

**MINUTES
EXECUTIVE COMMITTEE**

SOUTHERN MAINE REGIONAL PLANNING COMMISSION

**9:00 AM
April 16, 2009**

Present: SMRPC Executive Director Paul Schumacher, Chairman Peter Morelli, Ken Burford, Sandra Mowery, Mike Huston, Jim Gulnac, Roxanne Eflin and Nancy Perkins.

Absent: Vice Chairman Robert Heard, Treasurer Richard Bicknell, Secretary Joyce Wood, Judy Bernstein and Greg Tansley

1. Minutes of the March 12, 2009 Meeting:

Minutes were accepted as provided. *Minutes were unanimously approved.*

2. Treasurer's Report:

Treasurer's Report was unanimously approved.

3. Brownfields Grant:

Les Stevens, Rex Bell, Josh Bentsen and Kevin Riley were present to explain the Fagan Mill project grant application and address any questions the committee may have.

Paul Schumacher explained that we had \$160,000 left from the original \$1 million allocation. A limit of \$200,000 has been set for grants. He informed the committee that EPA was delaying granting any additional funding for a short period of time.

Chuck Morgan explained the sub-grant process. First you need to submit an eligible application approved by EPA and then a full-application for any additional information needed. The application for the Fagan Mill has been submitted and we have all the information we need. The Committee could make recommendations.

Les Stevens did a short background of the Fagan Mill Project. This project will link the downtown to the mills and make it a TIF District. The Fagan Mill is a 60,000 square foot structure. Northland Enterprises will be the developer on this project. The reconstruction of this project will be mixed use: 1st floor – commercial, 2 & 3rd floors – 36 to 37 housing units (18 one-bedroom, 18 two-bedroom units). The grant will be used by the town to clean up environmental wastes and then sell to the developer to build affordable housing units while using historic preservation tax credits for funding. A grant would be beneficial as the cleanup costs are so substantial and then the developer could use the other funding sources for development of the commercial and housing units.

Rex Bell of Northland Enterprises explained that since 2001, his background was in distressed properties. That he worked closely with Bobby Monks who had a real estate background. He stated that Sanford has lots of potential, even with the present economic conditions. Lenders have a very strong interest in this area.

Jim Gulnac explained to the Committee that in order to be eligible for a grant, Sanford had to own the property, which they took through eminent domain. He stated that the Town of Sanford is the applicant in this grant. Rip Patten from Credere has prepared Phase 1 and Phase 2 cleanup with EPA. We need to start cleanup today so we can resell the building to Northland Enterprises to begin construction of commercial and housing units. We cannot wait for the \$200,000 EPA Grant to be received. The EPA grant monies would not be available until October. To begin the cleanup, we need the \$160,000 grant today. Sanford is committed to do the cleanup. Jim stated that 90% has been done for a Historic District. The old wooden mill (Aerofab) will be destroyed and used as parking space for the Fagan Mill's commercial and affordable housing tenants.

Ken Burford who is originally from Massachusetts shared that in the past, Massachusetts mill buildings were reconstructed and later torn down because the area attracted no increase in population. Why do we think Sanford would be different?

Jim Gulnac stated that numerous market studies have been done. One study was conducted when the casino was supposed to come into Sanford. He is comfortable that population will increase.

Ken Burford asked about the Portland Shopping Center. He heard that it was going under. How would Sanford be any different?

Les Stevens explained that we should not be looking at just the latest economy situation. We should ask ourselves, "What will drive Sanford's economy?" The answer would be "Location." Sanford is between two large cities; Boston and Portland. Our location will be absorbed into both areas without the high costs of housing associated with these cities. York County's population has grown by 80% in the last 20 years. Sanford is the 6th largest populated community and going to be the 4th soon.

Rex Bell stated that this project is very manageable due to the size of the structure. Studies have been conducted that Sanford needs affordable B+ apartment units for young professionals to live in. The commercial space proposed is only 21,000 sq. ft. and is in a Pine Tree Zone – very appealing. We would like to bring in Out-of-State businesses. Northland Enterprises are very conservative/cautious developers and are not worried about filling the building.

Nancy Perkins shared her theory. She is from Cornish, far away from the Coastal dollars and people from Cornish travel to Sanford for work, shopping, etc., but due

to the increase in gas prices, she feels that the young people will move to Sanford to avoid the high gas costs. Cities will win over rural areas for the next 5 to 10 years.

Roxanne Eflin asked the developers if they had considered using the State Credit, which gives an extra 5% for affordable housing. Josh Bensein explained that because the developers had applied for New Market Grant funds, the New Market Credit couldn't be used for affordable or mixed use housing. It would be considered in Plan B, if needed.

The developers were asked what they planned to charge for rents, and were told \$10.00 a foot.

A motion was made by Mike Huston to approve the \$160,000 grant and prepare the usual agreement with conditions made from the Advisory Committee. Roxanne Eflin seconded. *All approved motion except Ken Burford (because of unfamiliarity with the program) and Jim Gulnac (possible conflict) withdrew from vote.*

4. Annual Meeting:

Paul Schumacher discussed the four possible locations discussed for the Annual Meeting.

Possible Locations:

- North Dam Mill in Biddeford, which was one of our Brownfields projects. For this location, we have to hire a caterer (Union House Pub & Pizza), which is also in the same building. The cost is about \$2,200.00. At this location, it was thought that we could tour the mill and see where our grant dollars went and possibly tour America's Greenest Train Station and the Saco Wind Turbine as well. All are within walking distance to the mill or short drive of one another.
- The second location was the Oak Street Bistro (Old Leedy's) in Alfred. We visited last Friday and still waiting for prices.
- The third was the Above & Beyond Catering (Town Club), which we have gone to prior in Sanford. Prices were about \$2,200.00.
- The last location was in Wells; East Restaurant, a Chinese/Japanese/Thai menu. Marian contacted, but could not be understood.

We are working on an energy focus presentation and possibly a guest speaker. Motion was made to attempt to hold the Annual Meeting at the North Dam Mill in Biddeford but permit SMRPC staff to develop options without coming back to the board for details. *Motion was unanimously approved.*

5. Budget:

Paul Schumacher stated that we are still working through the numbers. We will finalize and have available at next meeting. He suggested that maybe we could give a little something to the staff. Most of the committee's municipalities were not giving raises to any non-union staff, but no lay-offs were proposed.

6. Quality of Place Legislation:

The bill should be in legislation within the next couple of weeks. A problem is that EDA still considers us as one Southern Maine Economic Development District. SMRPC has been separated from GPCOG. Staff will stay in touch as there was a change in administration at EDA

7. Other:

Next meeting – Will be scheduled during the month.

Adjourned at 10:00 AM