



MIDCOAST REGIONAL REDEVELOPMENT AUTHORITY

Special Meeting Minutes

June 15, 2011

Present: Arthur F. Mayo, III (Chair), Dana Totman (Vice Chair), John Moncure (Secretary), Rita Armstrong (Treasurer), Adam Cote, Sally DelGreco, and Sandra T. Updegraph

Absent: George Gervais, Donald Hudson, and Steve Weems

Staff: Steven Levesque, Dave Markovchick, and Kathy Paradis

Location: Building #27, Brunswick Landings, Maine Street Station

Time: 4:00 pm

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

Minutes of May 17, 2011: John Moncure made a motion to approve the Board minutes of May 27, 2011, which was seconded by Rita Armstrong. The vote was unanimous of the Board members present.

Fuel Farm: Executive Director Steve Levesque said he has been working with the Fixed Base Operator, FlightLevel Aviation, of the Brunswick Executive Airport to identify funding sources for the installation of a new aircraft fueling facility (fuel farm) on the airport property to provide aviation gas and jet fuel to users of the airport, which is permitted in FlightLevel's lease. Options included MRRA funding the project through grants and/or loans, or FlightLevel funding the project through borrowing.

FlightLevel has secured a commitment of up to \$325,000 in private financing and they are requesting that MRRA guarantee the loan with a first position security interest in the fuel farm. The lender, an individual, does not want a security-interest in the fuel farm, which will enable FlightLevel to give MRRA complete ownership of the fuel farm in the event of default. In order to close

the loan, the lender requires assurance that MRRA will assume the outstanding loan obligations (i.e., continue payments or prepay the loan) if FlightLevel defaults. Steve recommended approval of a Resolution authorizing MRRA to guarantee the FlightLevel loan.

Action Item: John Moncure made a motion that the MRRA Board of Trustees authorize the Board Secretary to sign the attached Resolution regarding the construction of a fuel farm at Brunswick Executive Airport. A copy of the Resolution shall be attached to the official minutes of this meeting, which was seconded by Adam Cote. The vote was unanimous of the Board members present.

Economic Development Conveyance (EDC) Boundaries. By viewing a large map, Steve gave an overview of the EDC boundaries to the Board. Steve said that the Navy is asking MRRA to finalize the EDC boundaries. Steve said that the total acreage at the main base property in Brunswick is 3,135, Topsham: 73.3 acres, and McKeen Street: 70.2 acres, which totals 3,278.5 acres. Of that total acreage, 2,174 acres has been allocated to Public Benefit Conveyance transfers and Federal transfers. The EDC acreage is as follows: main base: 978; Topsham Annex: 56.3; and McKeen Street: 70.2, which totals 1,104.5 acres. Included in the EDC acreage of 1,104.5 acres is the ground lease property (land beneath base housing) as follows: McKeen Street: 62.5 acres, Topsham Annex: 43.6 acres, and main base housing: 149.6, which total 255.7, leaving the total non-housing EDC acreage of 848.8.

Steve also explained to the Board the uncolored pocket of land on the southeast side of the map constituting 24 acres adjacent to the joint reserve center was set aside by MRRA's predecessor, the Brunswick Local Redevelopment Authority (BLRA), to the State for the joint reserve center. This land was set aside to compensate for land that the Army National Guard originally requested that the BLRA deemed could be put to better use.

Action Item: John Moncure made a motion that the MRRA Board accept the economic development conveyance boundaries as proposed, which was seconded by Sande Updegraph. The vote was unanimous of the Board members present.

Brunswick Landing Economic Development Company, LLC (BLEDC) and Brunswick Landing Realty Development Corp. (BLRDC). Executive Director Steve Levesque said because MRRA is moving more into the business side of redevelopment, it is looking for funding streams. Steve cited Mölnlycke as an example, stating that MRRA is building a facility to suit for Mölnlycke in exchange for a lease back of the 79,000 square foot facility. Due to the complexities of the New Market Tax Credit program, Steve asked MRRA's Economic Development Manager, David Markovchick, to brief the Board.

Dave Markovchick presented the Board with an organization chart outlining the organizational structure needed to structure the entity applying for the certification as a Community Development Entity (CDE). (The Resolution authorizing MRRA staff to take steps necessary to apply for CDE certification was approved at the May 17, 2011 Board meeting. Certification is a precursor to applying for a New Market Tax Credit (NMTC) allocation.)

- MRRA would be the sole shareholder of Brunswick Landing Realty Development Corp., a nonprofit corporation, and 99% shareholder of Brunswick Landing Economic Development Company, LLC, a manager-run LLC. The structure is needed for the NMTC application and for the federal New Market Tax Credit for the Mölnlycke deal.
- Brunswick Landing Realty Development Corp. (BLRDC) owns a one percent (1%) interest in Brunswick Landing Economic Development Company, LLC. Incorporation papers are being prepared.
- Brunswick Landing Economic Development Company, LLC (BLEDC), is a manager-run LLC, whose primary purpose is to serve or provide investment capital for businesses in low-income communities and/or low income persons pursuant to Section 45D of the Internal Revenue Code of 1986, as amended. In furtherance of these purposes, BLEDC will apply for Community Development Entity (“CDE”) certification under the New Markets Tax Credit (“NMTC”) program and/or act as managing member of various limited liability companies formed for similar purposes. Incorporation papers have been filed.
- To provide accountability BLEDC will have an Advisory Board comprised of the following low-income service providing entities: Family Focus, Goodwill Industries NE Workforce Solutions, Tedford Housing, Brunswick Housing Authority, and Coastal Counties Workforce, Inc. BLEDC will report to BLRDC on a semi-annual basis regarding what types of jobs are being derived from the financing they will provide.

