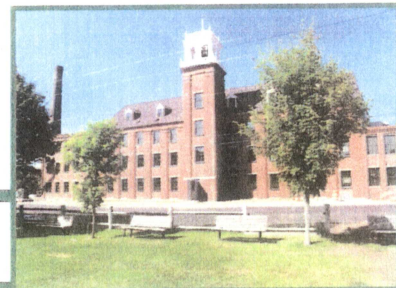


BROWNFIELDS SUCCESS IN NEW ENGLAND



NORTH BERWICK WOOLEN MILL PROPERTY NORTH BERWICK, MAINE

| Property Details | |
|--|---------------------------------------|
| Property Address: | 40 Canal St., North Berwick, ME |
| Property Size: | 4.0 acres |
| Former Use: | Textile Mill |
| Contaminants Found: | Petroleum, Asbestos, PCBs, Lead, PAHs |
| Current Use: | Senior Housing |
| Current Owner: | Caleb Foundation |
| Project Partners | |
| EPA, Southern Maine Regional Planning Commission, Maine State Housing Authority, Caleb Foundation, Town of North Berwick | |

Drivers for Redevelopment: In 2004, the Southern Maine Regional Planning Commission (SMRPC) began to identify local abandoned and potentially contaminated properties with potential for successful reuse. The North Berwick Woolen Mill in North Berwick, Maine, with its attractive façade and central location, was an especially viable candidate. A plan to redevelop the mill into 40 units of low-income senior housing addressed a significant need for affordable housing for areas senior citizens. High rent and home prices and a lack of subsidized housing in the area placed many seniors out of the housing market.

Property History: Located in the heart of North Berwick next to the town commons on the Great Works River, the historic mill is a local landmark. The 53,000-square foot brick building, with its distinctive white clock tower, was built in 1862 and originally produced wool blankets for Civil War soldiers. The mill closed in 1955, and housed various other enterprises, including a shoe factory, until it became largely vacant in 1998. A 2005 environmental assessment found charred outbuildings, asbestos-lined pipes, and lead and petroleum in soil.

Project Results: A full assessment of the former mill uncovered soil contaminated with arsenic, lead, PAHs and petroleum products. Lead-based paint, asbestos, and transformers and lighting equipment containing PCBs also required abatement. Following assessment, a detailed reuse action plan was created that outlined remediation scenarios and their associated costs. This plan allowed SMRPC to successfully attract development partners that were previously hesitant to take unknown risk.

In March 2008, the Massachusetts-based Caleb Foundation agreed to purchase the mill from its former owner for \$900,000 and invest another \$6.5 million in renovations to the buildings and grounds. The SMRPC, a recipient of both EPA Brownfields

| Funding Details | |
|---|-------------|
| EPA Brownfields Assessment Grant: | \$76,598 |
| EPA Brownfields RLF Subgrant: | \$200,000 |
| Maine State Housing Authority Grant: | \$101,000 |
| Leveraged Private Redevelopment Funds: | \$6,500,000 |
| Project Highlights | |
| <ul style="list-style-type: none"> • Environmental assessment is catalyst for redevelopment of historic mill • Project leveraged \$6.5 million in private redevelopment funding • Redevelopment addresses need for affordable senior housing in Southern Maine | |

Assessment and Revolving Loan Fund (RLF) grants, offered the nonprofit Caleb Foundation a \$200,000 RLF subgrant to help cover the \$300,000 cleanup costs. Combining this grant with other funding sources, including tax-exempt bonds from the Maine State Housing Authority, allowed the foundation to keep its costs low, a savings that will be passed on to the property's future tenants.

The foundation contracted with brownfields specialists Credere Associates, LLC to remediate the property. Cleanup activities included tearing down a boiler house and a shed that housed chemicals. Finally, contaminated soil was excavated and either disposed of offsite or consolidated and capped by the building's parking lot.

Redevelopment of the facility as senior housing is expected to be complete in November 2009. Tenants at the new facility, which consists of one- and two-bedroom units, must be seniors whose annual income is no more than 60 percent of the area's median income. As part of its approval of the housing project, the Town of North Berwick approved a special tax increment financing (TIF) district for the mill. Under the TIF agreement, the town will return 50 percent of the taxes paid on the project to the Caleb Foundation, with approximately \$17,500 in annual taxes going to the town.

| Project Timeline | |
|------------------|--|
| August 2005 | Phase I Assessment |
| February 2006 | Phase II Assessment |
| June 2006 | Supplemental Assessment |
| March 2008 | Caleb Foundation Acquires Mill, Cleanup Begins |
| May 2009 | Redevelopment Begins |
| October 2009 | Cleanup Complete |