



**Kennebec Valley
Economic Development District**

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**CEDS Committee Minutes
October 6, 2009
11:00am-1:00pm**

The Comprehensive Economic Development Strategies (CEDS) Committee met on October 6, 2009 at 11:00 am in the Conference Room at KVCOCG in Fairfield.

Members Present

Clifford Andreasen, Farmingdale
Ann Beverage, Waterville
Jim Batey, Somerset Economic Development
George Gervais, Maine DECD
Leonard Dow, FirstPark
Dan Nichols, City of Augusta
Kimberly Lindlof, Mid Maine Chamber of Commerce
Kathryn Ruth, Pittsfield
Jason Simcock, Gardiner Economic Development
Rosemary Winslow, Rep Michaud's Office
Robert Worthley, Anson
Ralph Withee, Anson
Brian Whitney, Senator Snowe's Office
Bill Card, Senator Collins' Office
John Milbrand, MaineGeneral
Josh Reny, Town of Fairfield
Peter Mills, State Senator
Ryan Boyd, Senator Mill's Office

Guests Present

Dana Berry

Staff Present

Ken Young, Executive Director
Heather Carey, Office Administrator
Vic Reinfelds, RLF Director Emeritus
Cole Palmer, RLF Director

1. Welcome:

Kim Lindlof opened the meeting. Introductions were made around the table.

2. Approval of Minutes:

A motion to approve the minutes of the June 2, 2009 meeting made by Ralph Withee and seconded by Bob Worthley. The motion was unanimously approved.

3. Presentation: Dana Berry, Vice President of Human Resources of Backyard Farms (BF) in Madison gave a presentation about his company and their plans for the future. This company is a major producer of organic tomatoes. They produce tomatoes on the vine and have expanded to include cocktail tomatoes. They have the largest single-roofed structure in Maine which includes 25 acres of growing space. BF produces nearly 17 million pounds of tomatoes annually. With the new greenhouse that has just opened, this figure will grow to 34 million. They generally plant about 60-80 thousand plants per day. Bumblebees are used to pollinate the plants. In their first greenhouse, they have 11,520 grow lights alone. They limit their sales to New England retailers as they prefer to be known as “not too far from here”. As a company with approximately 250 employees, BF offers full benefits including a dental plan and 401k plan. They prefer to use local workers in their workforce as opposed to migrant workers. The current two greenhouses are equivalent to 32 football fields in size. They are planning a third greenhouse to be open by 2012 that will be up to 30 acres in size, which may include other crops. They currently use propane, but are looking into other forms of heat sources/energy. They are also looking into some Research & Development greenhouses that may be located across the state.

4. Project Updates: RLF, CDBG, and EDA:

Vic Reinfelds – Revolving Loan Fund

Loan demand has started to pick up, with most of the requests still for debt consolidation and refinancing. Many of the requests for debt refinancing involve substantial amounts of credit card debt that was extended on an unsecured basis at interest rates as high as 18.00%.

On September 15, 2009 we closed a \$93,000 loan to Northeast Radiant Tech in Gardiner for construction of a new building in the Libby Hill Business Park. The total project cost was \$463,000. We partnered with the Savings Bank of Maine and leveraged our loan with \$370,000 of bank funds and owners equity. The project will create one new job immediately and at least two more jobs in the near future. The company pays competitive wages with benefits. We currently have one loan request in house for new construction in Fairfield.

We currently have approximately \$900,000 available to lend in partnership with banks and other organizations.

Cole Palmer gave a brief description of his background as an introduction to his new position.

EDA Updates: Ken Young – Executive Director

Mr. Young announced that we have received the EDA Planning Assistance Grant renewal.

Two recent federal grants were announced: Pittsfield received funds to expand their industrial park and Hartland has received funds to clean up their land-fill. KVCOC assisted both communities in their grant applications.

CDBG is beginning their new grant year. Also we have been working on a Brownfields grant. Brownfields have made a few recent assessments.

Mobilize Maine:

- KVCOG's continued participation is dependent on the availability of funding to contribute to the cost of consulting services provided by Vital Economy. Efforts to this end at the state level are ongoing but slow. Regional fund raising is very slow. Additionally, KVCOG needs funds to underwrite KVCOG staff support for the substantial commitment needed to support the Mobilize Maine work plan. In this case the EDD's (KVCOG, KVCOG, AVCOG, EMDC and NMDC) are working together to apply to US EDA for funds in the range of \$500 to 600K to be split among the EDDs. An application is being prepared by AVCOG for submission ASAP. Pending resolution KVCOG's effort is moving deliberately.

5. Plans for Investments in Infrastructure and Quality of Place projects

Mr. Young spoke about the importance of putting together an up-to-date list of future investments in infrastructure and quality of place projects in our region.

We are interested in work-force development. Do we have a system that supports entrepreneurs? What can we do to increase/broaden our work-force? We need to look at sustainability. The dynamics of the demographics are potentially disastrous.

PUC Applications: KVCOG will host a meeting for all those who are interested in working together on either writing their applications or sharing ideas.

Member Roundtable:

Was not held at this meeting because meeting time expired before reaching this item.

6. Next Meeting: December 1, 2009.

Adjournment: Ralph Withee moved to adjourn the meeting. Bob Worthley seconded the motion. The motion was approved.