underwriter David McLaughlin.

Item #1: President's Comments

President Agnew noted that the City Council, at its meeting held yesterday, approved of the proposed amendments to the PDC Bylaws and Brownfield Guidelines, and the new Guidelines for the Brownfield Assessment Fund. The PDC now will have the authority to provide loans and grants for residential projects meeting stated thresholds. All other loan funds of the PDC are for commercial purposes only.

Item #2: Review and accept Minutes of October 18, 2018 meeting, and Notes from Workshop meeting held on January 17, 2019.

On motion made by Mayor Strimling, seconded by Julie Viola, the Board voted unanimously to accept the Minutes as presented.

On motion made by Mr. Dowd, seconded by Mr. Hicklin, the Board voted 4-0-3
(Reading, Strimling, Viola abstained) to accept the Notes as presented.

Item #3: Communication Item: Update on Housing Committee meeting of 2/13/2019 and its vote to forward proposed amendments to PDC Bylaws; proposed amendments to Brownfield Guidelines for (1) its Closeout Fund Program (Fund 278), (2) Cleanup Revolving Loan Fund Program (Fund 280), and new Guidelines for the Brownfields Assessment Program (Fund 281)

As stated earlier, President Agnew said that these proposed amendments were approved by the City Council at its meeting yesterday with no questions or issues raised. He also noted that among these amendments, Phase I and Phase II assessments from Funds 280 and 281 can be approved administratively. If assessments are to be funded through Fund 278, Closeout funds, staff will bring these requests to the Board for approval, as it has done in the past with this Fund.

Item #4: Review and vote on proposed Brownfields Cleanup Grant to Portland Housing Authority for Project at 58 Boyd Street.

Ms. Hanig said that Portland Housing Authority (PHA) and Portland Housing Development Corporation (PHDC) are seeking a \$125,000 Brownfields subgrant from the City/PDC, and they will provide the EPA required match of 20% or up to \$25,000. The remediation/cleanup costs for this contaminated property are estimated to total up to \$390,000. They have already been approved by GPCOG for a \$200,000 Brownfields subgrant. The total cost of this development project, which will be a six-story, 55-unit mixed income residential building with multi-family affordable apartments (65% low income), is estimated at over \$13 Million. The project meets the parameters of the newly approved Brownfield guidelines for housing.

Jay Waterman of PHA/PHDC then went through the attached PowerPoint

Presentation describing the project, including first floor office space for non-profit Cultivating Community, meeting space, mix of units including 2 and 3-bedrooms which can be difficult to find, 23 space parking lot, and six stories.

In response to Mayor Strimling, Mr. Waterman noted that they are cleaning the entire site, removing approximately 3,000 tons of contaminated soil, which is the reason for the Brownfield subgrant application to the PDC.

Ms. Viola asked about a VRAP, and Mr. Waterman said that they have a VRAP in place. Bids came in for the project and they hope to start the project next week.

Mr. McLaughlin noted that PHA/PHDC is not a credit risk. They have the ability to complete the project; the capacity is there.

President Agnew asked about the recent \$500,000 awarded to the City/PDC for Fund 280, and Ms. Hanig said that of that \$500,000, half can be used for grants and the other half for loans.

Mr. Dowd asked about cost overruns, and Mr. Waterman noted that they have a small contingency fund built in. Phase I of the project will take out the brownfield soil; Phase 2 would then close on the construction loan and then fill in the area.

Ms. Reading asked about lot coverage, and Mr. Waterman indicated that 10% will not be covered by building or parking lot.

Mayor Strimling asked about an Affordable Housing TIF for the project; why 23 parking spaces; and if the building would be energy efficient. Mr. Waterman indicated that the City and MSHA approved of an Affordable Housing TIF for the project at 50% capture rate over 30 years. Regarding parking, Mr. Waterman said that MSHA has a 1 to 1 ratio for parking so they obtained a waiver and described the process, noting that family housing needs some

parking. Regarding energy efficient building, Mr. Waterman said that it will be 30% better than the City Code requires.

Mayor Strimling then made a motion to approve the subgrant of up to \$125,000 as recommended by staff. Mr. Lovejoy seconded the motion, and it then passed unanimously.

Item #4: Office of Economic Opportunity (OEO) Presentation of Strategic Plan for Inclusion funded by PEDPIP.

Ms. Trujillo thanked the Committee for its support through the PEDPIP Grant to assist in funding the Strategic Plan for Inclusion. She then highlighted the Plan by presenting the attached PowerPoint Presentation, noting that her office looked at other similar plans nationwide. It includes measurable goals, tracking, professional connections, and accountability. She also highlighted the Portlandopportunity.com website where this Plan lives.

Ms. Trujillo then noted they are hosting another round of Immigrant Entrepreneur workshops in February and March, as well as hosting, in partnership with the Portland Chamber, an Employer Summit on May 2nd to get employers more familiar with the immigrant community and employee opportunities.

Mr. Agnew asked about her Advisory Board, and Ms. Trujillo indicated that to be an 11-member board not appointed by the Council and has representatives from social services and the immigrant community.

Ms. Viola asked about publicizing the May 2 event, and Ms. Trujillo said that save the date emails went out last week, and further advertising will be done in partnership with the Chamber.

Mayor Strimling asked about gaps for the immigrant community and if they feel welcomed here. Ms. Trujillo indicated that credentialing is a gap; that is a challenge for all and costly. There are not many experts in that area, where, for example a Medical Doctor from

Rwanda cannot practice in the United States until his credentials are confirmed. There are a couple of bills in Augusta to help with the matter. The Summit will also help to play a role to support employees. She also noted that with Portland's program and resources, immigrants do feel welcomed here.

Mayor Strimling asked about English as a Second Language. Ms. Trujillo described Portland Adult Education's program and strategy.

Seeing no further comments/questions, President Agnew thanked Ms. Trujillo for the update.

Item #6: Treasurer's Report – January 2019.

President Agnew, looking at the Grant listing, asked if Lio has followed through on the \$20,000 BAP grant, and Ms. Hanig said that they have not drawn down funds yet and have 9 months to create 2 jobs.

On motion made by Mr. Dowd, seconded by Ms. Viola, the Board voted unanimously at approximately 4:55 p.m. to go into executive session pursuant to 1 M.R.S.A. 405(6)(F) and 5 M.R.S.A. 13119-A to discuss/monitor the loans listed on the Confidential Delinquency Report. At approximately 5:45 p.m., the Board came out of executive session.

Mayor Strimling made a motion to charge off \$19,386 for the loan to Miss M; Ms. Viola seconded the motion.

Mayor Strimling noted that this action would delete the loan from the Delinquency Report, but this does not clear it for the loan recipient.

President Agnew then asked for a vote on the motion, and it was unanimous.

There being no further business, the meeting then adjourned at 5:45 p.m.

