



MIDCOAST REGIONAL REDEVELOPMENT AUTHORITY

Meeting Minutes

September 21, 2010

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

Absent: Adam Cote and Charles J. Spies III (Treasurer)

Staff: Steven Levesque, Jeffrey Jordan, Marty McMahon, Bob Rocheleau, Tom Brubaker, Victoria Boundy, Clare Tosto and Kathy Paradis

Location: Maine Street Station, City Council Chambers, Brunswick, Maine

Time: 3:30 pm

Welcome & Introductions. Chair Art Mayo welcomed the attendees and invited them to introduce themselves.

Host Community Comment: Town Manager Gary Brown welcomed the MRRA Board to the Town of Brunswick. Gary updated the Board on Town events, including: the redevelopment of the former Grant City building on Maine Street (owner to invest \$1M), the Town's purchase of property on Pleasant and Stanwood Streets for a new police department building, Maine Street Station commencing construction of building #4, Amtrack bringing in new railroad lines, and progress regarding the Beecher Stowe School construction. Gary said that the Town will continue to work with MRRA on a number of issues regarding base redevelopment, and thanked the Board for holding its meeting in Brunswick.

Minutes of Previous Meeting: John Moncure made a motion to approve the Board minutes of the July 20, 2010 Board meeting and the July 23, 2010 special Board meeting, which was seconded by Dana Totman. The vote was unanimous of the Board members present.

Executive Director's Report.

Environmental Impact Statement (EIS): Executive Director Steve Levesque advised that no property can be disposed of by the Navy until the EIS process is completed pursuant to the National Environmental Policy Act (NEPA). By way of background, Steve said that the public comment period closed on June 28 and the Navy is preparing the Final EIS for release this month. The Navy evaluated all the verbal and written comments received on the draft EIS in preparation of the Final EIS. Steve said that once the NEPA process is finalized with a Record of Decision (expected in late November or early December), the Navy can start conveying the base properties to MRRA and other appropriate organizations. Steve stated that as the local redevelopment authority, MRRA did not have a statutory role in the process because it is MRRA's reuse plan that is being evaluated; therefore, MRRA is kept at arm's length. However, the Navy can request input from MRRA as to information on proposed land uses and build-out projections.

Property Conveyances: Steve said that MRRA staff and legal counsel continue to work with the Navy, FAA, EPA and Maine DEP to coordinate all the legal and environmental issues associated with the transfer of properties. Steve reported that last fall MRRA submitted a public benefit conveyance (PBC) application for the airport property (approx. 800 acres) and an economic development conveyance (EDC) application for the remainder of the base and the Topsham property (approx. 1,300 acres). Additionally, other PBCs are scheduled over the next six to nine months for the Town of Brunswick (1,200+/- acres and 2 buildings), Bowdoin College (175+/- acres), SMCC (14 acres and 6 buildings), Family Focus (2 buildings) and SAD 75 (12 acres) in Topsham.

Steve advised that he is cautiously optimistic that we will have title to the majority of the airport property late this fall, as soon as the ROD is completed, and he is hopeful to receive title to the majority of the remainder of the base property starting early next summer, once the Navy leaves in May and environmental remediation is complete. Also, SMCC plans on receiving title to some of its property this fall, with the remainder coming next spring.

Steve said that he was very pleased that the Navy has been so accommodating with MRRA's redevelopment timeframes through the issuance of interim leases and property licenses, and moving ahead with the airport and SMCC PBCs. The net result is that MRRA will have business and education activities occurring on the base prior to full base closure.

Utility District: As part of our Economic Development Conveyance, MRRA expects to acquire the electric, water and sewer distribution systems on the base and manage these systems as a consolidated utility district. Staff has been engaged in discussions with the responsible water and sewer service providers in Brunswick and Topsham to support the maintenance of the distribution systems and will be developing contracts for these efforts. We are

currently evaluating how we will address the purchasing of power for the property and the maintenance of the electric distribution system.

Housing Update: Steve summarized the following information provided to the Board regarding the current situation as it pertains to the disposition of the Navy family housing units.

1. George Schott, Northeast Housing LLC and the Department of the Navy have executed the Purchase and Sales Agreement and the buyer has put into escrow his deposit money. The buyer now has a 30-day due diligence period (during which time he could walk away from the deal and get his deposit back).
2. At the end of the 30 day due diligence period, he must formally assert that he wishes to go forward with the transaction. At that point his deposit money becomes non-refundable. He then has 30 days to close the deal (formal closing with signing of the transaction documents).

