

**Minutes of the Downtown Development Authority  
City of Portland**

Held on Thursday, March 17, 2005  
In Council Chambers at City Hall

Members Present: Barnes, Clement, Dempsey, Dumas, Hoppes, Kavanagh, Urie, Ward, Williams

Members Absent: Antaya, Kolarik, Schrauben

Guests: Roger Habegger, Kathy Parsons, Matt Robertson, Brenda Schrauben

Chairman Dumas called the meeting to order at 3:32 P.M.

Motion by Kavanagh, supported by Ward, to approve the agenda as presented, after adding C. Audit Recommendations, under Old Business.

All in favor. Adopted

Motion by Ward, supported by Barnes, to approve the minutes of the February 17, 2005 meeting.

All in favor. Adopted

Motion by Kavanagh, supported by Barnes, to approve the Treasurer's Report.

All in favor. Adopted

D.D.A. Director Flanders updated Commissionmembers on the Façade Grant Awards winners for last year. He stated that two of the winners are considering adding loft apartments. He stated they are looking at consolidated proposal for all three facades.

Mr. Flanders stated that Dave Brown of Rivertown Book Store was to be here today to discuss the Portland Area Marketing and Advertising Cooperative; however, business called him away and he will present his report at next month's meeting.

Mr. Flanders stated he has talked to City Auditor Panter and Finance Officer Schrauben, and they are of one mind to move ahead to address all the committee's and boardmembers concerns regarding the process for approval of invoices, and establish a policy for people who work for the various sub-committees for the Main Street Programs. He stated he would be setting up a plan of action with Treasurer Schrauben for the rules and regulations for finances.

Chairman Dumas stated the 15<sup>th</sup> edition of "On the Street" was mailed this month.

Commissionmember Ward stated the Design Committee met for four hours last week to prioritize the projects for Main Street Boardwalk and Streetscape Projects. She stated their recommendations were set to City Engineers who will be working on a Design Guideline Book.

D.D.A. Director Flanders stated the State Architect is working with the second group of winners for the Façade Improvement Services.

Mayor Barnes stated that City Council adopted a resolution making Don Flanders the official representative for the Regional Economic Development (RED) Team meetings.

Mr. Flanders stated he is continuing to work with prospects for Portland ranging from restaurants, hotdog stands, novelty shops, clothing and antique shops. He also stated he is working with building owners regarding improvements to make their buildings more marketable. Mr. Flanders stated he hopes to bring new business owners to next months meeting to introduce them to the Commissionmembers.

Mr. Flanders stated they are working with the business owners on the west side of the 100 block of Kent Street to secure easements for the Boardwalk Project. He stated he would be working with members of D.E.Q. soon to expedite the permit process for the Boardwalk Project.

Mr. Flanders stated he has been going over the invoices of the D.D.A. with Finance Officer Schrauben, and the D.D.A. has committed over \$225,000 over the past 6 to 8 months for projects ranging from City Hall, Kent Street Improvement Program, the Boardwalk Project, and the Streetscape Planning. He stated we have committed the \$225,000 for projects, and our estimated revenues from property taxes is about \$240,000. He stated that we need to be very cautious with our spending. He stated he would like to see about setting up programs to help business owners be more diversified, and to work with banks to give low interest loans to business owners to upgrade and improve their businesses.

Mr. Flanders stated that Mr. Christianson is working feverishly to get the materials ready to send to the National Park Service to get downtown Portland designated on the National Register of Historic Locations. He stated this would help property owners with tax increments to develop their property.

Mr. Flanders began discussion on the FY 05-06 D.D.A. Budget. Mr. Flanders stated the budget has an estimated expenditure of about \$417,000, and estimated revenues of \$297,500. Mr. Flanders stated they would be transferring about \$130,000 from fund balance to balance the budget for 05-06. City Manager Dempsey questioned the \$15,000 figure that Mr. Flanders is projecting for fund raising. He stated fund raising for 04-05 only netted \$390. Mr. Flanders stated there is a carnival and an Antique Fair planned as fundraisers for the upcoming year, along with Riverfest. He stated there would be additional interest in people coming to Portland. Mr. Dempsey continued to discuss the revenues and expenditures. Mr. Dempsey stated we cannot control the growth of development and until we see an increase in revenues, we should not plan to have \$15,000 as a revenue for fundraising. Mr. Flanders reminded Commissionmembers that the D.D.A. paid \$62,000 for the Kent Street Project, \$150,000 for the City Hall Project, \$75,000 commitment for the Boardwalk Project, which are basically one-time commitments for the D.D.A. He stated he would hate to see us cripple the D.D.A. budget. Chairman Dumas stated he is not sorry the D.D.A. approved these projects; they have been good for the downtown. However, we are approaching a point in our funding that we will not be able to support many of the one time significant cost projects.

Motion by Dempsey, supported by Kavanagh, to change the revenues for Contribution from Main Street Fundraising from \$15,000 to 0, to authorize amendments the budget when the funds come in, and to increase earned interest from \$500.00 to \$1,500.

All in favor. Adopted

Commissionmembers also asked for explanations for various funds for the expenditures. Several changes were made to descriptions only. Matt Robinson stated the Chamber of Commerce is asking for additional money for 4<sup>th</sup> of July fireworks, and would also like to have fireworks for Riverfest.

City Manager Dempsey stated Commissionmember would have time to look over the projected budget, and get questions or concerns back to Don or himself before budget hearings in April. Mayor Barnes stated a lot of the expenses the D.D.A. incurred last year and this year were one-time expenses, but we cannot continue to spend into the fund balance like we have. He stated by the same token, if we have extra money as a government entity, that money should go back to the people. He said, "If we have the money and it is intended for use, we should use it". He stated we should have an appropriate cushion incase an emergency should come up. He stated it is our job to determine if \$75,000 in fund balance is enough cushion to have in the bank. Mayor Barnes stated he is inclined to take Mr. Flanders recommendation for the budget, even though it does significantly impact the fund balance. That is what the money is there for. He said, "The budget that has been presented in an appropriate one for a government entity such as ours with increased revenues in the future". City Manager Dempsey stated he respectfully disagrees. He stated we are programming \$118,000 more than our revenues. He stated even if we take out the one-time expenses we are still spending more than \$44,000 than we are taking in with next year's revenues.

Motion by Ward, supported by Dempsey, to adjourn the meeting at 4:38.

All in favor. Adopted

Respectfully submitted,

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Becky Ward, Secretary