Respectfully – Lori Paulette

58 Boyd Street Apartments

Brownfields Cleanup Grant Proposal

**City of Portland
Portland Development Corporation**

February 21, 2019



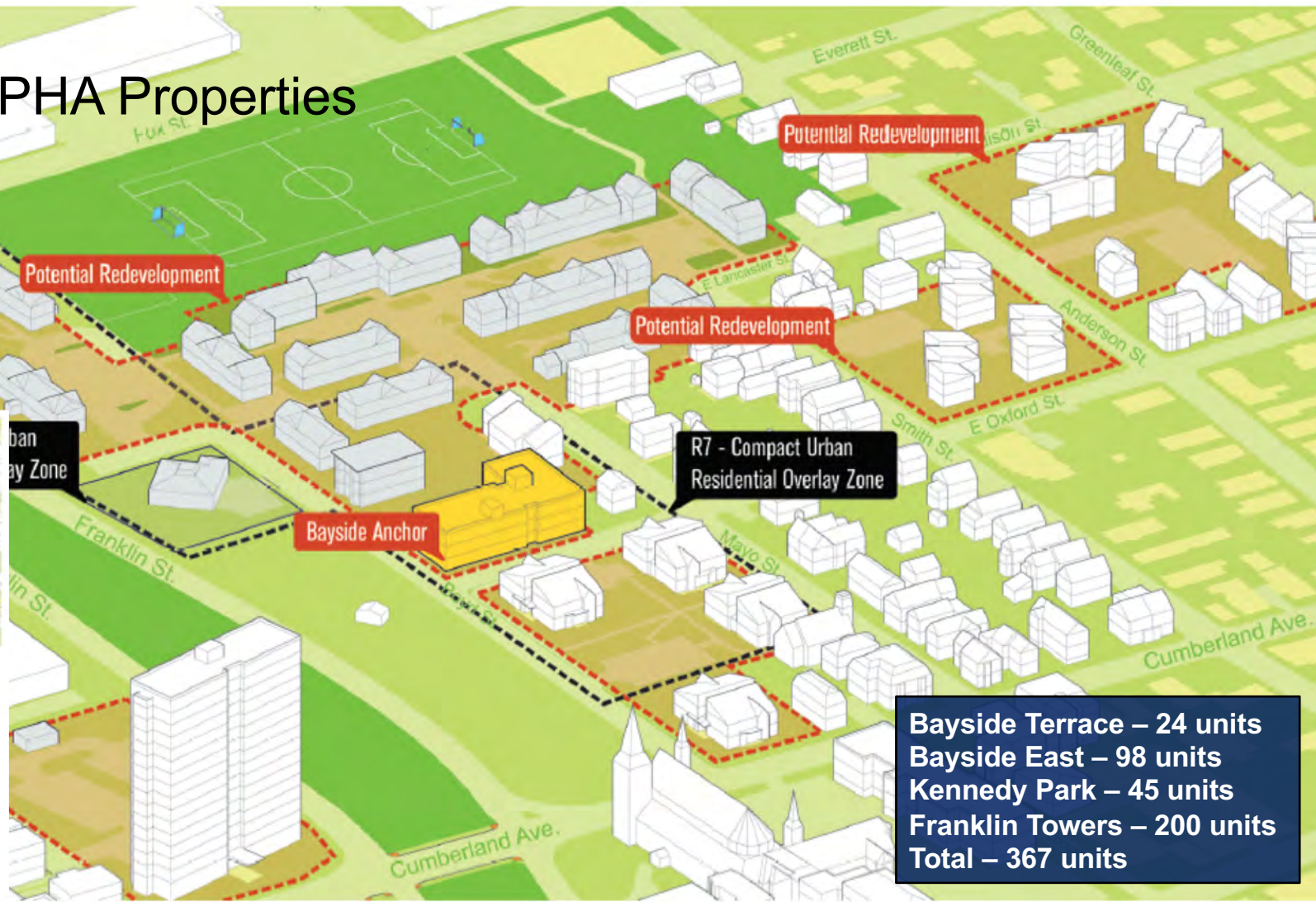
East Bayside PHA Properties



Strategic Vision Plan
of Major Properties for
the **Portland Housing**
Authority



December 2015



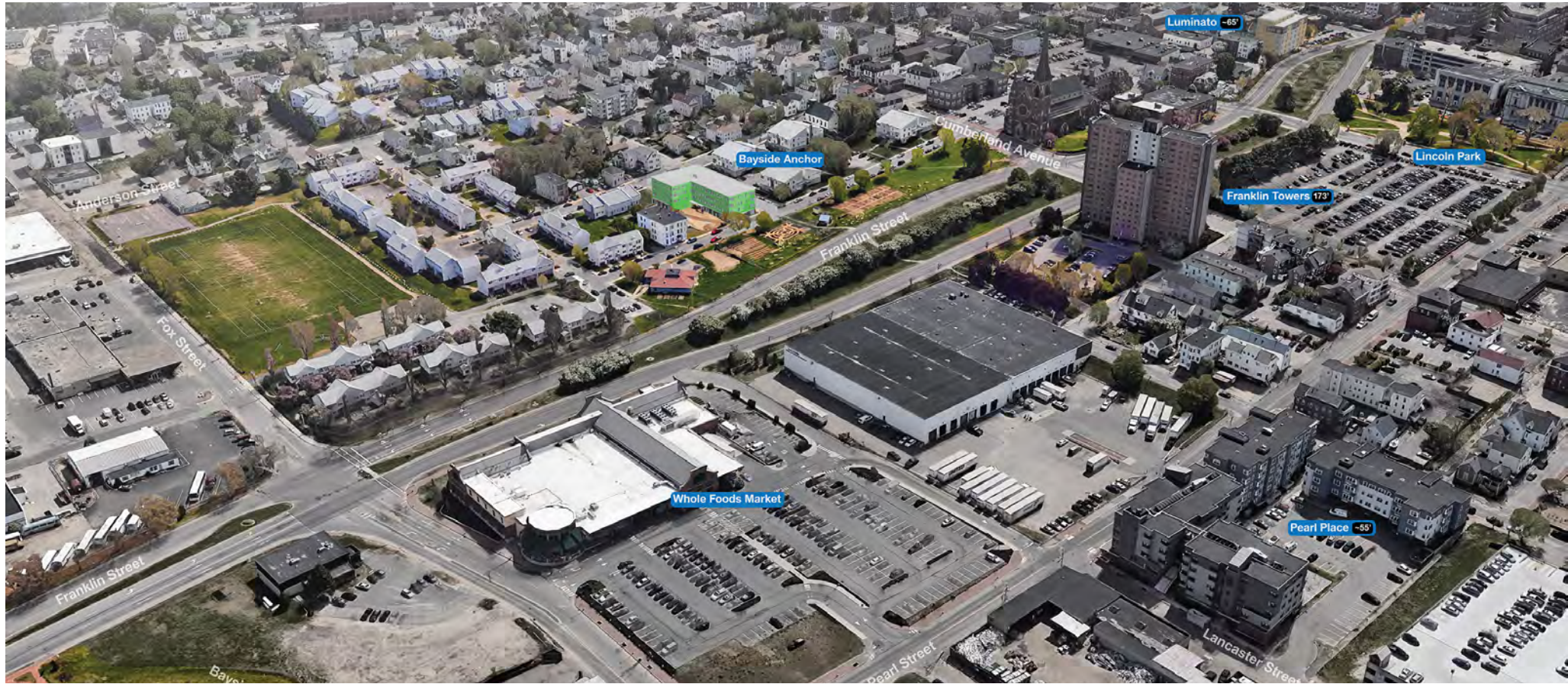
The Big Picture

Bayside Anchor

- 45 mixed-income apartments.**
- Head Start, PHA Management and Community Policing Offices**

