



## MIDCOAST REGIONAL REDEVELOPMENT AUTHORITY

Meeting Minutes  
March 16, 2010

**Present:** Arthur F. Mayo, III (Chair), John Moncure (Vice Chair), Charles J. Spies III (Treasurer), Dana Totman (Secretary), Rita Armstrong, Sally W. DelGreco, Donald Hudson, Thaxter Trafton, Sandra T. Updegraph and Steve Weems

**Absent:** Adam Cote

**Staff:** Steven Levesque, Jeffrey Jordan, Robert Rocheleau, Tom Brubaker, Clare Tosto and Kathy Paradis

**Location:** Maine Street Station, 16 Station Avenue, Brunswick, Maine

**Time:** 4:00 p.m.

**Welcome and Introductions:** Chair Art Mayo welcomed the attendees and noted MRRA's four new board members attending (Rita Armstrong, Sally DelGreco, Sandra Updegraph and Steve Weems).

**Host Community Comment:** Joanne King, the Chair of the Brunswick Town Council and former member of the Brunswick Local Redevelopment Authority, welcomed the Board on behalf of the Town of Brunswick. She said the Town was happy to have the Board in Brunswick on the day that the Board was announcing the name of the redeveloped base. She also extended the use of the facility at Maine Street Station Council Chambers to the MRRA Board and said the Brunswick Town Council is looking forward to another joint session with the MRRA Board in April or June.

**Minutes:** John Moncure made a motion to approve the Board minutes of the January 19, 2010 Board meeting, which was seconded by Don Hudson. The vote was unanimous of those Board members present, except Thaxter Trafton,

Dana Totman, and Sande Updegraph abstained because they did not attend the meeting.

**Executive Director's Report:**

- MRRA Bill (LD 1664). After a public hearing and several work sessions, the State's Business, Research and Economic Development (BRED) Committee unanimously voted an "ought to pass" on the LD 1664. Steve thanked Senator Stan Gerzofsky for both sponsoring the Bill and working with key legislators on moving it through the process, and also thanked the other members of regional legislative delegation for their support. In addition, Steve thanked Art Mayo for his work with the BRED Committee members on this important legislation.

Steve recapped the major provisions in the legislation:

- ❑ The MRRA statute will be amended to adopt specific short, medium and long term goals for the Authority and annual performance reporting requirements;
- ❑ The MRRA statute will be amended to add the same indemnification of Board members language that is contained in the Loring Development Authority statute as well as the recently adopted amendment to the Loring statute allowing for negotiated sales of bonds;
- ❑ The MRRA law will be amended to incorporate statutory language regarding the establishment of an airport fund at the former NAS Brunswick airfield similar to that adopted by the State of New Hampshire for Pease International Airport when it was closed in 1991;
- ❑ The proposed amendment establishes the Midcoast Campus of Southern Maine Community College at NAS Brunswick; and
- ❑ The amendment provides for the creation of the BNAS Jobs Tax Increment Financing (JTIF) program, an ongoing funding mechanism that will be derived from a portion of State income tax withholdings of new employees on the base. MRRA will split these proceeds with SMCC and the State, with MRRA receiving funding in year three. The JTIF program will run for twenty years, with a program review trigger of 5,000 net new jobs.

Chair Art Mayo asked attendee Senator Stan Gerzofsky if he had anything to add to Steve's report regarding LD1664. The Senator said that it was a tough piece of legislation and thanked Steve Levesque for helping to put it together. The Senator noted that other communities around the state are

having hard times so he very grateful for the legislature recognizing the base closure as a “state issue.”

- Building a Stronger America Act (S. 583). Steve reported that MRRA has been tracking a very interesting bill in Congress (S.583) that is designed to help stimulate job creation and bolster America’s competitiveness through investments in science parks and regional industry clusters. The bill, sponsored by Senator Snowe, would provide grants and loan guarantees for the planning, development and construction of science parks throughout America. In addition, the bill includes base redevelopment efforts as one of the key criterion for selection to this program.

Steve said that he was excited about this bill, as it was clearly designed to support the types of economic activities MRRA envisions for the new NASB (e.g., new technologies and clusters in aerospace, composite materials, information technology and renewable energy: a Science Park).

This bill was unanimously voted out of the Senate Committee on Commerce, Science and Transportation in mid-December and will find its way to the full Senate soon. Steve said that he is very grateful to Senator Snowe for her leadership on this important bill and to Maine’s whole congressional delegation for their collaborative support of our redevelopment efforts.