At the end of the 30-day close period buyer can elect a 30-day extension (requiring an additional non-refundable deposit). A second extension is also permitted in the Sales contract. They fully expect that they will close within the 60-day window.

Below are the occupancy numbers as of August 24, 2010.

Neighborhood	Transferred	Demoed or Sold	New	Total Units	Occupied Units	Vacant Units	Offline Units	Online Units	% Occ to Online
Brunswick									
Garden	44	0	0	44	15	29	0	44	34.1%
Mariners									
Landing	128	2	0	126	98	28	0	126	77.8%
McKeen Street	231	0	0	231	50	29	152	79	63.3%
Midway Terrace	63	1	0	62	20	42	0	62	32.3%
On-Base	16	0	0	16	3	12	1	15	20.0%
Topsham									
Annex	177	48	0	129	13	0	116	13	100.0%
Woodland									
Village	72	0	22	94	49	45	0	94	52.1%
Total	731	51	22	702	248	185	269	433	57.3%

Air Show Update:

With the Great State of Maine Air Show and Business Aviation Expo 48 weeks away (Aug. 26-28, 2011), Steve said that staff has been working diligently to line up sponsors, performers, volunteers, vendors and other key partners for this event program. In addition, MRRA staff is meeting with the Maine DECD

and the Maine Office of Tourism to discuss marketing this event and enhancing aviation tourism in Maine.

Aviation Services Manager Marty McMahon advised the Board that the Blue Angels will be at the Air Show since the Air Show is designated as a Tier 1 Navy Centennial event, which means that in addition to civilian performers, the Air Show can expect significant military performers. Marty reported that GEICO will be a sponsor and utilize the aerobatic team Skytypers for outdoor advertising, in addition to broadcasting television commercials.

Marty praised Melissa LaCasse, MRRA's Sponsorship and Special Events Coordinator, for doing an outstanding job in marketing the air show, promoting fly-ins, soliciting sponsors (to date verbal commitments of \$40,000 cash and \$60,000 in-kind services), and volunteers (need 600 each day of the air show). Marty said more information about volunteer and sponsorship opportunities could be found at: www.GreatStateofMaineAirShow.us, including volunteer and sponsorship opportunities.

Committee Reports:

Executive Committee.

Committee Chair Art Mayo advised that the Committee met on August 5 and September 7, 2010, and in addition to what Steve Levesque had already discussed in his Executive Director's report to the Board, reported that MRRA's Aviation Services Manager, Marty McMahon, would be applying for a \$7M in assistance from the FAA to be used for capital improvements starting in 2011.

Airport Committee.

Committee Chair John Moncure reported that the Committee met on September 9, 2010 in conjunction with the Property Committee. Chair Moncure advised that both committees have the authority to enter into leases less than 20,000 square feet. He said that MRRA had received a proposal for 8,000 square feet in Hangar #6 from Great Island Boat Yard to store boats from November 2010 to April 2011. Chair Moncure advised that the Airport Committee voted unanimously to lease the property, contingent upon MRRA gaining control of Hangar #6 from the Navy through transfer or lease. Great Island Boat Yard will pay \$1,666 in monthly rent (\$2.50/sq. ft.), plus heating and its pro rata share of taxes and insurance, if applicable. Chair Moncure advised that there does not appear to be any environmental issues associated with the rental of this space and that the Lessee will not be painting or sanding boats, but merely doing some minor repairs and upgrades.

Finance Committee.

In Committee Chair Charlie Spies' absence, Committee member Rita Armstrong said that the Committee met on September 14, 2010 in workshop, since there was not a quorum of Committee members present. She reported that the

Committee reviewed the August financials and found them to be in good order. Rita also reported that MRRA's Deputy Director had presented proposed budget amendments that included six line items projected to end the year above budget appropriation in the OEA 2010 budget totaling \$12,405.13, along with recommended areas to re-appropriate funds to balance the budget.

Action Item: Rita Armstrong made a motion that the MRRA Board approve Amendment 002 to the OEA/CBDG budget for 2008-2010 and the MRRA Special Revenue Fund, which was seconded by John Moncure. The vote was unanimous of the Board members present.

Property Committee.

Committee Chair Dana Totman reported that the Committee met on September 9, 2010. The Committee reviewed and discussed a proposed real estate commission policy, which explains how MRRA will engage commercial real estate brokers for listings and sales and how they will be compensated. The Committee voted to recommend that the MRRA Board approve the Real Estate Commission Policy.