Bayside Anchor

Portland Housing Authority







58 Boyd Street - Unit Mix and Building Program

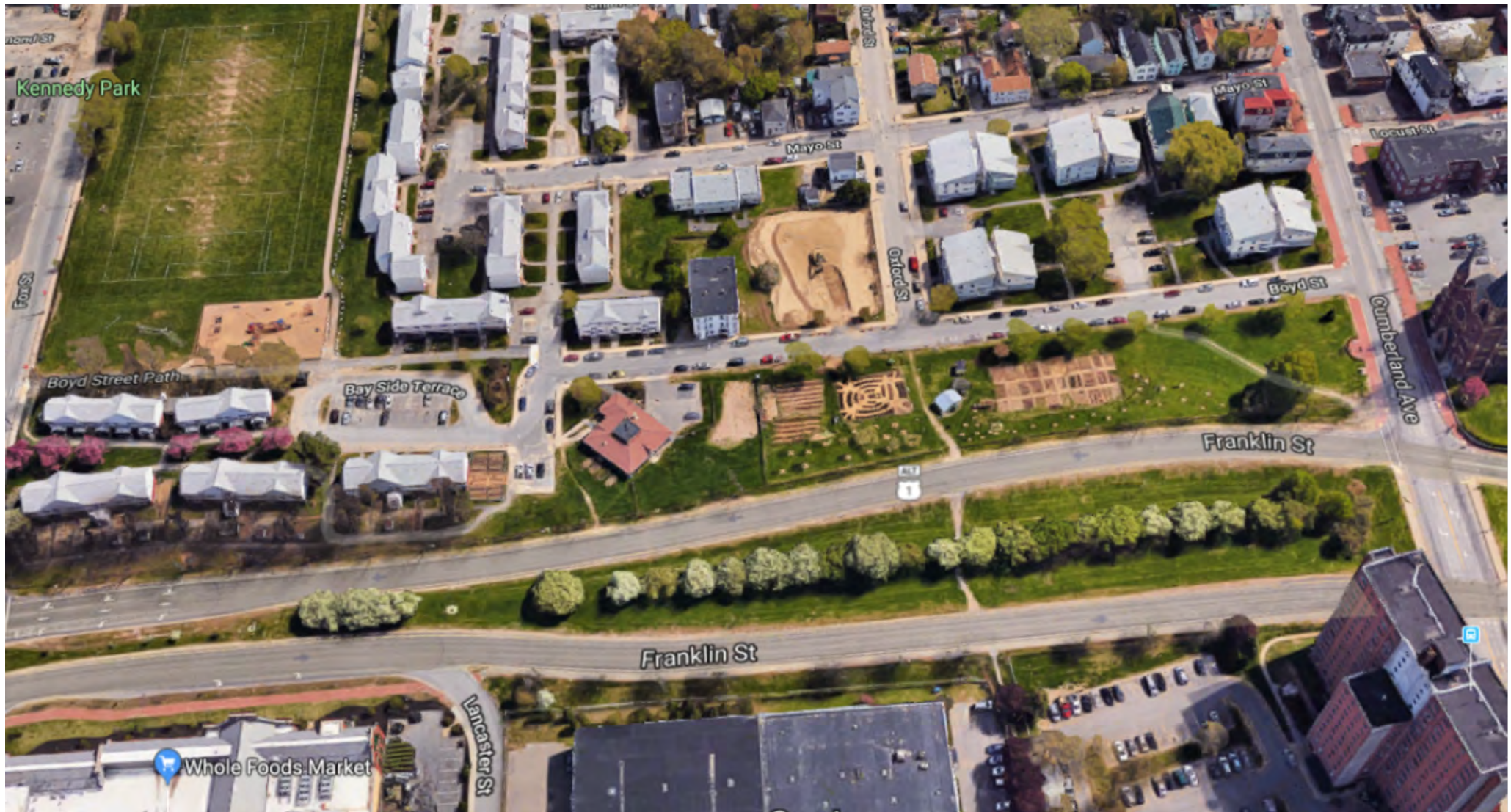
- Cultivating Community is returning their office to the neighborhood
- Approximately 1,000 square feet of office space for 8-10 employees
- Neighborhood Center
 - Cultivating Community Office and Multi-Use Space
 - Large and small meeting rooms
 - Tele-medicine Program

