

Minutes
SKOWHEGAN ECONOMIC DEVELOPMENT CORPORATION
SPECIAL MEETING
July 18, 2018
7:00 AM
Renaissance Center – Conference Room

Members Present:

Jason Gayne, Chairman
Doreen Poulin, Vice-Chairman
Todd Smith, Treasurer
Betty Austin
Kristina Cannon
Matt Dubois
Reid Gibson
Kurt Maynard

Members Absent:

Sally Dwyer
Billy Finley

Others Present:

Dena Rich, Recording Secretary
Jeff Hewett, Director of Economic & Community Dev.
Sue Nguyen, Owner Suzy Nails (left at 7:15 a.m.)

1. Call regular meeting to order.

Jason Gayne called meeting to order at 7:04 a.m., quorum was met.

2. Gail Pelotte Town Clerk/ Treasurer to swear in the Members present to the Board.

Gail Pelotte Town Clerk/Treasurer swore in Members present to the Skowhegan Economic Development Corp.

3. Approve the Skowhegan Economic Development Corporation minutes the “regular” meeting June 6, 2018 and “special” meeting June 11, 2018.

Motion by Kurt Maynard seconded by Doreen Poulin to approve the minutes from the “regular” meeting June 6, 2018 and “special” meeting June 11, 2018 as written. Vote 8-0 motion carried.

4. Approve the Skowhegan Economic Development Corporation financials from June.

The Board had a brief discussion about Amanda Clark-Quirions’ loan and asked that a certified mailer be sent.

Motion by Matt Dubois, seconded by Reid Gibson to approve the financials from June. Vote 8-0, motion carried.

5. Old Business

a. Update on KVI Building.

a. Discussion and decision on KVI donations.

Jeff Hewett let the Board know that the asbestos has been finished; the check has gone out to him. Tom McCarthy will be starting Monday on the tear down and should be a max of ten days; Tom is hoping to have the building down in 4-5 days. Tom has already gone in and removed the oil tanks and removed other items to get the project ready to go. Tom said he will be fencing in the area around the property for the short time to take the building down. Tom said he has stock piled the sand closer so they will be able to fill it in fairly quickly.

Reid Gibson asked if we had gotten a price opinion back from Chris Perkins yet?

Jeff Hewett said Chris is finalizing it; they were supposed to sit down the first of the week but have been playing phone tag to schedule a time. Jeff did say he spoke with him at the Mandatory Façade meeting and Chris had said it will be between the \$35-\$40,000 range. Chris told him then that there really is no comps to compare of sales of land in a downtown area.

Kristina Cannon said she was just in Gardiner this past weekend for a video shot. There was a piece of land that was bought where a building burnt down. The pizza place next door bought it to do outdoor concerts and things of that nature.

Jeff Hewett said he would mention that to Chris when he sees him.

Kristina Cannon asked if the teardown would be done before River Fest?

Jeff Hewett asked which day it actually started?

Kristina Cannon said August first.

Jeff Hewett said it should definitely be down before that day.

Matt Dubois asked about signage, would we have something down on the property since there will be a big crowd of people in that area. Have the information of specs on the property, for sale, lot size, contact.

Jason Gayne said that Fort Kent just bought a piece of property in the downtown about the same size lot that we have for \$80,000. Which they just turned into a parking lot.

Reid Gibson said when he heard Jeff say \$35-\$40,000 that seemed quite low.

Matt Dubois said it kind of sounded like what the Town has the property valued at.

Jeff Hewett said he could ask Chris Perkins to attend one of the upcoming meetings to discuss this with the Board if they felt that would help.

Jeff Hewett asked if the Board wanted to put an asking price on the sign?

Reid Gibson said that we don't have enough information to do that yet.

Matt Dubois said just the specs like the size of the lot and contact information.

Jeff Hewett let the Board know that we did receive three donations in towards the project; from Bee Line Cable, Whittemore's Real Estate and Dr. Roger Renfrew each was \$500.00.

