

**MINUTES  
EXECUTIVE COMMITTEE**

**SOUTHERN MAINE PLANNING and DEVELOPMENT COMMISSION**

**9:00 AM  
March 1, 2018**

**In attendance were:** Chairman Robert Heard, Vice Chairman Perry Ellsworth, Jan Williams, Treasurer, Executive Director Paul Schumacher, Werner Gilliam, Kendra Amaral, Richard Dutremble, Gary Lamb, Beth Della Valle, Pat Finnigan, Greg Tansley and Chris Osterrieder (Judy Bernstein's replacement from Kennebunk).

**Absent:** Jim Nimon, Dave DiPerri and Mike Perro

**Staff/Visitors:** Chuck Morgan, Will Armitage and Lee Jay Feldman

Introductions were made around the room as Chris Osterrieder from Kennebunk is replacing Judy Bernstein's position on the board.

**1. Minutes of December 21, 2017 Meeting**

*A motion was made by Perry Ellsworth and seconded by Werner Gilliam to accept the minutes of December 21, 2017 as written. **Approved Unanimously.***

**2. Treasurer's Report**

The Finance Committee met prior to the Executive Committee meeting to review financials for the past 6 months ending on December 31, 2017. Dave DiPerri was unable to attend this meeting, but Paul presented the financials. It was decided that what we presently have, is all we will probably be able to get out of QB. There are still some issues such as in Land Use, Grants pre-paid are received in prior years, but do not show up. It was stated that, we are ahead of where we were years ago.

- It was recommended that Dave have "foot notes" at the bottom of the page for further explanations.
- Eliminate 4500 as 4020 is the same.

A Thank You was expressed to the Finance Committee and Dave for making the financials more easy to understand.

**3. Lincoln Mill Loan and Brownfields Update**

The Brownfields RLF Committee received and reviewed two loan applications at their February 21<sup>st</sup> meeting.

Paul presented a spreadsheet of Brownfield RLF loan activity for the committee to review. An RLF Committee recommendation to fund a pending project would take up all remaining open EPA RLF

Grant funds. He did not e-mail document as he wasn't sure as to the confidentiality of the document.

Chuck informed the committee that all loans are current in their repayment schedules.

Some of the current loans will be maturing within the next couple of years, such as Northland's loan for the Sanford Mill and a couple from the North Dam Mill project. If the borrowers do not ask for extensions, SMPDC will received a significant amount of funds that will be available to lend.

Lincoln Mill/LHL Holdings:

LHL Holdings is requesting an additional \$400,000 loan along with the remaining \$500,000 from the original approved \$1.1 M loan. Six hundred thousand dollars has been dispersed for lead remediation of all floors except the basement. Following the initial remediation work, redevelopment plans and activities did not occur. The contract end date for the loan was 12/31/16. At that time SMPDC staff were informed that the remaining funds would not be needed.

Tim Harrington is now partnering with Chinburg Properties, LLC, with Chinburg being the Managing Partner of LHL Holdings. Will Armitage conducted the underwriting process; securing updated financials, establish proof of ownership structure and that Chinburg had invested their own funds into the project. Because the name and ownership had not changed, the lending activity is still eligible and SMPDC can amend the contract as opposed to drafting a new contract. An updated application was submitted for the proposed loan modifications. The proposed loan terms are: Interest Rate of 3%, Interest Only to August, 2020, and amortized over 20-years with a maturity date of August 26, 2027. Several of these loan terms were requested by LHL Holdings.

The original \$1.1M loan was going to be for a hotel and housing units along with a restaurant and swimming pool on rooftop. Changes to the original project now are: 33 short-time rental units and 140 housing units along with restaurant. The additional \$400,000 will primarily be used to cover 240,000 sq. ft. of oil soaked wood planked flooring with a form of concrete to create radiant heating.

The previous loan balance \$500,000 is still available and we have \$800,000 left in our 2014 RLF account. We could cover the remainder from our Closed Program Income RLF (\$70,000) or what may potentially be left from the Pepperell Mills #19, 10 & 20 Loan (\$75,000 - \$100,000). We should hear within a week or two how property appraises, but the 2015 appraisal was in the \$30M range. The appraisal will determine bank financing amount. SMPDC is in good collateral position. Project construction should begin in the spring with an 18-month completion.

The RLF Committee recommended approval of this loan. *A motion was made by Kendra Amaral to accept total loan request and motion was seconded by Perry Ellsworth. Approved Unanimously.*

Jan wanted group to consider: 1) "Do we want to put this much into this project and empty our accounts? We have a large amount into it already, so why not invest more. 2) We need to zero out our account before we can receive Supplemental Funds. We couldn't apply last year because we had funds available.

Paul did reiterate that this loan was going to deplete our account and that some other projects were coming, but that we roughly receive \$150K a year in loan repayments and will be applying for Supplemental Funding within a month or so.