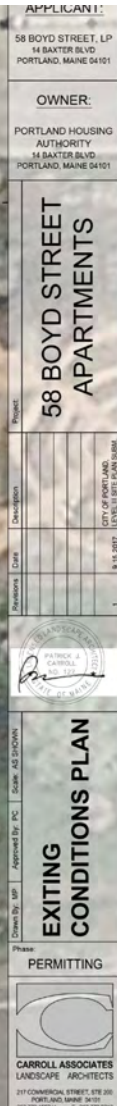


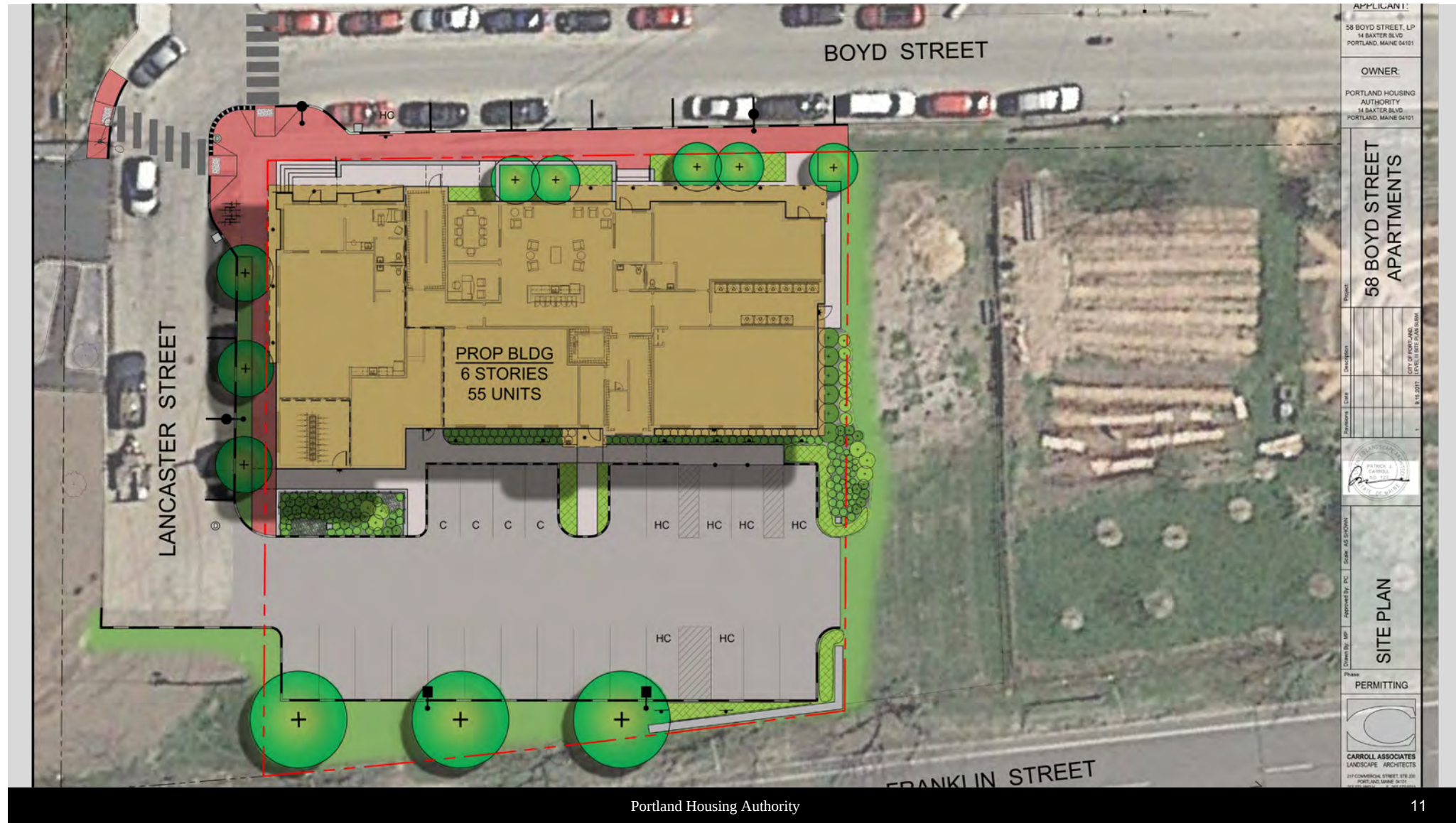
58 Boyd Street - Affordability

- 55 Rental Apartments

- Unit Mix
 - 23 efficiencies
 - 10 1-BR units
 - 13 2-BR units
 - 9 3-BR units
- 44 units Tax Credit subsidized (7 units < 60% Area Median Income)
- 37 units less than 50% AMI
- 28 Project Based Vouchers
- 11 units as a “preference” for formerly homeless households
- 11 market-rate units (Effic. rent = \$909 ; 2br rent = \$1,300)