- Aviation Services Manager.

Pursuant to the approval of 2010 budget by the MRRA Board and OEA, MRRA advertised for the Aviation Services Manager position and received about 60 resumes from people from over 20 states. Steve indicated that he is in the process of developing a short list for interviews.

Steve said the Aviation Services Manager will work as part of the MRRA redevelopment team, be the key point of contact on FAA issues, provide property and facility management oversight, and deal with specialized airport problems as they relate to the region, community, tenants, and other government agencies.

The primary duties of this position will include all of the startup activities with a new civilian airport, including working with the Executive Director on the public benefit conveyance transfer from the FAA to MRRA, organizing and managing the planned 2011 air show and other special events, and working to see that the airport becomes a public airport and is included in the National Plan of Integrated Airport Systems (NPIAS).

- ADC Winter Conference.

Steve reported on the ADC Winter Forum conference that he attended with Jeffrey Jordan and Tom Brubaker in Albuquerque, New Mexico, on

February 21-24. Steve said that there are numerous issues associated with the BRAC process and this was an opportunity to interact with their peers from across the country and the various service representatives and governmental entities, as well as to learn about new trends and evolving BRAC issues. The key discussion of the forum was the economic development conveyance (EDC) legislation. Steve noted that Maine's delegation played a major role regarding the EDC legislation, and took the opportunity to thank them for their efforts saying that Maine is looked to as how delegations should work together.

Steve said that in addition to the general sessions, he served on a panel on public benefit conveyances and participated in the ADC Board meeting, LRA Directors meeting and a meeting of the Federal Outreach Advisory Committee, of which he is the ADC Board Liaison.

**Name the Base** (taken out of order of the agenda):

Steve recounted the process of naming the base for the public, noting that:

- The process began in 2007
- A link was created on MRRA's website to solicit names from the public;
- Several newspaper articles were written to solicit potential names;
- Criteria was established: the name should reflect the geographic region and development plan, and for marketing, it should be short and catchy, easy to spell and meaningful;
- An advertisement was placed in the Times Record in 2008;
- MRRA received and reviewed 47 name suggestions from the public;
- MRRA held several of brainstorming meetings with its staff and board;
- MRRA staff met with local high school students for base and airport names;
- MRRA received a total of 77 name suggestions; and
- The leading vote getter from the high school students to rename the base was coincidentally chosen by the MRRA board (the "Brunswick Landing").

MRRA Executive Director Steve Levesque, Senator Stan Gerzofsky, MRRA Chair Art Mayo, and Brunswick High School teacher Rick Wilson, along with two of his students, unveiled the "Brunswick Landing: Maine's Center for Innovation" logo to the public.

Board Member Dana Totman thanked Rick Wilson for how he engages the high school students in the town's affairs and in particular MRRA's efforts.

## **Committee Reports:**

### Executive Committee:

Chair Art Mayo said that the Executive Committee met on February 2 and March 3, 2010.

Chair Mayo announced the newly formed MRRA committees, along with their respective committee chairs:

- Airport Committee: Rita Armstrong, Adam Cote, John Moncure (Chair), and Sande Updegraph
- Environmental and Energy Committee: Adam Cote, Sally DelGreco, Donald Hudson (Chair), and Steve Weems
- Executive Committee: Art Mayo, III (Chair), John Moncure, Charles Spies III, and Dana Totman
- Finance Committee: Rita Armstrong, Donald Hudson, Arthur Mayo, III, Charles Spies III (Chair)
- Property Committee: Sally DelGreco, John Moncure, Dana Totman (Chair), Sande Updegraph, and Steve Weems

**Action Item:** Art Mayo made a motion that the MRRA Board approve the Prospect Management Protocol, as amended and attached to these minutes. Art noted that the Board had previously discussed the policy at its January Board meeting and its February retreat. Don Hudson seconded the motion. Steve Levesque explained the protocol which is outlined below, and noted that airport property can only be leased because of FAA restrictions – no sales).

### **Development Criteria**

In order to be considered for a future development partner to lease property at NASB and Topsham Annex, entities interested in leasing space must meet the following criteria:

- Project must be consistent with Reuse Master Plan
- Project must create quality jobs proportional to occupied premises
- Project must be in target industry or supportive service
- Project creates opportunity to generate significant revenue (short term events)
- Project creates opportunity to have significant community benefit

## **Property Lease/Sale Approval Delegation**

The **Airport Committee** has sole approval authority upon all building and land leases within the airport property up to 20,000 square feet of floor area or up to two acres. Lease requests for projects greater than these amounts would require Board approval following the Airport Committee recommendation.

