

-- Approved--
BRUNSWICK TOWN COUNCIL
SPECIAL MEETING
MINUTES
January 29, 2007
7:00 P.M.
Municipal Meeting Facility

7:00 P.M. Chair King called the meeting to order and asked for the Pledge of Allegiance.

Councilors Present: Chair Joanne T. King, W. David Watson, Jacqueline A. Sartoris, Hallie Daughtry, Jeffrey A. Schneider, Gerald E. Favreau, Ryan E. Ewing, Newell A. Augur, and David C. Webb

Councilors Absent: None

Town Staff Present: Donald Gerrish, Town Manager; Fran Smith, Town Clerk; Matt Eddy, Director of Economic Development; and the TV video crew

- 16. The Town Council will hear public comments on an ordinance authorizing the execution of a Joint Development Agreement authorizing Bonds and Notes in an amount not to exceed \$2,000,000 to perform hazardous waste remediation of the Maine Street Station Property and to design and construct infrastructure on and to said site and other properties, and authorizing the conveyance of property, and take any appropriate action.**

Forrest Lowe, Chair of the Maine Street Station Implementation, said they are here to talk about kicking off this project. He introduced those committee members who were present, along with the developer, Hilary Rocket. About three years ago, the Maine Street Station Planning Committee, using grant funds, worked for two years to develop the plan, which include input from the community. The plan was completed about a year ago, then the implementation group was formed to determine how to make this plan happen. JHR Development was selected and the two groups have worked several months on a joint development agreement. The agreement is unchanged from the last agreement; except on the Phase One part of the plan, one building has been moved slightly.

Mr. Lowe addressed a few issues that have come up:

- There was a question of eminent domain on surrounding property. That is not planned and is not part of the plan.
- There is a concern about its effect on local businesses. Mr. Rocket is committed to working with local businesses. There is a plan to have as many local businesses involved with the project as possible.
- There is the question of whether the town had to put up the whole \$36 million. The answer is no.
- There is the question of what happens to the old St. Charles Church property and People Plus' location. The town is committed to making sure their accommodations are better than they have now. This is a chance to improve their situation until they are able to permanently get on the base. As far as the church building itself, if it is practical to move the building to another location to save it, the town will work to facilitate it so it does not lose the historical value.

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- There is a question of increased traffic issues. The developer will need to coordinate with the state and will be paying for a traffic study.
- The next step for the committee is for them to get together to discuss the issues and to continue to communicate with the developer so the community views are considered.

Mat Eddy, Director of Economic Development, presented a summary of the Maine Street Station needs. Some key points were as follows:

- This is an upside-down property, which means its value after construction will be less than the cost to build it, due primarily to the removal of coal ash.
- The developer is going to put up \$350,000 for soft costs and will be investing around \$35 million of his own funds. There is a funding gap of \$3.6 million. The town anticipates closing the gap with grant money, subsidies, and funding from sources outside of the town.
- There will be a need to consider some form of parking structure and the creation of a multimodal transportation station.
- Job generation is expected to be 185 to 200 on the east side and around the same number on the west side.
- The developer has the right to terminate at any time and the town has the right to go through abandonment. The developer has to follow the plan, getting the appropriate studies from MDOT and EPA. The town will finish the remediation, may consider a TIF in the future, and assists with zoning changes and getting permits. The intent is to get the work done this year. If only Phase One was done, they are estimating \$150,000 to \$200,000 in new tax dollars.

(A copy of the Maine Street Station Needs Summary will be attached to the official minutes.)

Mr. Lowe said as far as the town's financial risk, the biggest liability is the donation of the property and the coal ash issue, which should be covered primarily by grants. Over time, the site could generate as much as \$900,000 a year in tax dollars if fully built-out.

Hilary Rocket, developer, said he looks at this as a way to work with the town, the neighbors, and business community. He envisions meetings with neighbors prior to going through the Planning Board process. He wants to make people comfortable with this project. During construction, he does not want to interfere with existing businesses.

Chair King opened the public hearing.

Jim Dougherty, 6 McKeen Street, said everything he heard indicated that the town would not have to be on the hook for anything, but now he is hearing about needed funds coming from the town, state funds, and federal funds, which are all taxpayers' money.

Connie Lundquist, 11 Longfellow Avenue, said she had not seen pictures of the project or seen the ordinance until very recently. Looking at paragraph 18 of the agreement, it is confusing and it seems to authorize the Town Manager to enter into more agreements

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than expected beyond Phase One. She questioned another area giving the Town Manager the ability to change the project. The public process did not anticipate having no People Plus. There is some insecurity among the people.