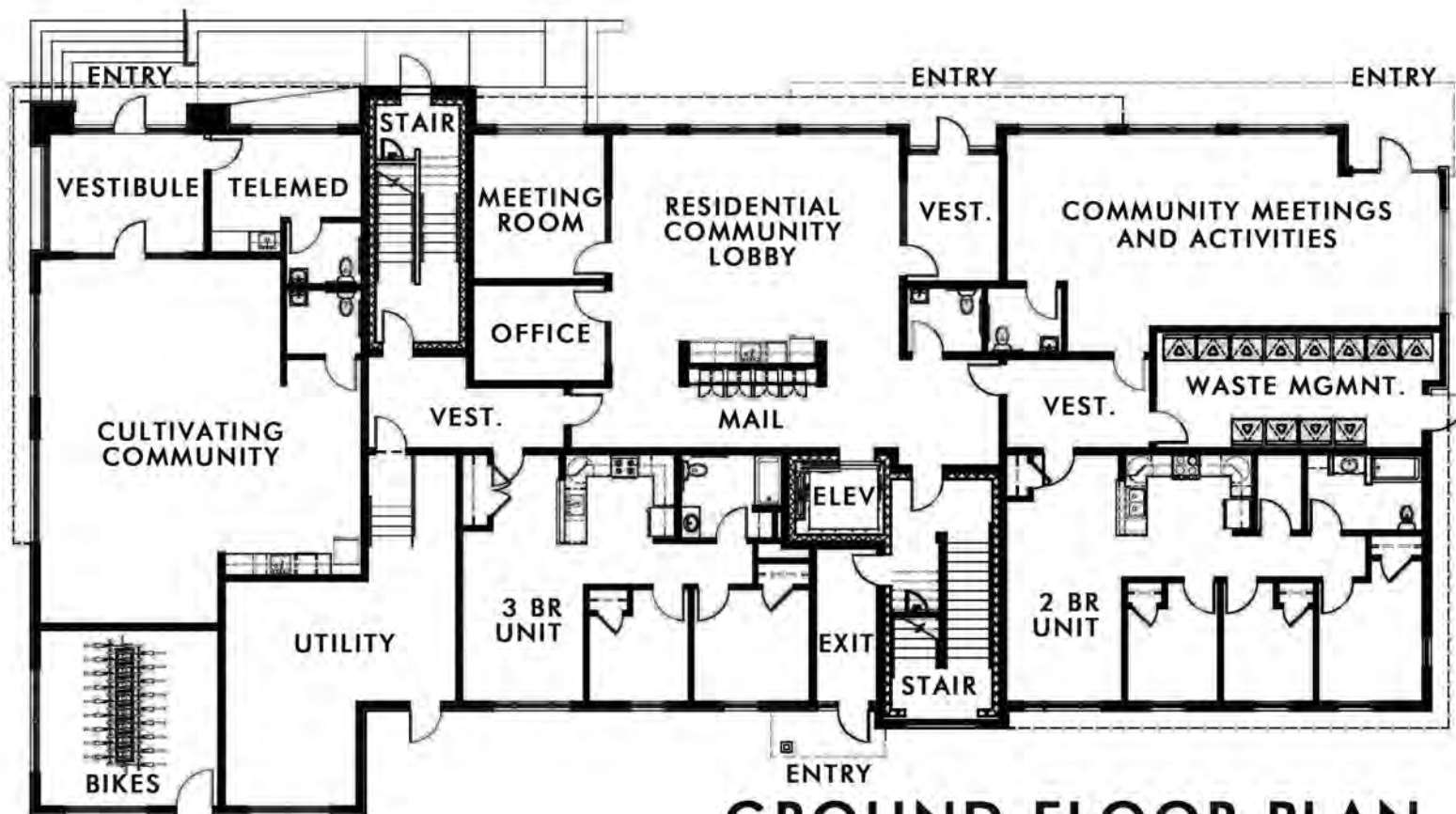




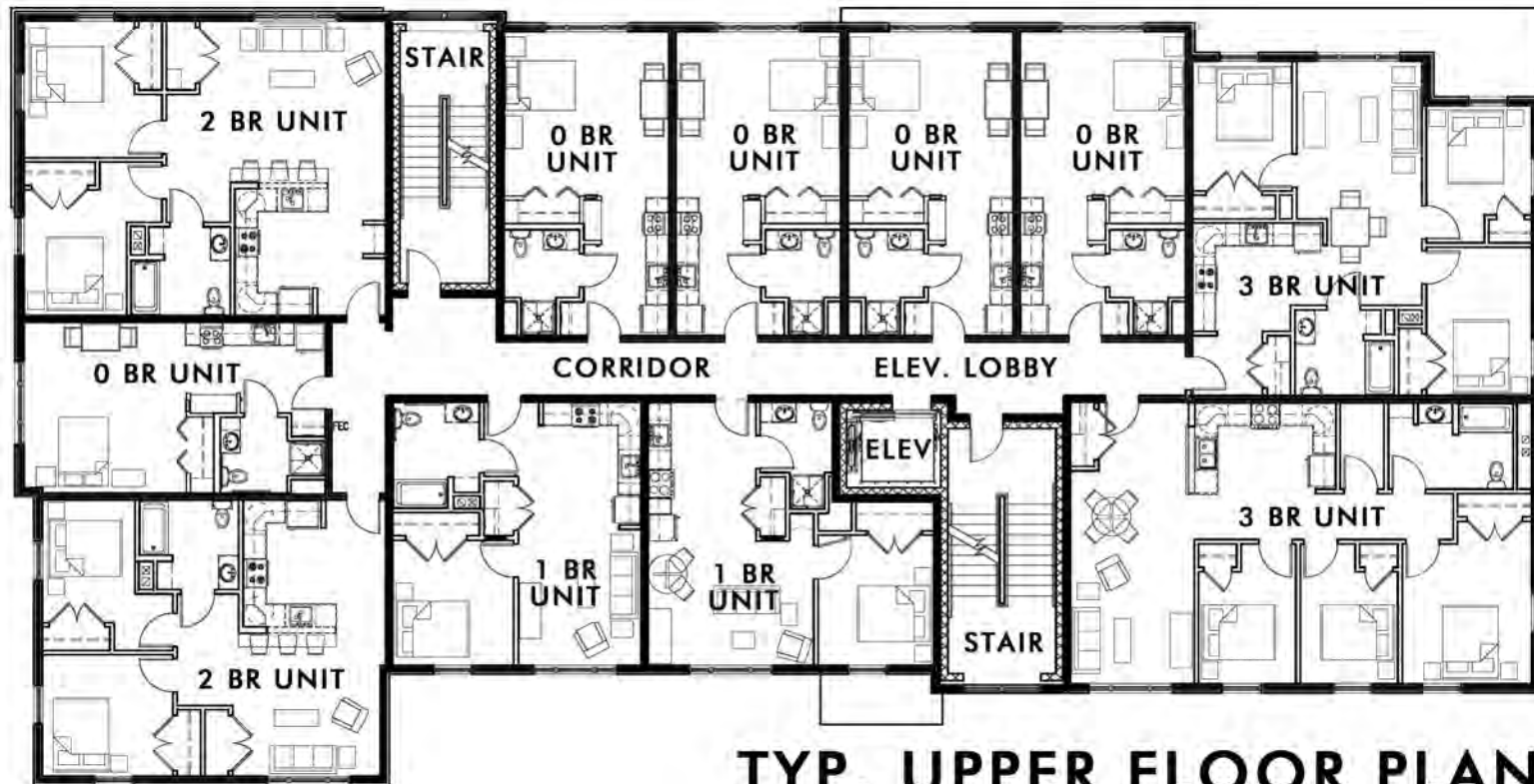








GROUND FLOOR PLAN



TYP. UPPER FLOOR PLAN

Redevelopment Project - Basis of Cost

58 Boyd Street Apartments - Sources and Uses

Sources		
Development Fee Loan	0	
MH Interest Only Loan	1,701,706	
City FedHOME	200,000	
AHP Loan	2,932,139	
FHLB Subsidy	750,000	
Net Syndication	6,756,824	795,000 Credit Allocation
Sponsor Loan	100,000	
Total	12,440,669	
Uses		
Construction	9,666,764	\$188.92 /sf Construction
Soft Costs	1,138,021	
Finance Costs	279,898	
Miscellaneous	216,851	
Acquisition	0	
Reserves	576,634	
Developer Fee	562,500	
Total	12,440,669	226,194 Gross TDC / Unit
		214,190 Adj. TDC / unit

Soil Remediation Basis of Cost—Sources and Uses

Brownfields Grant Sources and Uses -			
Uses			Notes
Common Excavation	\$	39,000.00	Ransom est.
Dust Control	\$	5,000.00	Ransom est.
Erosion and Sedimentation Control	\$	20,000.00	Ransom est.
Retaining Wall	\$	25,000.00	est. Added since application
Temporary catch basin	\$	10,000.00	est. Added since application
VRAP Engineering QEP	\$	50,000.00	Ransom est.
Soil Disposal and remediation	\$	184,000.00	Ransom est.
Mobilization Fees and Permits	\$	37,000.00	Ransom est.
Contingency	\$	20,000.00	5%
TOTAL	\$	390,000.00	
Sources			
GPCOG Brownfields Subgrant	\$	200,000.00	AWARDED
City of Portland Brownfields Subgrant	\$	125,000.00	Pending
PHDC Reserves	\$	65,000.00	20% match Committed (included in summary)
	\$	390,000.00	
Gap or surplus	\$	-	

Preliminary Schedule

November 21 – Draft ABCA, CRP and SSQAPP

December 13 – ABCA and CRP Approval and start of 30-day public comment period

January 14, 2019 – 30-day comment period ends, finalize bid documents

January 21 – public bid for remediation activities

February 6 – Bid Opening

February 20 – Begin remediation activities

April 17 – Complete remediation activities



Thank You

Strategic Action Plan for Inclusion

**City of Portland
Office of Economic Opportunity**

Key Components of the Plan

- Start with a clear set of values that span all aspects of community
- Use accessible language throughout the plan
- State clear, concise goals
- Factor in attracting new people to the community
- Begin with measurable outcomes wherever possible and align goals to achieve impact
- Include a timeline for key action steps, along with names and roles of responsible parties and short- and long-term goal
- Acknowledge plan creators and the process used to create the plan
- Factor in economic development while also recognizing other key components in a thriving community
- Have a summary table outlining key components
- Include useful data about community

Three Plans to Meet Audience Needs

— — —

Comprehensive Plan

Executive Summary

Online Clearinghouse

Comprehensive Plan

Strategy II: Improve the rate at which adult ESOL students/learners *reach English proficiency in the City of Portland

Short term expected result: By December 2019, mechanism exists to track and analyze collective English results across ESL service providers.

Long term expected result: By June 2020, the average CASAS level score (or other common assessment standard) for tracked ESOL students in the ESOL collaborative improves by five or more points.

*(as defined by a common assessment standard/metric)

Action: Continue to enhance collaboration between adult English Speakers of Other Languages (ESOL) service providers in the City of Portland through the ESOL collaborative to mitigate gaps and duplication of service and maximize collective results.

Indicator of success: By June 2020, ESOL Collaborative achieves internal measurable outcomes to include, but not limited to: an improved referral, collective data collection, and informational system.

Entity Tracking the Work: City of Portland's Office of Economic Opportunity

Executive Summary

— — —

ECONOMIC INCLUSION AND DEVELOPMENT



ACTIONS - STRATEGY II:

- Continue to enhance collaboration between adult English Speakers of Other Languages (ESOL) service providers in the City of Portland through the ESOL collaborative to mitigate gaps and duplication of service and maximize collective results. *(June 2020)*
- Expand or establish project based on the job opportunities for high English proficiency learners to improve upon their sector based technical language. *(December 2020)*
- Advocate to establish one or more employer-based English language program for its limited English proficient employees. *(December 2019)*

Online Clearinghouse

Short term expected result: By December 2019, mechanism exists to track and analyze collective English results across ESL service providers.

Long term expected result: By June 2020, the average CASAS level score (or other common assessment standard) for tracked ESOL students in the ESOL collaborative improves by five or more points.

ACTIONS



CONTINUE TO ENHANCE COLLABORATION BETWEEN ADULT ENGLISH SPEAKERS OF OTHER LANGUAGES (ESOL) SERVICE PROVIDERS IN THE CITY OF PORTLAND THROUGH THE ESOL COLLABORATIVE TO MITIGATE GAPS AND DUPLICATION OF SERVICE AND MAXIMIZE COLLECTIVE RESULTS.



EXPAND OR ESTABLISH PROJECT BASED ON THE JOB OPPORTUNITIES FOR HIGH ENGLISH PROFICIENCY LEARNERS TO IMPROVE UPON THEIR SECTOR BASED TECHNICAL LANGUAGE.



ADVOCATE TO ESTABLISH ONE OR MORE EMPLOYER BASED ENGLISH LANGUAGE PROGRAM FOR ITS LIMITED ENGLISH PROFICIENT EMPLOYEES.