The **Property Committee** has sole approval authority upon all building and land leases outside of the airport property up to 20,000 square feet of floor area or up to 2 acres. Lease requests for projects greater than these amounts and all property sale requests would require Board approval following the Property Committee recommendation.

The **Board of Trustees** will approve all leases on buildings of 20,000 square feet or more of floor area or encompassing two acres or more on the sale or lease of any property.

## **Property Lease/Sale Review Process**

In order to facilitate an orderly and coordinated process for managing business prospects the following protocol is outlined:

- Step 1. MRRA staff or Trustee receives initial inquiry – refer to Steve Levesque
- Step 2. Company completes Business Information Form and discusses project with MRRA staff
- Step 3. Company submits Letter of Interest to Lease with Business Plan which demonstrates satisfactory evidence of financial ability to support market rate lease and management capacity to support business growth
- Step 4. MRRA staff reviews information with Airport Committee (projects within airport) or Property Committee (projects outside of airport) and requests additional information, issues Letter of Denial, or Letter of Intent to Lease/Sell, which will spell out the general terms and conditions of a proposed lease
- Step 5. MRRA staff and Company negotiates lease, lease option or sale option

- Step 6. MRRA Airport or Property Committee Executive Committee reviews proposed lease or sale and makes decision or recommendation to Board
- Step 7. Board of Trustees approves lease or sale (as appropriate)
- Step 8. MRRA staff and company coordinate Town and State permits

The vote was unanimous of the Board members present.

**Action Item:** Art Mayo made a motion to approve the amended MRRA Bylaws and to attach redlined copy delineating said amendments to the official minutes of this March 16, 2010 meeting. Art noted that the amendments were discussed at the Board retreat, thereby meeting the 21 day notice requirement for bylaw amendments. Steve Levesque said that the revisions were discussed at MRRA's Board retreat, and that the only other changes were to hold the annual meeting in November of each year and replace "Brunswick Naval Air Station (BNAS)" to "Naval Air Station Brunswick (NASB)." Donald Hudson seconded the motion. The vote was unanimous of the Board members present.

Steve Weems asked Steve Levesque to comment on the eminent domain clause in MRRA's Bylaws. Steve Levesque said that the clause has always been in the Bylaws and is contained within state statute in the unlikely scenario of MRRA having access issues to real property (as with an abutter property owner).

**Action Item:** Art Mayo made a motion to authorize the Executive Director to engage ROI Research on Investment for business research services, as recommended by the Executive Committee, which was seconded by John Moncure. Steve Levesque said that a Request for Proposals (RFP) was sent out after MRRA received funding from the Office of Economic Adjustment (OEA) for business research in the business sectors of aerospace and information technology (IT). Two companies were interviewed: The Beacon Group and ROI. The vote was unanimous of the Board members present.

The Board then discussed the Maine Jobs Bond that includes \$8 million to assist in accelerating NASB redevelopment. Art said that Steve Wallace, the Executive Director of the Southern Midcoast Maine, is working hard to prepare for the bond, which will go before the voters on June 8, 2010. The \$23,750,000 bond issue is to provide capital investment to stimulate economic development and job creation; \$8M will be set aside for base redevelopment (\$4.75 by Southern Maine Community College to establish a midcoast campus, and \$3.25M to be used by MRRA to upgrade and bring buildings up to code or other improvements and/or renovations; and for infrastructure upgrades and

improvements. In addition to working with Steve Wallace, Art is talking with Chris Potholm, a Bowdoin college professor, who has a background in bond issues, and with Rick McCarthy in Augusta who is volunteering his time.

Finance Committee.

Chair Charlie Spies said that the Committee met on February 9 and March 9, 2010.

Chair Spies welcomed Rita Armstrong to the Committee and thanked Donald Hudson and Art Mayo for agreeing to remain on the Committee.

**Action Item:** Charlie Spies made a motion to authorize MRRA's Executive Director to enter into contracts with the firm of MacDonald Page & Co LLC of Augusta, Maine for auditing services through the year 2011, as recommended by the Finance Committee, which was seconded by John Moncure. The vote was unanimous of the Board members present.

The Board discussed proposed budget amendments.