As part of the organization structure, Dave said that four MRRA Trustees, naming its Chair, Vice Chair, Treasurer and Secretary need to be appointed as managers to the BLEDC; and four MRRA Trustees, naming its Chair, Vice Chair, Treasurer and Secretary need to be appointed as directors to the BLRDC.

In addition, Dave advised that the MRRA Board Chair will be required to sign the Operating Agreement for the BLEDC because MRRA is the majority member (99%); and that the MRRA Board Chair will be required to sign the Operating Agreement of the BLRDC because MRRA is the sole shareholder.

Action Item: John Moncure made a motion that four MRRA trustees, namely its Chair, Vice Chair, Treasurer and Secretary be appointed as managers to the Brunswick Landing Economic Development Company, LLC, which was

seconded by Sande Updegraph. The vote was unanimous of the Board members present.

Action Item: John Moncure made a motion that the MRRA Board of Trustees authorize the MRRA Board Chair to sign the Operating Agreement as majority member of the Brunswick Landing Economic Development Company, LLC. A copy of the Operating Agreement shall be attached to the official minutes of this meeting.

Action Item: John Moncure made a motion that four MRRA trustees, namely its Chair, Vice Chair, Treasurer and Secretary be appointed as directors to the Brunswick Landing Realty Development Corp., which was seconded by Sande Updegraph. The vote was unanimous of the Board members present.

Action Item: John Moncure made a motion that the MRRA Board of Trustees authorize the MRRA Board Chair to sign the Operating Agreement or Bylaws as representative of the sole shareholder (Midcoast Regional Redevelopment Authority) of Brunswick Landing Realty Development Corp. A copy of the Operating Agreement or Bylaws shall be attached to the official minutes of this meeting.

David noted that following the Board meeting, there would be a meeting of the Managers of the BLEDC to appoint a Chair, and a meeting of the Directors of the BLEDC to appoint a Chair.

Midcoast Charitable Foundation of Maine Resolution. Executive Director Steve Levesque advised the Board that one of the goals of the Great State of Maine Air Show is to raise funds to provide charitable donations to not-for-profit organizations in the region. In addition, in the future, MRRA may have other opportunities to host or sponsor events that would raise money for charitable entities. Steve said it is for those reasons he is recommending to the Board that it authorize, by Resolution, the creation of the Midcoast Charitable Foundation of Maine (MCFM), whose establishment will require applying for a Federal ID number, creating of Articles of Incorporation for a not-for-profit and Bylaws, filing for tax exempt status, and applying for a temporary alcohol license. The initial trustees of the MCFM shall be the officers of the MRRA Board of Trustees.

Action Item: John Moncure made a motion that the MRRA Board approve a Resolution creating the Midcoast Charitable Foundation of Maine, and that a copy of the Resolution be attached to the official minutes of this meeting, which was seconded by Rita Armstrong. The vote was unanimous of the Board members present.

Other Business.

Steve informed the Board that the National Guard was using the base for training and will be providing preventative maintenance on rolling stock equipment that has been transferred from the Navy to MRRA thus far.

Steve recapped the Brunswick Executive Airport's (BXM) Fly-In of June 4, stating that it was a huge success and that over 300 aircraft flew in of all sorts and sizes, from a hot air balloon to Falcon 900 jets. He said the Fly-In launched the Maine Flying Trail, a program with 12 participating in Maine. When pilots visit five airports, they receive two free lobsters from BXM. Steve thanked Aviation Services Manager Marty McMahon and especially, Events Coordinator Melissa LaCasse for all of their hard work in making the Fly-In a success. Steve also advised the Board that the Office of Tourism awarded a grant of \$56,000 for next year's Fly-In, which will be a two day event. Steve thanked Deputy Director Jeffrey Jordan and Melissa LaCasse for their work in applying for the grant.

Public Comment. Bill Whitten from Cumberland County congratulated the Board and Executive Director Steve Levesque for making the base into something world class.

Executive Session: At 4:45 p.m. John Moncure made a motion to go into executive session to discuss property matters pursuant to 1 MRSA Section 405(6)(C), which was seconded by Sande Updegraph. The vote was unanimous of the Board members present.

Adjournment: A motion was made by John Moncure at 6:10 p.m. to adjourn from the Board meeting, which was seconded by Art Mayo. The vote was unanimous of the Board members present.

John Moncure, Secretary

ATTENDEES OF 6-15-11 MRRA MEETING	
Name	Company/Organization/Residency
Bill Whitten	Cumberland County Government
Don Spann	RE/Max Riverside
Ed Benedikt	BACSE
Michael Lachance	Town of Brunswick
Denise Clavette	Town of Brunswick
Brian Whitney	Senator Snowe's Office
Scott Jacqmin	Coastal Counties Workforce
Catherine Ferdinand	Bowdoin College
Evan McDougal	Hoyle Tanner & Associates
John Shattuck	Town of Topsham
Alec Porteous	Senator Collins' Office