



**Kennebec Valley  
Economic Development District**

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**CEDS Committee Minutes  
February 8, 2011  
11:00 am – 1:00 pm**

The Comprehensive Economic Development Strategies (CEDs) Committee met February 8, 2011 at 11:00 am in the Conference Room at KVCOCG in Fairfield.

Members present:

Chair: Peter Thompson – KVCC  
Ann Beverage – Waterville  
Clif Andreasen – Farmingdale  
Dan Nichols – Augusta  
Dana Hamilton - KVCAP  
Irene Belanger – China  
Diana Rafuse – First Park  
Roger Averill – Benton  
Chelsea Hebert – Senator Snowe's Office  
Dana Wrigley – Oakland  
Rosemary Winslow – Congressman Michaud's Office  
William Card – Senator Collins' Office  
Susan Giguere – Care & Comfort  
Jason Simcock – Gardiner  
Joshua Reny - Fairfield

Guests Present:

Stephan Pakulski - Readfield  
Russell Libby - MOFGA  
Bobbie Reynolds – Sen. Collins' Office

Staff Present:

Ken Young, Executive Director  
Chris Huck, Planning Director  
Cole Palmer, RLF Director  
Sarah Lombard, Office Administrator

**1. Welcome:**

Peter Thompson, Chair, opened the meeting. Introductions were made around the table.

**2. Approval of Minutes:**

A motion to approve the minutes of the December 14, 2011 was made by Irene Belanger. The motion was seconded by Jason Simcock. The motion was approved unanimously.

**3. Presentation:** Russell Libby, Executive Director of MOFGA, spoke regarding changes in the world of Maine agriculture, as well as emerging trends and the future of agriculture's role in the region's economy. Currently, over ¼ million acres of land is owned by farmers in Waldo, Somerset and Kennebec Counties. These farmers

produce approximately \$120 million in sales per year. One of the largest changes occurring in the past 10 -20 years is the transition of dairy farms. In 1986, there were 1,400 dairy farms in Maine. In 2010, that number decreased to 310 dairy farms. As the smaller dairy farmers are no longer producing dairy products, they typically turn to producing beef. Another large change is the boom in direct marketing. More farmers are selling their products at local farmers markets, and more partnerships (like Crown of Maine) are developing to distribute products to markets outside the farmer's area. We are also seeing a trend toward better growing strategies.

MOFGA is playing a large role in the future of agriculture in Maine. They currently offer a 2 year "New Farmers" training program, which teaches the necessary skills to run a farm business successfully. Many of the graduates to this program are highly educated, and are working together and marketing around the state.

Mr. Libby projects that by 2020, over 500 farmers will have graduated from this program. Another key factor in the future of Maine's agriculture is the utilization of greenhouse technology. This allows farmers to stretch seasons for production and stay open later in the year than had been possible previously. Seven major studies recently looked at local food markets around the country, and identified Maine as a major growth area of farming in the next 20 years, with the possibility of Maine supplying the greater Boston market in the future. Mr. Libby encourages us all to visit MOFGA's website for more information: [www.mofga.org](http://www.mofga.org) or [www.mofga.net](http://www.mofga.net).

#### **4. Project Updates: KVCOG Staff Changes, RLF, CDBG, Brownfields, KV Entrepreneurial Network, Energy Development – Ken Young, Executive Director:**

##### **KVCOG Staff Changes:**

Sarah Lombard is our Office Administrator. She began in this position last Monday. Joel Greenwood is our new Community Planner filling the position recently vacated by Jennifer Boothroyd who moved to the Planning Department at the City of Bangor, shortening her commute by about 40 minutes. We look forward to him joining us on March 1<sup>st</sup>. Shelley Payne will work part time beginning February 14 assisting Ken Young with the KV Entrepreneurial network.

##### **Revolving Loan Fund: Cole Palmer – RLF Director**

1. Activity has been brisk
  - We have a good start to our fiscal year, having committed \$235,000 with another \$157,000 going to loan committee on Thursday.
  - This would total almost \$392,000 if approved, which would put us on pace for another good year.
  - Backlog is also brisk with three strong prospects in the hopper totaling \$435,000. We expect that when all information is received, one or two of the prospects will actually go to approval, but nevertheless we expect this to be a very good year.

##### **CDBG and Brownfields Updates:**

###### **Community Development Block Grant (CDBG)**

There are three opportunities to apply for the Economic Development program, which grants funds to municipalities for activities related to publicly owned infrastructure and to municipalities on behalf of businesses. Those businesses may apply for funds for capital and non-capital equipment, land and site improvements, rehabilitation or construction of commercial or industrial buildings, and working capital.