Chuck informed the group that we closed on the North Dam Building 15 loan last week for \$210,000. He said that municipal or non-profit projects can apply directly for funding to EPA. The grant application are usually due in either November or December.

#### Thompson Point

The City of Portland and GPCOG could not support the entire amount needed for this project and asked if SMPDC would consider participating in the lending activity. The committee approved joining-in and potentially funding a project outside our area. After receiving the initial loan application and financial information it was determined that our loan underwriter would not be able to review the project and make a loan recommendation. We requested additional information from the borrower and the additional documentation has not been received.

The RLF Committee recommended that the best option we could take would be to table the loan request until the requested financial information was received by SMPDC's Loan underwriter. If we get the information requested at a later date, we can reevaluate. *Perry Ellsworth made the motion to accept the recommendation by the RLF Committee to table this loan and motion was seconded by Kendra Amaral. Approved Unanimously.*

#### **4. Personnel Changes**

Paul informed the committee that Kathy Connor has left SMPDC as Senior Planner for a short-term position with the Town of Kittery. Kathy will work in Kittery for about 3 months and then take a sabbatical and travel with her husband.

Abbie Sherwin has also been hired as Transportation/Land Use Planner. With Kathy's resignation, Abbie will be doing more of Kathy's duties working along with Lee Jay Feldman and transitioning into Land Use Planning.

Paul informed the Committee that many of our towns have lost their planners and assistant planners (Waterboro, Kennebunk, Kittery, Eliot, So Berwick and Berwick) and our staff has been filling-in for this positions. These positions have caused stress to staff by attendance to night-time meetings. Paul feels it is important that we hire a replacement for Kathy's position, but:

- 1) Cannot hire during high workload and then layoff when work drops off. Our workload is very inconsistent.
  - 2) It is very difficult to find someone who can do planning board reviews – lack of experience. Hiring a Junior-level person to groom, could take over a year.
  - 3) Hiring someone with experience requires a higher salary. With such a shortage, makes salaries higher.
- **Boot-camp:** Could this be an opportunity for SMPDC? Discussion about possibly creating a boot-camp and train folks to fill-in the gaps of experience. The lack of planners is a state-wide

problem, not just in Maine. It is not only planners lacking, municipalities are in need of Code Enforcement Officers, Assessors, Town Clerks and Town Managers.

- If we do Home-growing, we need to be flexible. Younger folks do not think the way we do, they need lots of time-off. Need to present position as good, not focus on night-time meetings.
- How do we convince folks that this is a career choice and that there a lot of opportunities in Municipal Government? That they could make a good living. This is specialized work. There are very few private consulting firms around now. Also a risk of training folks, and then they leave for better paying positions.
- **Retirees:** How about hiring retired planners/consultants to work part-time and/or train inexperienced individuals? This could be a serious consideration as they may want work, but setup a Limited Contractual Agreement to avoid loss of municipal contracts to them.

It was strongly suggested that while performing interviews:

- 1) The applicants you do not chose should be passed along to other towns for their consideration.
- 2) If the new hire doesn't work out within 3 to 4 months, that you dump them.

Beth suggested with contact Rob Sanford and look into the USM Environmental Science Program. They offer a site planning course and teach hands-on. We should rethink where we get our talent. Look for talent from other programs. Beth is willing to work with Lee Jay with this.

It was also strongly suggested that we focus on retention as we could become a launching pad to go elsewhere after trained. It was also suggested that we consider offering membership dues (APA, etc.) as part of the salary offerings, as Junior Level employees may not be able to afford these dues.

Consensus: Move forward and look at setting up some form of schooling. MAP? Need planners with different areas of knowledge such as Law-side of training. Direct staff to consider and make recommendations and bring to another meeting.

It was suggested that we hire as SMPDC has a high-talent and offer tremendous value to our municipalities.

Paul met with Greg Zinser, County Manager and discussed the need and urgency of Planners in our county. It was suggested that towns contribute an additional yearly amount so we could have a trained staff on hand to assist when towns lose their planners.

Bring a realistic budget to the committee listing on-going issues and services needed. Put it in the budget.

## 5. Code of Ethics

Due to time restraints, this item will be brought up at a later date.

## 6. Staff Reports

Due to time restraints, this item will be brought up at a later date.

## 7. Other

- Annual Meeting Planning topic to be discussed. Marijuana? Central focus of Ordinances. State dropped the ball again. Deadline of 2/10 missed.
- Retention of Employees

Richard Dutremble told the committee that the county budget was \$4.M. They are have a Double A-Plus ranting.

Adjourned at 10:40 AM. *Beth made the motion to adjourn and Perry seconded the motion.*

**Next Meeting:** April 5, 2018

APPROVED