

**REGIONAL EFFICIENCY GRANT WORKGROUP
MEETING MINUTES
SOUTH BERWICK TOWN MANAGER'S OFFICE
Thursday, February 15, 2007
3:00 PM**

ATTENDEES

Eliot: Dan Blanchette, Administrative Assistant to the Selectmen and Jack Murphy, Chairman of Board of Selectmen.
Kittery: Jonathan Carter, Town Manager and Glenn Shweary, Town Council Chairman
Nelson & Doyle: Craig Nelson, Consultant
North Berwick: Dwayne Morin, Town Manager
So. Berwick: Jeffrey Grossman, Town Manager, Roberta Orsini, Dennis Fontaine, Alternate and Jim Fisk, Town Planner, Sue Roberge, Council Chairman
SMRPC: Chuck Morgan, Economic Development Specialist

NOT IN ATTENDANCE

Berwick Keith Trefethen, Town Manager
Wells: Jane Duncan, Town Manager
(Mr. Grossman has contacted but has not heard back)
York: Rob Yandow, Town Manager
(Mr. Grossman has contacted but has not heard back)
York Chamber: Cathy Goodwin, Ex-officio

Susie Scott (Administrative Assistant) was taking minutes.

ORGANIZATIONAL

- none.

APPROVAL OF MINUTES

1. Regional Efficiency Grant Workgroup 1/25/07: Motion by Mr. Carter, 2nd by Mr. Morin to approve minutes, passed unanimously.

CORRESPONDENCE

1. Executed contract with Craig Nelson: Received by Committee members.

OLD BUSINESS

1. Report from J. Grossman, tasks from previous meeting:
 - Mr. Grossman will provide Committee members a copy of the formal contract with Craig Nelson in the next agenda packet.

2. Report from C. Morgan, tasks from previous meeting.

NEW BUSINESS

1. Presentation by Craig Nelson, consultant from Doyle & Nelson: Mr. Nelson discussed the following points in the creation of the business park, **FirstPark**.
 - Synopsis of FirstPark at its inception.
 - Review of article that discussed advantages of interlocal revenue sharing: Advantages are communities maintain own local control. Tax-based chase – high cost to local taxpayers. Key Point: Allows local communities to increase tax base collectively, increase economic development, job creation without losing local control. *Must develop local support first.*
 - Legislative Development Authority – elected to create Development Authority.
 - How to pay? Using the Authority, CDBG grant, State grants, and loans – municipal bonds – investment grade rating for better rate.
 - Town meetings – How much it will cost taxpayers per a model whereas Authority would need communities with 30 million valuations to spread risk among communities. Model: If we borrow 3 million (3:4:6) plus 2 million grants, build infrastructure, what will it cost someone with \$75k (smallest investment); Cost would be \$14.00. Create a way for the community to understand the investment. It's not the return on taxes but job creation for why First Park passed. *Creating jobs was the motivating force.*
 - Development Authority: Communities will have to contribute in the initial years. Feasibility study – break even year on the 7th year. Year 12 and 13, communities will receive back shared taxes (a true return on their money).
 - Communities pay into Authority – Sends an assessment twice a year per budget evaluation to communities. Communities will pay in each year.
 - Interlocal Revenue Sharing Agreement – Revenue generated will be shared with the communities per a proration formula per community valuation.
 - Piece developed in 1998 from 50 communities discussing collaboration.
 - Revenue sharing is allowable under present State law.
 - Creation of a possible TIF district – Board would agree how to distribute monies.
 - First Park individuals spent a year educating communities so they understood how money was being spent.
 - Income: 24 communities put in \$422,000, plus Sale of land, and other revenue.
 - Expenses: Marketing, administrative services, real estate listing services.
 - State of Maine under last administration was appropriating 1 million dollars/year for marketing which was parceled out to regions. State now does not appropriate any money.
 - Focused marketing – Key marketing area: Down interstate 95 and Mid-Atlantic States. Work with site-location consultants, help companies with expansion sites. (Staubach company) Discuss Labor force in Maine from Staubach studies.
 - State needs a better understanding of State's work force.
 - T-Mobile – Hired 700 employees (84 were previously unemployed) – traveling from 16 counties. Customer Service position – Starting at the high \$30,000 with benefits – entry level position. Good retention of employees.
 - How FirstPark dealt with the concern of businesses moving from surrounding towns: 1. Policy – do not actively solicit to communities within Park. (Park notifies community if approached by local business). 2. Try to be very open

about process. 3. Offers businesses large enough sites for consolidation as opposed to moving out of area altogether.

- Economic Development efforts are fragmented within Maine – Big problem. Maine does not have the resources to have a fragmented approach.
- Location and frontage of Park is important. Visibility for companies on interstate.
- Creation of 2-3,000 direct jobs, plus 1,000 indirect jobs with Park, at full capacity.
- Office structures: Tenant with developer to do fit up – Authority to sell building and land to developer and tenant pays the lease. Town road/infrastructure public.
- Pre-permitting important – all lots permitted per Authority.
- Spec building.
- Money raised sources like Colby College, bank loans and the like.
- Some of the big companies contract for development themselves. They design buildings to suit their purposes. There is an Authority design review board. They submit plans to Authority. Pre-permitted for certain applications per Planning Board. Setback, criteria are built in to the Authority's permit.
- Reason for Development Authority – governance standpoint made more sense: Financing: with interlocal agreement, have no entity, communities do it individually – Authority operates as a single entity. Financing easier with one entity. Lawyer, TIF – all easier to work with just one entity, Authority, as opposed to separate communities. Through a steering committee, an Authority was created before the site was purchased.
- Legislature process to create Authority – 2 weeks. Communities illustrate regional approach after building support within individual communities.
- Business Park vs. Industrial Park (uses) – Didn't want to compete with other local industrial parks. Business has specific covenants to ensure this.
- Create attitude of creating jobs within the region – A win, win for everyone.
- Water and Sewer Districts – Revenue.
- Town where Park is located gets paid something for municipal services per a specific formula.
- Provisions for communities to be added or to separate – to be decided by a vote by the Authority. Community could petition to join but Board of Authority decides how.
- Board of Authority meets 5 times year.

2. Next step for REG:

- 1) Talk to respective Towns and governing bodies: Kittery (Council), York (Blend), South Berwick (Council), etc. – Gain voter support.
- 2) Keep communities informed: Speak at Town meetings and/or provide status reports. Private/Public partnerships with long-term paybacks – only works with public support.
- 3) Authority is a public body: Publicize meetings for community awareness.
- 4) Interlocal Agreement: Need to coordinate individual warrants per Town.
- 5) Need to understand workforce to include education profile and other attributes.
- 6) Provide brochure/media informational materials. – BRANDING (advertising regional group to improve way of life) – Advertise the idea and concept.

3. Agenda for next meeting - Items to be discussed:

- Creating what the Authority will look like. Authority operates as a “super municipality”.