Action Item: Dana Totman made a motion that the MRRA Board approve the Real Estate Commission Policy, a copy of which to be attached to the official minutes, as recommended by the Property Committee, which was seconded by John Moncure. The vote was unanimous of the Board members present.

Committee Chair Totman also reported that the Committee heard an update on the current state of the PPV housing as previously discussed in Steve Levesque's Executive Director's Report. Dana added that it was reported that 248 of the 702 base housing units are currently occupied.

The Committee unanimously voted to enter into a lease of Building 81 (CHRIMP building, 7,000 sq. ft./\$2.50 per sq. ft. for five year with two five year options) to New England Tent and Awning for its operations and manufacturing.

Steve Levesque noted that while the Committee approved a lease with New England Tent and Awning, it will be contingent upon MRRA gaining control of Building 81 from the Navy through transfer or lease. Steve stated that MRRA doesn't expect ownership until next summer and therefore an interim lease would have to be in effect until that time.

Chair Totman also reported that the Committee discussed the maintenance and use of certain facilities, as well as the golf course as it related to a proposal given to MRRA by the Town Manager of Brunswick. The Town is only interested in the golf course property if it can find a third party to operate the enterprise.

Community Design Guidelines.

Steve introduced MRRA's Planning and Environmental Manager, Victoria Boundy, to talk about MRRA's Design Guidelines for the Brunswick Landing and Topsham Commerce Park. Victoria noted that while the Board was given a draft copy of the Guidelines in July, it had been tweaked a bit since then. She reminded the Board that the Guidelines are the culmination of an 10 month process with MRRA's consultants WBRC. She stated that MRRA had received good input from the planners of Brunswick and Topsham, as well as the public (MRRA had two open house sessions in February and May). Victoria pointed out that the Guidelines are a starting point -- a living document to be used as a tool for the yet-to-be-formed MRRA Design Review Committee (to be created next year) to communicate design intent and evaluate development proposals. She also noted that the Guidelines augment the existing zoning ordinance and MRRA deliberately kept the Guidelines broad, so not to be prescriptive; thereby giving MRRA and developers the opportunity for flexibility and creativity.

Action Item: John Moncure made a motion to accept the Community Design Guidelines prepared by WBRC Architects and Engineers dated July 2010, which was seconded by Sally DelGreco. The vote was unanimous of the Board members present. Dana Totman noted that he is a member on the Brunswick Planning Board and will be working with the Guidelines.

Industrial Revenue Bond Overview.

Steve Levesque introduced the Town of Brunswick's Economic and Community Development Director Dave Markovchick who gave a comprehensive overview PowerPoint on Industrial Revenue Bonds. Steve said that Dave has extensive experience in industrial revenue bonds, and is providing MRRA some technical assistance. Steve added that MRRA is viewing these bonds as a way to facilitate economic development on the base. Dave said that he is happy to offer his services to MRRA, as it is also the Town's desire to create economic development and jobs in the region.

Public Comment.

Hershel Steinlieb spoke about the establishment of the Brunswick Park and Gardens (BP&G) on base, by giving the historical background of its existence and an overview of the land on base it has been interested in acquiring. Hershel also requested that MRRA obtain a letter from the FAA for the BP&G which states exactly what BP&G can do and cannot do in the area of the runways, as well as what forms of agriculture or silvi-culture would be allowed in the original area due south of the runways, how much human activity would be acceptable. He also requested a letter from MRRA stating any and all objections it may have to BP&G securing land on either the western or south eastern parts of the base and also to securing land to the far south of the runways that would be FAA approved. Art said we would be back in touch with Hershel.

Executive Session: At 4:40 p.m. John Moncure moved to go into executive session to discuss property matters pursuant to 1 MRSA Section 405(6)(C), which was seconded by Dana Totman. The vote was unanimous of the Board members present. At 5:15 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.

Dana Totman, Secretary

ATTENDEES OF 9-21-10 MRRA MEETING	
Name	Company/Organization/Residency
Robert Manning	Frederick, MD
Jim Pineau	Rep. Pingree's Office
Bill Card	Senator Collins' Office
Seth Koenig	Times Record
Brian Whitney	Senator Snowe's Office
Carol Warren	BACSE
B. Cavanaugh	Hampton Inn
Schott Jacquin	CCWI
Don Spann	RE/Max
Gordon Page	Maine Eastern RR
Denise Clavette	Town of Brunswick
Bob Dale	BP&G
Catherine Ferdinand	Bowdoin College
Bob Furey	Hoyle Tanner
Rich Roedner	Town of Topsham