



**To: MRRRA Board of Trustees**  
**From: Steve Levesque, Executive Director**  
**Subj: Director's Report**  
**Date: November 18, 2013**

The purpose and intent of this report is to briefly update the MRRRA Board of Trustees about current activities related to MRRRA operations and the NASB closure process.

### **Federal Update**

- **Property Conveyances**

Since the approval of the Public Benefit Conveyance and the signing of the Economic Development Conveyance Purchase and Sale Agreement in 2011, the Navy has transferred approximately 1,660 acres of the 2,100+ acres we are slated to receive. MRRRA has now received Building #200, the former terminal building. Since our last closing, MRRRA now owns 722.19 (66%) of the 1,098 acres of the non-airport property and 936 (94%) of the 992.2 acres of airport land.

We have received a lease for building 250, the former AIMD facility, to accommodate sub-tenants such as SaviLinx and other businesses. This building is also proposed to house our technology accelerator/incubator (TechPlace). We are also working to secure a lease for the remainder of the complex, including Hangar 4. At this point in time, the Navy will only be able to give us a long-term Lease in Furtherance of Conveyance (LIFOC) on the property, which is essentially a moot point because we can only lease out the airport properties per FAA regulations. In addition, the new tower area, the CB compound and several other spot properties that are subject to the current Finding of Suitability of Transfer (FOST) are expected to be transferred this fall, totaling approximately 60 acres.

The remaining properties at the former NASB and Topsham Annex will be conveyed once appropriate environmental clearances are obtained. It should be noted that as part of our public benefit conveyance (PBC) and economic development conveyance (EDC) agreements, we are obligated to take properties as they have been FOST'd.

SMCC already has received a PBC of six buildings and 20 acres. The Department of Interior has conveyed the 66-acre East Brunswick Transmitter site to the Town of Brunswick through a PBC. Additional PBCs are in process for the Town of Brunswick (900+/- acres and one

building), Bowdoin College (200+/- acres), and Family Focus (two buildings). The Navy has already transferred some of these properties to the other sponsoring federal agencies and the Town now has possession of the former Field House (building 211).

- **HUBZone Legislation**

Staff continues to work with the staff and members of the Maine Congressional delegation to move this bill into a position for passage. The current plan is to attach it to the Defense Authorization Act, which may occur this month.

- **Make It In America Challenge – TechPlace**

I am pleased to report that we were one of 11 awardees nationally for a “Make it in America Challenge Grant.” Staff worked with our local and State-wide economic development and workforce partners to submit our application to the Federal Government in response to this Challenge program to accelerate innovation and strengthen regional assets to increase manufacturing capabilities and capacity in the US. This program is in direct alignment with the goals and objectives of MRRA and our TechPlace initiative.

This is a significant partnership involving: the Town of Brunswick, the Maine Department of Economic and Community Development, Coastal Counties Workforce Inc., the Maine Manufacturing Extension Partnership, Southern Maine Community College, the University of Maine, the Maine Technology Institute, Mölnlycke Health Care, Kestrel Aircraft and MRRA. Both the Brunswick Development Corporation and DECD have made financial commitments with MRRA to provide the 50% match of the EDA portion, which is \$750,000 for the fit-ups and improvements to Building 250.

## **Redevelopment Activity Review**

- **Overview**

The Midcoast Regional Redevelopment Authority (MRRA) has had a very good year in effecting the redevelopment of former NAS Brunswick, which closed in May of 2011. Accomplishments for 2013 include the following major activities:

- ✓ In 2013, we signed new leases totaling 212,000 square feet of space to the following new companies:
  - Mölnlycke Health Care \*
  - Savilinx \*
  - Tri-Star Sheet Metal
  - ABL Electric
  - Fessenden Geo-Environmental Services/Construction Materials Testing )
  - Tempus Jets\*
  - Brunswick Sewer District
  - O’Neal Janitorial

These companies join other major business entities existing on the property prior to this year:

- Schott Management
- Oxford Networks Data Center \*
- American Bureau of Shipping
- Kestrel Aircraft \*
- Maine Tool & Machine
- New England Tent & Awning
- FlightLevel Aviation \*
- Maine Technology Institute
- Harris Golf – Mere Creek Golf Course
- Southern Maine Community College/UMaine
- Goodwill Workforce Solutions
- Maine Department of Economic and Community Development
- US Navy Caretaker
- USMC Reserve Center
- Savi Systems LLC
- Maine Army National Guard
- Brunswick Naval Aviation Museum and Memorial Gardens
- Great Island Boat Yard