Marji Greenhut, 10 Noble Street, said most towns are trying to preserve the looks of their properties. When did the town buy the Brooks property since it is talking like they already own it? What is the priority of the town – the old high school, the Times Record building or something else? People Plus needs to move to a location with more space but they should not have to move until they are at their final location. The People Plus buildings being given away concerns her. She had questions like how high will the hotel be, how many rooms, and will it have a kitchen. There is only one housing unit being proposed; the original plan indicated it would have affordable housing so one could live and work in the downtown area. She is not sure if the other phases can be done. These are her questions. If land is going to be given away, the town should give away the empty lots - not prime real estate. The hotel has no green space on the Noble Street site according to the plan. She asked will the developer sign on to help get People Plus a new location. She hopes the Council will strongly consider slowing down this project and going back to planning for the empty lot and the train station, which the plan does not have.

John Kanwit, 4 Bunganuc Road, said he is concerned with the third “Whereas” regarding the coal ash, which is often capped over, and to remove it seems to be quite expensive. Since it is served by public water and it is coal dust, he is not sure they need to spend so much to remediate the problem.

Brooks Stoddard, 171 Bunganuc Road, said his concern is the quality of its design. He wants the Council to keep an eye on that part of the project. There has been a Village Review Zone that does not include properties on the west side of Maine from Pleasant Street to the Joshua Chamberlain building. He would like to see that expanded to keep the architecture good in that area. He asked if the developer would make a presentation to the Village Review Board to get their input, even if they do not have the authority to do anything. This is exciting with the interest in this project; everyone has brought good concerns that can be worked through.

George Gilmore, 207 Middle Bay Road, said regarding the business transaction part of this project, if this property was owned by a private owner, they would not give it away; instead they would sell it, lease it, or become partners. To give the land away is short sighted; the argument is benefits with taxes and jobs, but those benefits would still be there if the property was sold. There should be some sort of termination provision in which the town would get the land back. He does not see where the subjects of traffic and parking have been addressed. It will create additional traffic on the existing roads.

Michel Ouellet, 21 Zeitler Farm Road and committee member, said for years this property has been vacant. The coal ash is a bigger issue than one thinks it is and the town will have to deal with it regardless. The ash cannot be encapsulated if use for the site is buildings. The questions are project oriented, and this is a complex piece of property. As the committee looked at the property, they did look at the Brooks property so they could

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dream what the future could be. Mr. Rocket was chosen because of his sensitivity to the areas where he had done work. There are some checks and balances in the agreement. As milestones are met, changes may have to occur. This is an opportunity to get grant monies to assist with the coal ash removal and make this project go forward. Financially, the town needed someone who would work with them; together this can happen.

Chair King closed the public hearing.

Mr. Lowe replied to some questions. There is about \$2 million the town needs to come up with; they hope to get most from federal and state grant funds. These funds are out there either way, so, if Brunswick does not apply for them, other communities will get them. Regarding the comments on parking and green space, this is the first conceptual plan, and there will be other plans developed. Parking will be considered and the train platform will be included. It is hard to answer all the questions since the planning has not been completed.

Manager Gerrish said the Town Charter says if the town spends over \$1 million, it has to do it by ordinance even if the funds come from federal dollars. This ordinance discusses how in the future the town may need to raise or spend money. Sometime down the road the town will have the authority to borrow money, if necessary. This whole project has to go before the state and the Planning Board, who both will look at the parking and traffic issues. This ordinance is written by bond counsel and is consistent with the Town Charter. The ordinance says the town does not have to borrow money if it gets funds from other places. He will come back to the Council before signing anything. This is normal language that the town uses in bond ordinance situations.

Mr. Lowe said this plan currently does not require any zoning ordinance changes. The timeline to begin work on remediation will be the next five to six months and they hope to begin building in a year. This project will be evolving. As far as the coal ash, the process to remove it is more cost effective than it used to be and it can be recycled.

Mr. Eddy said the train station is part of the plan. It includes a pedestrian crossing. What the committee has realized is that in most Brownfield projects, with the environmental issues, the project could not carry itself, so the committee felt the town needed to donate the land. There is also an abandonment and redevelopment clause in the agreement. If Mr. Rocket leaves, the town can get it back to work with another developer. The Brooks property has not been purchased, but they have spoken with its owner. They are committed to moving the church building. Mr. Rocket has done another mixed use development and it was an outstanding project; he received positive recommendation from that city's staff.