Accountability Framework

— — —

Two Advisory Groups:

1. **Advisory Team** Recommitment and Recruitment of New Members
2. **Employer Advisory** in partnership with the Chamber.

Key Initiatives Already Under Way

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In Partnership with the
Portland Regional Chamber



Members: PAE,
Learning Works, Hope
Acts ESL Program,
YMCA, Salvation Army
and In Her Presence.



In partnership with Nelle
Hanig in Economic
Development, New Ventures
Maine and NMRC.

– **Portland Global Connections**

– **U.S. Monthly Cultural
Orientation for all
Immigrants**

Key Initiatives to Launch in Spring 2019

— — —

- Employer-Only Summit on 2 May, 2019:

Workforce Forum: “Building Your Workforce – How to Engage Foreign-born Talent.

- Portland Natural Helpers’ Program



CITY OF PORTLAND
Economic Development
Gregory A. Mitchell, Director

MEMORANDUM

TO: President Tim Agnew and PDC Board Members
FROM: Nelle Hanig, Business Programs Manager
CC: Greg Mitchell, Economic Development Director
DATE: March 13, 2019
RE: **Loan Risk Discussion**

At the last PDC meeting, members of the board felt it would be helpful to have a discussion about the PDC's default rate. For the purposes of this memo, the default rate is defined as the percentage of loans that have been charged off after a prolonged period of missed payments. In general, defaulted loans are written off from a loan issuer's financial statements and transferred to a collection agency. In the PDC's case, loans that have been charged off are usually perceived to have little to no opportunity for repayment. Staff is not aware of the PDC ever transferring such loans to a collection agency.

The purpose of this discussion would be to better understand whether the PDC's default rate is considered too high, too low or just fine as is. If too high or too low, the board may consider modifying its level of risk, prompting staff and the consulting underwriters to present less risky loans (if rate is too high) or ones with higher risk (if rate is too low).

Since the PDC's inception in 1991 through FY2018 (June 30, 2018), its default rate is 6.35%. This includes having charged off sixteen loans totaling \$689,094. To put that into perspective, over the past 27 years, the PDC has lent \$10,841,535.

I am still researching default rates for other institutions, including banks and community lenders similar to the PDC. If other organizations are willing to share that information, I will report it out at the PDC meeting next Thursday.



CITY OF PORTLAND
Economic Development
Gregory A. Mitchell, Director

MEMORANDUM

TO: President Tim Agnew and PDC Board Members
FROM: Nelle Hanig, Business Programs Manager
CC: Greg Mitchell, Economic Development Director
DATE: March 13, 2019
RE: **Discussion and Possible Vote on Ending the Portland Economic Development Plan Implementation Program (PEDPIP)**

Background

PEDPIP was launched in December 2011, just after the Portland Economic Development Vision and Plan was adopted by the City Council in November of that year. The intention of this grant/match program was to incent non-profits and City agencies to help implement the Vision and Plan.

Initially, the program was funded with \$250,000 from the PDC's loan funds, specifically from UDAG, the most flexible PDC funds. The UDAG funds are program income from a long expired federal program. The \$250,000 was fully utilized toward the end of 2014, at which time the City Council removed a \$250,000 cap that had been placed on funding for PEDPIP and authorized the PDC's Board to utilize its Unrestricted Loan Funds to recapitalize PEDPIP. These funds include UDAG as well as bond funds that the City has paid off in full. Since then, the PEDIP budget for each fiscal year (July 1-June 30) is established on July 1st, setting aside 10% of the PDC's Unrestricted Funds for the Program. In FY2019 it was \$32,744 and all except for about \$2,000 was awarded in September 2018.

Since the initial \$250,000 was granted, \$220,245 more of Unrestricted PDC loan funds have been used for grants to non-profit and City projects. To date, thirty-eight projects have been awarded grants through PEDPIP, totaling \$470,245. The specific projects that have received PEDPIP grants are noted in the attached spreadsheet titled *PDC Approved Grants for PEDPIP*.

Discussion

At this time, more than seven years after PEDPIP was launched, staff is suggesting that it may be time to end the program. PEDPIP served its purpose in helping to facilitate the implementation of many objectives of the August 2011 Vision and Plan, and then some. While the Work Plan is updated every two years by the stakeholders (Portland Downtown, Portland Chamber of Commerce, Visit Portland, Creative Portland and the City's Economic Development Department), implementation of new projects/programs is primarily achieved through these organizations.

Recommendation

Staff is recommending that the Portland Economic Development Plan Implementation Program be concluded this fiscal year. The reasons include that the objectives of the program have essentially been met, the amount of available funds each year for PEDPIP can best be utilized for commercial lending and it seems worthwhile to focus on the PDC's core mission (commercial loans, brownfields loans and grants and job creation grants). If the Board agrees with city staff, a vote in the form of a recommendation to the City Council is needed. _

Attachment

Spreadsheet: PDC Approved Grants for PEDPIP

PDC Approved Grants for PEDPIP

Organization & FY	Date	Project:	Grant	Match	Total Project
	Approved:		Approved		Cost
Portland Regional Chamber	2/16/2012	Slideshows	10,000	10,000	20,000
Creative Portland	3/15/2012	2 Degrees	10,000	10,000	20,000
Creative Portland	3/15/2012	Branding Portland	20,000	20,000	40,000
Creative Portland	3/15/2012	LiveWork Website	16,500	16,500	33,000
Creative Portland	3/15/2012	Creative Economy Metrics	1,500	1,500	3,000
Creative Portland	4/27/2012	Artspace Survey	5,750	5,750	11,500
Creative Portland	4/27/2012	Creative Map and Guide	5,835	5,835	10,100
Portland Performing Arts Fest.	4/27/2012	1st Festival	40,000	140,000	180,000
Portland Community Chamber	1/3/2013	Growing Ptd Initiative	40,000	40,000	80,000
Creative Portland/Creative Space	8/15/2013	Art Space Survey Activities		30,000	60,000
		- Inventory	11,500		
		- Web-based Clearinghse	9,250		
		- Resource Guides	9,250		
City of Portland	3/13/2014	MITC/Iceland-UK Trade Msn	3,309	3,309	6,618
Portland Community Chamber	4/17/2014	Startup and Create Week	25,000	144,010	169,010
World Affairs Council	4/17/2014	Celebrating Immigration	15,000	35,000	50,000
City of Portland	10/16/2014	MCBER Research	19,360	19,360	38,720
Portland Community Chamber	10/16/2014	2015 Scorecard	9,460	9,460	18,919
Creative Portland	12/18/2014	Work in Place	5,000	5,000	10,000
Creative Portland	12/18/2014	UNESCO Creative Cities	10,000	10,000	20,000
City of Portland	2/19/2015	MITC/Invest in Maine	10,000	113,320	123,320
Portland Community Chamber	4/16/2015	Maine Start Up & Create Wk	15,000	110,000	176,150
Cultivating Communities	6/18/2015	Local Food Cluster Accel	15,000	30,000	45,000
Cooperative Development Institute	7/16/2015	Instit Food Service & Procurement Plan	15,000	28,000	43,000
MCED	12/17/2015	Top Gun Overhaul & Preflight	15,000	15,000	30,000
Creative Portland	4/21/2016	Greenlight Series Finale	7,300	22,700	30,000
Creative Portland	6/16/2016	Update Cultural Plan	15,000	35,000	50,000
FY2017					
ME Convention Ctr Collab/Chamber	10/20/2016	Feasibility Study for Convention Center	5,000	240,000	250,000
Portland Buy Local	10/20/2016	Host Community Forum to Strengthen Portland's Economy	2,500	7,500	10,000
MCED	10/20/2016	E*Next Pilot Project	7,500	24,952	32,452
Portland Downtown/Parking Study	10/20/2016	Parking Study	7,155	7,155	14,310
Portland Downtown/Walking Tour	10/20/2016	Walking Tour	2,500	2,500	5,000
Maine College of Art	5/25/2017	Campus Master Plan	3,676	18,824	22,500
GPCOG	5/25/2017	Portland Food Launch and Festival	5,000	50,000	55,000
Women United Around the World	5/25/2017	Vocational Training Program for Immigrant Women	5,000	20,000	30,000
FY2018					
City Office of Econ. Opportunity	10/3/2017	Dev. Strategies&Measurable Plan to Integrate Immigrants	15,000	15,000	30,000
City Office of Econ. Opportunity	5/31/2018	Create Prof. Connector Program/Job Openings and Newcomer	5,375	5,375	68,172
ME Immigrants Rights Coalition	5/31/2018	Create Database/Immig. Econ. Opport. Network	10,000	25,056	35,056
ME Crafts Association	5/31/2018	Gallery at 519 Congress St. for ME Craft Artists/EDU&Culture	7,525	7,525	15,050
FY2019					
Portland Adult Education	10/18/2018	New Mainers Resource Center Educ. Assistance	15,000	15,000	30,000
Creative Portland	10/18/2018	Hire Prof "Experience Design" Consultant, Cultural App	15,000	15,000	30,000
Totals:			465,245	1,313,631	1,895,877



