

**MINUTES
EXECUTIVE COMMITTEE**

SOUTHERN MAINE REGIONAL PLANNING COMMISSION

**9:00 AM
March 12, 2009**

In attendance were: SMRPC Executive Director Paul Schumacher, Chairman Peter Morelli, Vice Chairman Robert Heard, Treasurer Richard Bicknell, Secretary Joyce Wood, Sandra Mowery, Mike Huston, Jim Gulnac, Roxanne Eflin and Nancy Perkins arrived late.

Absent: Wallace Reid, Judy Bernstein and Greg Tansley

1. Minutes of the December 23rd Meeting

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

2. Treasurer's Report:

Paul Schumacher explained that the Brownfields budget was on target. Dues being received as predicted. County has accepted our proposed amount. Paul explained that our expenses went up because of the new insurance policies we purchased, but that the costs could be taken from our Brownfields account. Travel expenditures are close to budgeted amount, but that most costs are covered by contracts and not from general dues. Jim Gulnac asked if budget and incomes were close to predicted amounts and Paul Schumacher stated "yes". Mike Huston made motion to accept treasurer's report as presented and Roxanne Eflin seconded. *Treasurer's Report was unanimously approved.*

3. Brownfields Loan Program

Phase II – North Dam Mill Project – Biddeford

Paul Schumacher stated that last fall the Board approved the River Dam Mill Project in Biddeford, but it since went out to auction and the contractor lost the purchase, thus putting \$520,000 back into the pot.

Paul advised that Doug Sanford has completed first phase on the North Dam Mill Project in Biddeford and doing very well. Paul advised that the Revolving Loan Committee has approved a second loan for the North Dam Mill Project second phase in the amount of \$362,000. This phase consists of 40 rental units to UNE students and commercial rentals. The Revolving Loan Committee accepted application with interest of 3%. Terms are interest only payment for first year and a 10 year repayment.

Chuck Morgan explained that the North Dam Mill Project was set up to be in a phased approach. Grant would cover lead paint and asphalt removal and capping. Phase 2 would begin when Phase 1 was completed and would cover commercial leasing on lower floor with other floors as residential housing. The top floor would be units to lease with option to purchase. Second phase should start on April 1st. There are some commercial companies already leasing. Chuck explained that Phase 1 expenses were higher due to typical mill wastes.

Richard Bicknell believes that Doug Sanford was doing a super job. Even the consultants had given him a rating of 2, which is the best. Peter Morelli agreed that Doug Sanford was of good character.

It was suggested that maybe a tour could be set up for the committee to see what the project looks like. Chuck Morgan invited the Executive Committee to join the Revolving Loan Fund Committee for a tour on Thursday, March 26 at 1:00 PM. An e-mail should be sent out with date, time and directions. Jim Gulnac asked that we invite Marcus as well.

An announcement should go out for the accomplishment with the mill project, but Paul wanted to wait for a pool of projects before we did announcement. The North Berwick project should also be part of this announcement. It was felt that we should invite DEP and EDA so maybe we could get more money if they saw our accomplishments. It was pointed out that the origination fee was 1% (\$1,782.00), but is printed \$3,620.00, which Paul Schumacher will check into. Motion was made to approve loan with conditions and terms. Rob Heard seconded and *motion passed unanimously*.

Sanford Mill (Fagan Mill) - Sanford

The Town of Sanford is applying for a Grant for the Sanford Mill Project (Fagan Mill). Grants have to be approved by the Executive Committee. Rip Patten, Vice President from Credere Associates was present to discuss and answer any questions the committee may have concerning the Sanford's mill project (Fagan Mill).

Jim Gulnac, Sanford Town Planner gave an overview of the Fagan Mill. It is a 60,000 square foot run-down mill building, very visible when first entering the town of Sanford. Some work has been started, such as boarding up windows. Jim wanted to thank the SMRPC staff for meeting with him and other town officials the day before to discuss the project. The Town of Sanford acquired the mill through eminent domain and has paid the owner for the property. Eminent domain was used to clear title on the property. A clean-up EPA grant of \$200,000 has been applied for and Sanford should hear of approval next month with money being received in October. Total clean-up (Phase I) on this project will cost about 1 million dollars. Rip Patten clarified that cleanup costs were higher due to the mill wastes. He stated that Sanford has a total of three mill buildings needing redevelopment. Town of Sanford has retained Credere for this one building and Northland Enterprises from

Portland will be the developer. The redeveloping plan will consist of 1st floor commercial, 2nd and 3rd floor – 36 unit residential. Environmental issues include containments (asbestos/lead paint, old tanks, transformers and lots of BCB soil. Jim and Rip advised committee that the developer wants to proceed quickly with this project.