Deadlines for this program are:

	Letter of Intent	Application
Economic Development round #1	February 11, 2011	March 25, 2011
Economic Development round #2	May 20, 2011	July 15, 2011
Economic Development round #3	August 12, 2011	September 23, 2011

There are two other grant programs to which municipalities still may apply:

	Letter of Intent	Application
Housing Assistance	February 18, 2011	April 1, 2011
Public Service	March 11, 2011	May 6, 2011

### Brownfields Assessment Grant

KVCOG has committed all of its assessment funds for the current grant period. We have applied for more assessment grant funds (\$200,000 for hazardous substances and \$200,000 for petroleum); we have also applied for a \$1,000,000 Revolving Loan Fund grant for cleanup. Awards will be made public at the annual Brownfields conference that will be held on April 3-5, 2011.

### KV Entrepreneurial Network:

The network held 3 networking events recently. Another is in the planning stages for early April to be held at Colby College, which will coincide with the College's Business Plan competition.

### Energy Development:

#### Wind Power

First Wind proposed \$160,000,000 project in Bingham and Mayfield Plantation for 10 and 40 wind turbines, respectively. County commissioners have recently turned down a proposed TIF for this project. KVCOG is attempting to educate county commissioners and the public regarding TIFs, as well as facilitate a discussion about wind power.

#### Proposed Nature Gas Pipeline Development Project

The Kennebec Valley Gas Company is discussing the development of a natural gas pipeline with KVCOG and potentially affected municipalities in the region.

- This pipeline would deliver natural gas to various customers in Kennebec and Somerset Counties. Potentially affected municipalities include: Richmond, Gardiner, Farmingdale, Hallowell, Readfield, Augusta, Sidney, Oakland, Waterville, Fairfield, Norridgewock, Skowhegan, and Madison.
- Approximately 56 miles of 8" diameter pipeline would be constructed along the west side of the Kennebec River from Richmond to Madison with "distribution" lines at potentially 9 points along the main line. These 8" pipelines are able to be constructed in the public right-of-way.
- The gas would be sourced from the Maritimes and Northeast pipeline that runs from Baileyville to Kittery where it crosses the west side of the Kennebec River at Richmond.
- Approximately \$70 million would be invested in this project.
- The mainline and most of the distribution network would be constructed in a single season in 2012

or 2013.

- TIF arrangements would need to be secured in each municipality in which construction is proposed on essentially the same terms and conditions.
- It is thought generally that the availability of natural gas would convey substantial economic and environmental benefits to the region.

KVCOG's Board of Directors agree to authorize KVCOG to convene and facilitate discussions between Project developers and affected municipalities regarding terms and conditions under which the municipality would grant a TIF.

## **5. Member Roundtable:**

Roger Averill – Benton

- CMP still working on transfer station.
- Approved an upgrade of lines in Benton.

Jason Simcock – Gardiner

- Currently amending four TIF districts, with each being a complete application to the state. This is the 3<sup>rd</sup> step in that process.
- Working on a Business Assistance Guide for Gardiner, with information on different State agencies and SBA programs.

Joshua Reny – Fairfield

- Currently working on TIF amendment
- Working with Gail Chase on CDBG grant application, with a public hearing tomorrow at the Town Council meeting.

William Card – Senator Collins' Office

- Senator Collins attended Peter Thompson's Chamber dinner, pleased with the turnout.
- They continue to receive inquiries regarding current projects, and are now working on a support letter for RLF and Brownfields applications.

Dan Nichols – Augusta

- Currently developing a Business Assistance Guide for Augusta.
- Also working on four or five CDBG Grants and TIF writing.

Susan Giguere – Care and Comfort

- Completed 60 weatherization jobs for KVCAP.
- Looking at a space on Water Street in Augusta.
- Holding their 20<sup>th</sup> Anniversary celebrate at the Elks Club on June 15<sup>th</sup>.

Rosemary Winslow – Congressman Michaud's Office

- Held a two-and-a-half day retreat in Millinocket with District Staff, will share outcomes at a later date.

Irene Belanger – China

- China is in the process of preparing town budget.
- Town meeting will be held in March.

- There are currently 13 bids on the new sidewalk in South China.
- China's transfer station plans to get more towns involved in sending cardboard to their station. Planning a new building for balers, and plan to take in plastics as well. Would like to see China's transfer station as the central point for surrounding towns.
- Turned down State Police down in setting up a new broadband on their communications tower.

Dana Wrigley – Oakland

- Working on sewer project which just went out for bids on the last section of pipeline.

Chelsea Hebert – Senator Snowe's Office

- Senator Snowe attended Mr. Thompson's Chamber dinner, and was also pleased with the large turnout.

Peter Thompson, Chair – KVCC

- Mr. Thompson estimates there were 820 people at his Chamber dinner
- Many business updates around Augusta, including: Bolduc technologies announced last summer they are partnering with Boeing to put handicapped access in military vehicles, McCarthy's is the first in the country to use a new UV Ink machine for printing, and Tex Tech is producing Kevlar for the military and currently working with Airbus.

**6. Next Meeting:** April 12, 2011, 11:00am – 1:00pm at KVCOG, speaker to be announced. This will immediately follow the next KVCOG Board of Directors' meeting that begins at 10.