CITY OF PORTLAND
Economic Development
Gregory A. Mitchell, Director

MEMORANDUM

TO: President Tim Agnew and PDC Board Members
FROM: Nelle Hanig, Business Programs Manager
CC: Greg Mitchell, Economic Development Director
DATE: March 12, 2019
RE: **Communication: Status of Brownfields Assessment Funds**

Back in October, a \$200,000 EPA Brownfields grant became available to the City of Portland for conducting assessment activities. With the approval of the PDC and City Council, staff in collaboration with one of the City's Qualified Environmental Professionals (QEP), is administering these funds given the quick approval and activity turnaround time required for assessment work. Periodically, staff will provide the PDC with an update on the use of the City's Brownfields Assessment Program Fund.

To date, there are four projects using or soon to be using City assessment funds. They include 788 Washington Avenue which will become Monte's Fine Foods; 337 Cumberland Avenue which will be demolished and eventually host a three-story 6,600 sf building for Youth and Family Services for an early child care and education facility; 58 Fore Street which will eventually become a large multi-use development on the Portland waterfront; and the Northern Wye property on County Way which may become the site for the Portland Police Department and possibly a large homeless shelter.

The projects will together total about \$73,000, leaving almost \$120,000 remaining for additional Brownfields assessment projects. Staff's spreadsheet for managing the use of these funds is attached.

Financial Management of Assessment Funds \$200,000 (Oct. 1, 2018)

Project	Activity	Contractor	Cost	Complete	Invoice Date	Paid
788 Washington Ave.	VRAP App Fee	State of Maine	\$3,704.40	Yes	10/1/2018	Yes
788 Washington Ave.	EMMP	St. Germain Collins	\$2,000.00	Yes	10/18/2018	Yes
788 Washington Ave.	UFT Removal	Les Wilson & Sons	\$3,665.00	Yes	12/21/2018	
788 Washington Ave.	Piping Removal	Les Wilson & Sons	\$2,950.00			
788 Washington Ave.	Inspections, Field Work	W&C				
337 Cumberland Ave.	SSQAPP	W&C	\$3,500.00	Yes		
337 Cumberland Ave.	HSP, Phase II ESA Field Work, Lab Analysis	W&C	\$10,600.00	Yes		
337 Cumberland Ave.	Asbestos & Lead Survey	W&C	\$6,500.00	Yes		
337 Cumberland Ave.	Reporting	W&C	\$7,200.00	Yes		
337 Cumberland Ave.	Cleanup Planning	W&C	\$14,453.00			
58 Fore St.	HBMS & Report	Credere	\$13,000.00			
No. Wye, County Way	Phase I ESA	W&C	\$5,400.00	Yes		
			\$72,972.40			

Use	Budget
Personel	\$2,800
Fringe	\$0
Travel	\$4,000
Supplies	\$500
Contractual	\$192,700
Other	\$0
Total	\$200,000

Legend

EMMP: Environmental Media Mgt. Plan
HBMS: Hazardous Building Material Survey
HSP: Health and Safety Plan
SSQAP: Site-Specific Quality Assurance Project
UFT: Underground Fuel Tank
VRAP: Voluntary Response Action Program

**Portland Development Corporation
Administrative Budget
For Month Ending
2/28/2019**

Operating transfer from EDF 28,522

Total Funds Available 28,522

		Current	Year to	Percent	
FY19 Expenditures	Budget	Month	Date	of Budget	Balance
Administrative Services	575	0	185	32.2%	390
Postage/Courier Services	300	0	157	52.3%	143
Travel, Training, Meetings	4,000	107	3,948	98.7%	52
Contractual Services	10,500	0	5,970	56.9%	4,530
Operating Transfer to Fin.	9,647	0	0	0.0%	9,647
Advertising	2,000	1,099	1,399	69.9%	602
Auto Expense Reimb.	100	0	0	0.0%	100
Printing & Binding	650	0	524	80.6%	126
Office Supplies	750	223	651	86.8%	99
Total FY19 Expenditures	28,522	1,428	12,833	45.0%	15,689

Cash Management Report
2/28/2019

1,978

	CIP		UDAG	FAME	SSBCI	Brown-field 1	Brown-field 2	Brown-field 3	TOTAL	Year-to-Date					
										Principal/Interest			CIP		
	272	274	(Unrestricted) Loans/Grants	277	279	278-Closeout	280-RLF	281-Assess		Restricted	Unrestricted	UDAG	FAME	SSBCI	Bmfd 1
Cash Bal. Beginning of Reporting Mo.	299,625	168,626	564,847	371,039	749,681	378,095	1,074,956	194,296	3,801,165	272	274	271	277	279	Bmfd 2
Plus:															
Principal payments received	2,402	2,447	7,594	10,171	1,298	1,633				10,948	11,094	196,969	105,714	11,494	12,687
Interest payments received from loans	549	1,283	4,338	7,241	2,768	344				2,489	4,642	19,266	36,398	12,645	3,133
Interest Income															96
Other Income/Adjustments		-5	(2,691)	(1,988)											0
Pass Through From FAME/SSBCI/EPA															0
Sub-Total Cash Available	302,577	172,351	574,088	386,453	753,747	380,073	1,074,956	194,296	3,838,541	13,438	15,736	216,235	142,112	24,139	15,821
Less:															96
FAME Annual Admin. Fee: Invoices															
Disbursements - Loans/Grants			(6,432)	(25,000)											
Sub-Total Cash Available:	302,577	172,351	567,656	361,453	753,747	380,073	1,074,956	194,296	3,807,109						
Less Reserves for:															
Beautification Program (EC0301)			(72,000)												
PEDPIP Fund Commitments thru FY16			(35,480)												
PEDPIP Fund FY17 Commitments			(10,000)												
PEDPIP Fund FY18 Commitment			(26,161)												
PEDPIP Fund FY19 Commitment			(30,000)												
Transfers not yet recorded (UDAG Int)			(19,266)												
Fund 280 Reserve for Commitments							(631,634)	(74,268)							
Fund 280 Reserve for Administration							(68,294)	-7300							
Total Ending Loan/Grant Cash Bal.	302,577	172,351	374,768	361,453	753,747	380,073	375,028	112,728	2,832,725						
										Bal. of Unrestricted/Uncommitted Funds as of 7/1/18:					
										PEDPIP Cap for FY19 (as of 7/1/2019) at 10% of above:					
										PEDPIP Commitments for FY19 to date:					
										327,435					
										32,744					
										30,000					