Roxanne Eflin asked if this mill building was registered on the National Register and was told that registration had been started, but not final yet. Jim Gulnac explained that Sanford will be using Historical Tax Credits and New Market Credits for this redevelopment project.

Jim Gulnac explained that \$500,000 will be used on roadway into the mill. Riverfront Bond monies have been received covering #1 Pond is contamination for a total of 14 million dollars. He shared that the developer is putting his own money into the project as well.

Chuck Morgan explained that Northland Enterprises expressed a willingness to get a loan for this project at yesterday's meeting after Sanford receives our grant and the EPA grant and sells the mill to the developer.

Peter Morelli asked if Sanford would get the EPA Grant and Jim Gulnac told him yes. He asked what if Sanford would be interested in SMRPC \$200,000 grant come as a Bridge Loan and Jim told him they'd prefer a grant. Jim has supplied an application to the Executive Committee to decide upon and stated that during decision making, he'd step out. Jim explained that timing was very important to expend the funds. He stated that the more grant monies received through grants, the less monies the developer has to borrow in loans. Peter Morelli asked that the committee meet again in April to get this process going.

Sanford has also applied for another \$200,000 grant which will dismantle the AeroFab Mill because it is wood and cannot be rebuilt.

Rob Heard asked if the committee has spoken in the past about grant repayment of monies. Mike Huston stated that they had talked about repayment of grants, but nothing was adopted. Chuck Morgan stated that if someone made a profit, then yes, they had to repay the grant.

4. SMRPC Attorney

Paul Schumacher told the committee that we received proposals from two firms: Jensen/Baird from Portland with a Kennebunk Office at \$150.00/hour fee and PerkinsThompson from Portland at \$175.00/hour. Paul had submitted a list of questions about boards they worked with, Brownfields/RLF, any conflicts and both seem to be similar. Discussion transpired about whom others have worked with and any problems/concerns about each. Mike Huston made a motion to accept

Jensen/Baird as our attorney and to review again in 12 months. Jim Gulnac seconded motion. *Motion was unanimously approved.*

5. Budget

A draft was presented for next year's budget. Paul Schumacher explained that next year's budget was going to be tight, but we could continue to do what we do. The concern was with salary increases. Paul suggested that instead of salary increases, we may need to propose a bonus at the end of the year, if additional monies were available. This option could eliminate the cutting of staff hours or any lay-offs. Paul explained that the health costs had increased. It was agreed that most of the municipalities were not giving salary increases to non-union employees this year and that we should wait until the end of the year and check final budget amounts and decide on bonuses. Dick Bicknell agreed that we were in great shape, but felt waiting on salary increases was a good idea.

6. Other

Wallace Reid - Paul Schumacher announced that Wally was retiring from the committee after serving since 1965. Paul was given a name of someone who was willing to fill Wally's position on a temporarily basis until the Annual Meeting, at which time he could become permanent. The committee agreed that Wallace Reid needed to be invited to the Annual Meeting and be presented with a plaque for his dedication. *Motion was made to accept the replacement, Ken Burford of Kennebunkport, and all were in favor.*

Annual Meeting – Discussion as to when, where and do we change town? Further discussion at next meeting.

Stimulus – Paul Schumacher presented an article that was in the Press Herald to the board. MDOT received a \$130 million dollar stimulus and York County only received 1% of package. Paul explained that the press has phoned him, but he has to be very diplomatic about what he says, as he cannot lobby, that he can only organize and convene. It was felt that we don't hear about decisions being made in Augusta until it is too late to react. We need to focus on upcoming regulations and transportation monies. Final answer was: "What is done; is done." Peter Morelli believes that we'll do better with the CDBG monies. Roxanne Eflin thought that flyers should go out about lobbying issues.

Water Extraction Meeting – Paul Schumacher announced that SMRPC was hosting a meeting on Monday, March 16, 2009 at the Sanford Town Hall.

Next meeting – Will be scheduled during the month.