**Action Item:** Charlie Spies made a motion that the Board approve the following budget amendments, as recommended by the Finance Committee, which was seconded by John Moncure:

- Approve the rollover of \$19,018 of uncommitted CDBG funds from the 2008/2009 OEA/CDBG budget to the OEA/CDBG budget for 2010.
- Amend the OEA/CDBG budget for 2010 to accept a \$5,000 local match from the Town of Brunswick and relocate \$5,000 of the State provided local match to the MRRA Special Revenue Budget.
- Accept a \$125,000 grant from Maine DECD through the Town of Brunswick.
- Appropriate \$78,649 of Maine DECD Grant to the OEA/CDBG 2010 budget for local match and \$46,351 to MRRA's Special Revenue Fund.
- Accept a \$7,500 donation from the Town of Topsham, \$5,000 from the Bank of America, and \$7,000 from the City of Bath in support of MRRA's business attraction activities.
- Make the following appropriation within the Special Revenue Fund:

Vehicle Principal and Interest:	\$ 3,554.00
Gasoline and Oil:	\$ 1,750.00
Insurance:	\$ 250.00
Vehicle Maintenance:	\$ 500.00
Contingency:	\$ 2,702.00

Business Attraction:	<u>\$45,075.00</u>
Total:	\$53,851.00

- And to further authorize the Executive Director and Treasurer to accept donations from municipal or county governments or private contributions for business attraction activities and appropriate said funds to MRRA’s special revenue fund.

The vote was unanimous of the Board members present, with the exception of Thaxter Trafton who abstained because he is the Commissioner of Maine’s Department of Economic and Community Development (DECD).

**Renewable Energy Center Initiative Update:** MRRA’s Clean Technology Manager, Tom Brubaker, gave a PowerPoint presentation to update the Board on the Renewable Energy Center feasibility study, in which he discussed MRRA’s vision, the infrastructure and site analysis performed by MRRA’s consultant Wright-Pierce, and renewable generation opportunities. Tom will give another report two months from now.

**Design Guidelines Update:** MRRA’s Planning and Environmental Manager, Victoria Boundy, gave an update to the Board, in which she stated that the design guidelines for NASB will translate the vision of the NASB and Topsham Reuse Plans and town zoning ordinances in that the guidelines will ensure consistency and quality in community design, will protect and enhance values and sense of place, and will set standards for sustainability and energy conservation. She said an open house was held on February 17 where about 40 people participated and shared their input on draft guideline concepts. A follow-up open house is scheduled for March 31<sup>st</sup> at 6:00 p.m. at the Brunswick Junior High School. [The open house was rescheduled to May 12, 2010.]

**Real Estate Update:** MRRA’s Property Manager, Bob Rocheleau, gave a real estate market overview PowerPoint presentation regarding commercial real estate sale/lease prices for office and industrial properties, and residential real estate sales/rental prices. Bob noted that the residential vacancy rate cited did not include the base housing – only outside-the-fence properties were calculated in the vacancy rates. Steve Levesque said that he believes that about 60% of the base housing is currently vacant.

**Other Business:** Steve Levesque took the opportunity to thank MRRA’s Communication Coordinator, Clare Tosto, for a great job in redeveloping Brunswick Landing’s logo.

**Other Comments:** Stan Gerzofsky encouraged the Board to continue its work and stressed the importance of creating jobs. The Senator recapped his efforts and the efforts of the region to pass the Maine Jobs Bond.

**Executive Session:** At 5:20 p.m. John Moncure made a motion to go into executive session to discuss property matters pursuant to 1 MRSA Section 405(6)(C), which was seconded by Charlie Spies. The vote was unanimous of the Board members present. At 5:50 p.m. John Moncure made a motion to adjourn and reconvene the MRRA Board meeting, which was seconded by Art Mayo. The vote was unanimous of the Board members present.

**Adjournment:** A motion was made by John Moncure to adjourn from the Board meeting, which was seconded by Art Mayo. The vote was unanimous of the Board members present.

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Dana Totman, Secretary

<b>ATTENDEES OF 3-16-10 MRRA MEETING</b>	
<b>Name</b>	<b>Company/Organization/Residency</b>
Marty McMahon	NASB
Annee Tara	Coastal Journal
Anna Breinich	Town of Brunswick
Denise Clavette	Town of Brunswick
John Shattuck	Town of Topsham
Catherine Ferdinand	Bowdoin College
Brian Whitney	Senator Snowe's Office
Seth Koenig	Times Record