**Downtown Portland Corporation
Schedule of Loans Receivable
For the Month Ending February 28, 2019**

Cust # Ln #		Account No. & Name	Date of Loan	Maturity Date	Original Loan	Not Yet Disb.	Total Disb .	Outstanding Princ. Bal.
-----Committed/Disbursed Funds-----								
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	\$194,519
7158	1561	Forefront Brick South, LLC	11/18/2016	12/1/2026	100,000	\$0	100,000	\$83,192
Sub-Total PBF (UDAG)								\$277,711
Portland Business Fund 272 (Restricted - CIP):								
7124	1554	Creative Portland	10/11/2016	11/1/2023	25,000	\$0	25,000	\$17,024
6502	1436	Portland Food Cooperative	6/4/2014	10/1/2021	130,000	\$0	130,000	\$79,864
Sub-Total PBF (Bonds/CIP Restricted)								\$96,888
Portland Micro Capital Fund 271 (UDAG/Unrestricted):								
5837	1341	Back Bay Skate	9/10/2012	9/1/2017	12,500	\$0	12,500	\$1,886
6120	1380	Portland Trading Co. LLC	4/26/2013	8/1/2018	15,000	\$0	15,000	\$12,187
6635	1464	Damiak's Bakery, LLC	10/16/2014	11/1/2019	25,000	\$0	25,000	\$3,606
6501	1435	Sur Lie Wine Bar, LLC	5/2/2014	9/1/2021	37,335	\$0	37,335	\$15,336
7092	1559	Vin Bar, LLC	7/26/2016	9/2/2021	50,000	\$0	50,000	\$33,290
Sub-Total Micro Capital Fund								\$66,306
Portland Business Fund Fund 274 (CIP/Unrestricted):								
6597	1458	Back Cove School	8/29/2014	9/1/2019	55,000	\$0	55,000	\$25,031
6868	1512	Billdotcom, LLC	8/29/2015	9/1/2022	102,500	\$0	102,500	\$92,222
7091	1546	Skunk Ape, LLC	7/21/2016	8/1/2023	75,000	\$0	75,000	\$50,681
7479	1611	On Time Transportation	3/26/2018	4/1/2023	10,000	\$0	10,000	\$8,521
Sub-Total PBF (Bonds/CIP Unrestricted)								\$176,456
FAME Fund 277:								
6598	1459	Browne Trading CO.	9/3/2014	10/1/2019	83,333	\$0	83,333	\$12,969
6784	1485	SB & LC Properties, LLC	4/6/2015	5/1/2020	101,200	\$0	101,200	\$92,051
6973	1524	Auto-Care, LLC	2/5/2016	3/1/2021	32,500	\$0	32,500	\$25,116
7029	1533	BayCycle	5/13/2016	9/1/2023	20,000	\$0	20,000	\$13,741
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	\$207,981
7276	1580	Union Bagel	6/20/2017	7/1/2020	46,000	\$0	46,000	\$28,355
6485	1429	Evo Rock & Fitness Portland	4/14/2014	11/1/2024	132,954	\$0	132,954	\$85,320
7176	1565	Adele Masengo Designs, Inc.	1/6/2017	2/1/2022	15,000	\$0	15,000	\$12,705
7528	1623	KJ Monument Square, LLC	6/1/2018	12/1/2025	25,000	\$0	25,000	\$24,556
7532	1629	CAG RE, LLC	8/15/2018	9/1/2023	50,000	\$0	50,000	\$46,438
7529	1624	Cousins Seafood, LLC	7/11/2018	8/1/2023	20,000	\$0	20,000	\$18,578
7293	1582	Wallace James	7/14/2017	8/1/2022	100,000	\$0	100,000	\$73,418
7357	1593	747 Congress LLC	1/25/2017	7/1/2022	150,000	\$0	150,000	\$137,985
Sub-Total FAME Fund								\$835,455
FAME SSBCI 279:								
6199	1390	Inn at Diamond Cove LLC	7/10/2013	10/1/2019	200,000	\$0	200,000	\$155,203
6867	1511	Billdotcom, LLC	8/19/2015	9/1/2022	92,500	\$0	92,500	\$83,227
7233	1570	KODA, LLC	3/31/2017	4/1/2027	100,000	\$0	100,000	\$93,206
Sub-Total FAME SSBCI								\$331,637
Real Estate Investment Fund 271(UDAG/Unrestricted):								
Sub-Total RE Invest								\$0
Brownfields Loan Fund 278 and 280								
6555	1457	Forefront Partners, LP/Fund 278	7/30/2014	2/1/2020	200,000	\$0	200,000	\$128,284
		Forefront Partners I, LP/Fund 280	4/12/2018	7/12/2028	350,000	\$339,769	10,231	\$128,284
Sub-Total Brownfields								\$128,284
Grand Total Loans						\$339,769	2,528,553	\$1,912,737
Allowance for uncollectable loans at 15%								\$286,911
Total with Allowance for uncollectable loans:								\$1,625,827

Portland Economic Development Plan Implementation Program			
FY2019 Grant Funding Available:	\$32,744		
First Round of Applications Due:	9/28/2018 at 3:00 p.m.	Date	
Grantee Approved	Grant Amount	Approved	Project
New Mainers Resource Center	\$15,000	10/18/2018	Classes to aid Foreign Skilled Professionals find work in the Portland area.
Creative Portland	\$15,000	10/18/2018	Planning Process to Strengthen the visitor experience in support of arts and culture.
Total Granted:	\$30,000		
Balance of Funds Available:	\$2,744		
If Additional Funds Remain, Second Round of Applications due no later that Friday, March 29, 2019 at 3:00 p.m.			

Business Assistance Grant Program for Job Creation - FY2019			
FY2019 Grant Funding Available:	\$140,000		
		Date	Jobs
Grantee/Grant Approved	Grant Amount	Approved	Funded
Bethel Kids Care	\$20,000	9/20/2018	2
Gross Confection Bar	\$10,000	9/20/2018	1
Greater Portland Home Healthcare	\$10,000	9/20/2018	1
Lio	\$20,000	9/20/2018	2
WordLab	\$20,000	9/20/2018	2
OneLove HomeCare	\$20,000	9/20/2018	2
Shekinah Family Services	\$20,000	9/20/2018	2
Maine Family Services	\$10,000	10/18/2018	1
Factory 3	\$10,000	10/18/2018	1
Total Grant Funds Approved to Date:	\$140,000		
Balance of Grant Funds Available:	\$0		