\* Depicts companies that are new to the State of Maine

- ✓ In the spring of 2013, MRRRA received subdivision approval for the initial phase of the Brunswick Landing property paving the way for the sale of 300 acres and 26 buildings in Brunswick, and sold its first commercial property in Topsham (the former Commissary and accompanying 5.6 acres) to accommodate further redevelopment. By the end of 2013, MRRRA will have sold over 370,000 square feet of building real estate, and there are now four private sector real estate developers engaged in redevelopment activities at Brunswick Landing. As a result, a number of these buildings are in the process of being leased to the following entities:
  - Seeds of Independence
  - Providence Service Corporation
  - Wicked Joe Coffee
  - The Maine Harvest Company
  - Wild Oats
  - Midcoast Veterans Center
- ✓ MRRRA and the Town of Brunswick successfully negotiated a tax increment financing plan that will help both entities make critical investments to its infrastructure and other community needs.
- ✓ Since the closure of the base in 2011, the net positive economic impacts from the redevelopment include, but are not limited to the following:

- There are now over 32 entities doing business at Brunswick Landing and the Topsham Commerce Park, creating over 750 jobs (exceeding the short-term economic goal).
- MRRA has awarded over \$25 million dollars in contracts for property improvements, building construction/reconstruction and airport and utility infrastructure.
- Brunswick Landing and Topsham Commerce Park have realized over \$100 million in new private sector investment with another \$30-50 million in the planning stages.
- Over \$51 million in new tax base has been added to the tax rolls in the towns of Brunswick and Topsham, with new property tax revenues exceeding \$2 million from the former base properties.

- **Leases**

- ✓ As described above, MRRA currently has 19 business leases, occupying over 436,107 square feet or 75% of the buildings that we own or lease (not under contract or being demolished). In addition, we have several other exciting leases approved and awaiting occupancy or in various stages of negotiation.

- **Property Sales**

- ✓ In April, we closed on the sale of two properties:
  - The first block of the Affordable Midcoast Housing (AMH) sale of the former Bachelor Enlisted Quarters (BEQ's), comprising 4.93 acres and eight buildings.
  - The sale to TBW, LLC for the former Personnel Support Building (24) and Building 592 on 2.86 acres.
- ✓ In June, we closed on the sale of second block of the BEQ's to AMH (8.87 acres and 12 buildings).
- ✓ In July, we closed on the sale of approximately 5.6 acres and two buildings: the former Navy Lodge and Recreation Center; as well as 1.57 acres to Precast Concrete in Topsham.
- ✓ Last week we closed on the former Commissary and 5.6 acres of land in the Topsham Commerce Park
- ✓ We are expecting the closing of additional property sales this fall at Brunswick Landing, which includes one major building (#750) and over 10 acres of land.

- **Housing Sales**

- ✓ To date, Affordable Mid Coast Housing has closed on 66 housing units in the McKeen Street neighborhood, and a number of others are under contract. By our agreement with AMH, after \$1,000,000 in land sales have been realized (i.e., 20% of the purchase price), MRRA receives 5% of the purchase price of each unit sold. Land sales now total \$1,770,916 and MRRA has received \$187,483 to date for its agreed share.