Councilor Sartoris said this is a great project for the community. This is the right plan, but she still has concerns. She agrees the town needs to make a contribution to the project and the \$2 million risk is worth it. The town wants to see the site developed. Her concern is the risk associated with the People Plus building and having to relocate the group. She is worried that the developer will build a hotel, and if Mr. Rocket for what

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ever reason cannot do anymore of the project, the town has given away a \$600,000 piece of property and has to relocate People Plus.

Mr. Lowe said the concern appears to be that only the hotel will be built and nothing else, but all of Phase One is to be done as a unit so the town will be protected. It is clearly a unit of work for the Planning Board and the developer to build all of Phase One, not just the hotel first.

Councilor Sartoris said that she would like to see that in the agreement.

Mr. Rocket said the Phase One is a \$15 million dollar project. He will look at the entire project including the inn and the train station. It is a matter of risk. He does not know what the demand is out there until more work is done. He does not want to build buildings that will be empty. The \$15 million work done will add value to the area and provide tax dollars.

Mr. Eddy said the town has \$600,000 to begin remediation. What the town is doing is strengthening its ability to get grants since there is the developer in place.

Councilor Sartoris said she is looking for security if all else fails and the town only has a hotel and that the town has given property away. If going to do Phase One, why not put in the agreement to have something if Phase One does not happen.

Mr. Lowe said there is the due diligence to do the work, and they come back to the Council to let them know if Phase One will work. If it appears it will work, the developer will come back with all of Phase One work to be done at one time. Under the agreement, they see Phase One as being an all or nothing situation.

Councilor Daughtry is very excited about seeing this project coming together, but she is troubled by the People Plus property. She would like to see some type of language so the town could get the market value for the church property if the project fails. She asked who is going to relocate the church. Another thing is the design criteria, the Planning Board is not a strict arbitrator of design so she would like to have more design guidelines.

Chair King said the issue tonight is voting on the ordinance so that the remediation can start and the developer can do his research. Then it will come back at a later time to address other issues before anything is built.

Councilor Augur said the concern is that the Council is voting to authorize bonds up to \$1.8 million, and if the town cannot get funds elsewhere, the town would have to fund that amount.

Mr. Lowe said the town has \$600,000 in the bank so the rest is \$1.4 million, and, if all else fails, taxpayers will have to pay.

Councilor Webb asked if there could be clarification and clean-up of the joint development agreement prior to signing it.

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Manager Gerrish said the passing of the ordinance is based on the agreement before the Council since it has been negotiated already.

Chair King said the town has a good committee that cares about the community and would not be endorsing this project if it was not good for this town. This is the beginning of a big step with the base closing so the town will look good to other developers when the base property is available.

Councilor Favreau said this is an opportunity to utilize a space that has not been used, and a chance to move forward on this.

Councilor Sartoris read the conclusion of Mr. Eddy's memo, and she means no lack of respect to those who worked on it, but the Council is also agreeing to allow the agreement to go forward and to donate the two properties.

Councilor Ewing said through this process the Committee was very impressed with Mr. Rocket and this is the first step of holding hands and working together. The town manager will be negotiating on behalf of the town. The property value is only there if the coal ash is removed, and by working with the developer it is helping the town get this grant money. The People Plus property is worth \$600,000 and Phase One in 4 years will make up that value in tax dollars. The town is at the stage to move forward, and the town already has \$600,000 and there are other ways to get grant money, also. This has been a brilliant community vision. This is a great project for this site with civic use and a multimodal train facility.

The Council took a recess.

Councilor Sartoris said all her questions were answered at the break, and it is her understanding that after talking with the developer and his attorney, that all of Phase One goes together and cannot be done separately. She is feeling, with this clarification, this agreement is good for the community.

Councilor Sartoris moved, Councilor Watson seconded, to authorize execution of a joint development agreement authorizing Bonds and Notes in an amount not to exceed \$2,000,000 to perform hazardous waste remediation of the Maine Street Station Property and to design and construct infrastructure on and to said site and other properties, and authorizing the conveyance of property.

Councilor Webb said it was helpful to talk to the developer and there is a legal commitment that the developer is committing to all of Phase One, and if it is not done, he will have to give it back to the town.

Councilor Augur said he is supporting it himself. One does not enter into any transaction without risk and he feels the town is protected in Phase One. Although he is slightly uncomfortable with one part of this since this has been a public process for two years, and the sale of the church property has just come to light in the last month or so.

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Councilor Daughtry said she is torn. She agrees with Councilor Sartoris and Councilor Augur. When she came tonight she had planned to vote against it because of the church property – she was supportive of the rest of the project. She was troubled by the St. Charles property, but she has been convinced that all of Phase One will be done as one project. She is going to reluctantly support the St. Charles part, but she fully supports the rest. She is concerned about the church being preserved.

Councilor Watson said every attempt will be made to preserve the church. There is minimal impact on the community since there are funds to work to remediate the property, which gives the property value. Phases One, Two and Three are exciting. It will revitalize the downtown area as a whole. This project is that important to this community. It is more than Phase One, it is the first step in the future of Brunswick.

Councilor Schneider said he has confidence in the town manager and the Committee so he will support this agreement.

Chair King said there will be every attempt to move the church, but there are no guarantees. People Plus is in full agreement with this decision.

Councilor Augur asked if abutters were informed of the change.

Manager Gerrish said notice was not sent, but he did talk to them. Councilor Ewing also talked to Ms. Greenhut.

Councilor Sartoris moved, Councilor Watson seconded, to authorize execution of a joint development agreement authorizing Bonds and Notes in an amount not to exceed \$2,000,000 to perform hazardous waste remediation of the Maine Street Station Property and to design and construct infrastructure on and to said site and other properties, and authorizing the conveyance of property. The motion carried with nine (9) yeas.

17. The Town Council will discuss the format for a Public meeting concerning the Comprehensive Plan Committee's recommendation on the proposed Route 1 Business Park, and will take any appropriate action.

Manager Gerrish said this item is to discuss the format for a public meeting concerning the Comprehensive Plan Committee's recommendation on the proposed Route 1 Business Park.

Councilor Sartoris suggested a format including answering the seven questions laid out in the email from Mr. Wheelwright. The Council has discussed this several times and although there was no formal vote, the Council supported keeping this item in the Comprehensive Plan. Therefore, now the Council needs to look at the process for doing the feasibility study. The questions from the email fit the feasibility study question. Councilor Daughtry and she discussed a way to answer the questions, and concluded having a panel made up of John Eldridge, Manager Gerrish, Mr. Eddy, Mr. Holtwijk, and

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she, would be the way to go. There would be a facilitator included. The format would allow questions to be answered and talk about how the feasibility process should be done. By the end, she wants to get some good direction on the feasibility study. The questions should be written down in advance.

Councilor Sartoris said they should not have a member of the BEDC except for those who happen to also be town staff included. There is no role of the BEDC in the Comprehensive Plan process. The property owner should also not be included since this could give rise more to personal criticism.

Councilor Ewing liked the format and asked that it be formalized into a motion.

Councilor Daughtry agreed on the panel in U-shaped formation. They could have general questions for the first hour and after a break discuss how the feasibility study is to be done. This will be a forum for her constituents to get questions answered.

Councilor Augur felt the first hour should be a discussion of the feasibility study and answering the email questions. Other, general questions, should be done after discussion of the direction of the feasibility study. The Council needs to gather information.

Chair King said on the email the first question asks about the feasibility study and that may be the best way to start.

Councilor Sartoris suggested starting with the email questions, then having other questions and working them into the discussion of the feasibility study.

Councilor Webb said this is a good format to make it effective.

Councilor Ewing moved, Councilor Favreau seconded, to have a format as above for the meeting on February 8, 2007. The motion carried with nine (9) yeas.

18. The Town Council will consider an amendment to add Education as a permitted use in Industrial Zone 1 on an emergency basis, and will take any appropriate action.

Manager Gerrish said this item is to consider an amendment to add Education as a permitted use in Industrial Zone 1 on an emergency basis that will allow educational uses in the Times Record Building. The Council will need to pass this change as an emergency and then start the process to make the change permanent.

Mr. Eddy said, responding to Councilor Ewing's question about remodeling, the town is having it done and it is being done by a local company.

Manager Gerrish said, because of the urgency, it was not done via bid, but the town did negotiate the price.

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Councilor Sartoris moved, Councilor Daughtry seconded, to amend the Industrial Zone 1 use table to include Education as a permitted use on an emergency basis for the Times Record Building. The motion carried with nine (9) yeas.

Councilor Daughtry moved, Councilor Watson seconded, to set a public hearing for February 26, 2007, on amendments to the Industrial Zone 1 use table to include Education as a permitted use. The motion carried with nine (9) yeas.

Councilor Ewing moved, Councilor Favreau seconded, to adjourn the meeting. The motion carried with nine (9) yeas.

The meeting adjourned at 9:57 p.m.

PLEASE NOTE: THESE MINUTES ARE NOT VERBATIM. A VIDEO RECORDING OF THE MEETING IS AVAILABLE AT THE TOWN CLERK'S OFFICE DURING REGULAR BUSINESS HOURS.

*Frances M. Smith
Town Clerk
February 21, 2007*

February 26, 2007

Date of Approval

Council Chair