# MRRA



Midcoast Regional  
Redevelopment Authority

## BRUNSWICK LANDING EMPLOYEE UPDATE

Tenant/Owner	Number of Employees at Lease Inception	Number of Employees as of 11/15/13	Projected Cumulative Employees on 12/30/14
ABL Electric, LLC	5	2	7
American Bureau of Shipping	22	27	50
Brunswick Naval Museum	12 Volunteers*		
Brunswick Sewer District		4	
Brunswick, Town of		4	
FGS/CMT, Inc.	3	1 FT/2 PT	5
Flight Level Aviation	4	4 FT/3 PT	8
Goodwill Workforce	1	2	3
Harris Golf	1	7FT/5 PT	8
Kestrel Aircraft	0	27FT/7 PT	30- 50
Maine Coastal Flight	1	1	
Maine DECD	1	1	
Maine Technology Institute	8	8 FT/1 PT	10
Maine Tool & Machine	5	6	15
MRRA	6	12 FT/1 PT	12 + 5 PT
Midcoast Veterans Center			
Molnlycke Health Care	20	40	50-100
New England Tent & Awning	1	4 FT/8 PT	12
O'Neals Janitorial	1 FT 3PT	1 FT 3 PT	4
Oxford Data Center	10	16	25 - 30
Providence Service Corporation		92 FT/11 PT	100
SaviLinx, LLC	3	20 FT/5 PT	80-100
SMCC Midcoast Campus	6.5 and 18 PT adjunct faculty	7.5 FT and 18 PT adjunct faculty	10 FT and 30-35 PT adjunct faculty
TBW - Seeds of Independence	2	2	6
Tempus	11	7	50
Tri Star Sheet Metal	9	9	
University of Maine	2	2	

**Totals**

129.5

**338.5**

651(Average)

\*not included in total

# Business Mix at Brunswick Landing

Nov. 2013

<u>TARGET INDUSTRIES</u>	<u>BUILDING</u>	<u>LEASED SPACE</u>	<u>Notes</u>
<b>AEROSPACE</b>			
Flight Level Aviation	Hangar 6	20,777	
Kestrel Aircraft Company	Hangar 6	83,262	
Maine Coastal Flight	Hangar 6		Subtenant of FLA
Tempus Jets	Hangar 6	33,532	
<b>TOTAL AEROSPACE</b>		<b>33,532</b>	
<b>COMPOSITES</b>			
Kestrel/Janseneering	Hangar 6	Noted Above	
<b>ENERGY/ENVIRONMENTAL</b>			
ABL Electric	632	3,200	
FCS/SMT	103	1,656	
TBW, LLC/Energy Research	592	2,000	Sold
Village Green Ventures	Ground lease	4.25 acres	Lease Pending
<b>TOTAL ENERGY</b>		<b>6,856</b>	
		<b>4.25 ACRES</b>	
<b>BIOTECHNOLOGY</b>			
Molnlycke	1	79,000	Handed over 3/7/13
<b>TOTAL BIOTECHNOLOGY</b>		<b>79,000</b>	
<b>INFORMATION SERVICES</b>			
ABS	54	17,900	
Oxford Networks	87	52,513	
SaviLinx	250	10,000	
Savi Systems	660	2,016	
<b>TOTAL INFORMATION SER.</b>		<b>64,529</b>	

<u>TARGET INDUSTRIES</u>	<u>BUILDING</u>	<u>LEASED SPACE</u>	<u>Notes</u>
<b>OTHER LEASES</b>			
AMH	Hotel	248 Rooms/115,000	Sale Pending
AMH	H5	5,000	
Brunswick Sewer District	153	7,800	
Brunswick Naval Museum	Chapel	698	
Goodwill Workforce Solutions	38	750	
Harris Golf	Golf Course	8249 and 135 acres	
Maine DECD	27		Subtenant of MTI
Maine Technology Institute	27	4,773	
Maine Tool and Machine	553	16,000	
Naval Museum	Hangar 6	1,656	
New England Tent	81, 461, 252	12,884	
O'Neal Janitorial	Hangar 5	658	
Tri Star Sheet Metal Company	Hangar 5	44,281	
<b>TOTAL OTHER</b>		<b>217,749</b>	
		<b>135 acres</b>	
<b>Total Space Utilization:</b>		<b>436,107</b>	<b>square feet</b>
<b>Total Acres Leased and Pending:</b>		<b>139.25</b>	<b>acres</b>

## OTHER NON-MRRA OWNED PROPERTIES

Nov. 2013

<u>ENTITY</u>	<u>PROPERTY</u>	<u>Notes</u>
AMH	BEQs	MRRA Sale
Bowdoin College	200 acres	PBC
Family Focus	Bldgs. 26/21	PBC Pending
JHR Development	Commissary and 5.6 Acres	MRRA Sale
Priority Group/Providence Svc.	Bldgs. 31/583	MRRA Sale
SMCC	Bldgs. 150/151/512/644/645/649 and 20 acres	PBC
TBW, LLC/Seeds of Independence	Bldgs. 24/592	MRRA Sale
Town of Brunswick	Bldg. 211 and 900 acres	PBC