(The Board signed all the donation certificates at this time.)

Jeff Hewett said the certificates that you are signing are so we can give each one of them a signed certificate thanking them for donating to the project.

6. New Business

a. Discussion and decision on RLF request from Sue Nguyen owner of Suzy Nails.

- **Agenda item 6 a. was moved before item 5 for guest presentation.**

Jeff Hewett gave the Board an overview and said then if they had any questions they could ask Sue directly. Jeff Hewett said that Sue has had her business open on Madison Avenue for a few years and has been renting from David Hart; who owns the building. Jeff Hewett said she owns her home in Oakland free and clear up to now where she has just asked for a home equity of roughly \$25,000 to put down as a down payment on the Madison Avenue property. Jeff Hewett said Sue has come to the Board to request a loan for \$35,000 and she is also putting in another \$20,000 of cash. Jeff Hewett said she has been paying the bills at the Madison Avenue property and she is hoping to sell her home in Oakland and pay off the Home Equity and this Loan. Jeff Hewett said she is looking to move into

the apartment above the salon. Jeff Hewett let the Board know that security would be the building on Madison Avenue and we would be in first position.

Jeff Hewett introduced Sue Nguyen at this time and asked if there was anything else she would like to add. Sue Nguyen said she has been in Skowhegan 10 ½ years, she said that she does plan to move into the apartment upstairs and continue to do nails on the first floor.

Doreen Poulin asked what do you pay for rent now?

Sue Nguyen said she pays \$600 a month.

Doreen Poulin asked what would your mortgage payment be?

Sue Nguyen said it would be able the same month.

Jeff Hewett said it should be under the \$600 a month.

Jason Gayne said what about with the Home Equity payment not just our Loan payment.

Jeff Hewett said the Home Equity payment would be interest only for 10 years before principal would start.

Jeff Hewett did say she is getting support from her two sons; one is gifting her \$20,000 towards purchasing the property.

Kristina Cannon asked Sue on the application that your annual compensation was less than \$10,000 a year is that correct?

Sue Nguyen that is after all the expenses that she pays a year.

Kristina Cannon asked so that is net?

Sue Nguyen said yes.

Jeff Hewett told the Board the best part of this is she has had the ten years being based here in Skowhegan and has the clientele.

Jason Gayne asked if anyone had anymore questions; there were none. Jason Gayne thanked Sue for coming in and that Jeff would be in touch with her later on that day after the Board made their decision.

Sue Nguyen left at 7:15 a.m.

Motion made by Kurt Maynard, seconded by Betty Austin to make recommendation to the Selectmen to approve a \$35,000 RLF loan to Sue Nguyen with collateral of a first mortgage on the 9 Madison Avenue property and a second mortgage on her home in Oakland, with a term of 15 years at 6% interest and the first 2 years with interest only payments.

Todd Smith asked why two years interest only?

Kurt Maynard said because she is going to sell her house in Oakland and put a contract on it to sell it. If it doesn't sell she might rent it out instead.

Todd Smith said he would be more comfortable with 1-year interest only payments.

Kristina Cannon asked if anyone had called and asked if she had been making her rent payments regularly?

Jeff Hewett said yes and Dave said he has been very happy with her as a tenant.

Amended motion by Kurt Maynard, seconded by Betty Austin to make recommendation to the Selectmen to approve a \$35,000 RLF loan to Sue Nguyen with collateral of a first mortgage on the 9 Madison Avenue property and a second mortgage on her home in Oakland, with a term of 15 years at 6% interest and the first year with interest only payments. Vote 8-0, motion carried.

b. Discussion on proposal by Don Acorn to Sub-Lease his office space in the Renaissance Center.

Jeff Hewett let the Board know that Don Acorn came in and said he is looking at cutting back his hours. Don would like to Sub-Lease his space to Elizabeth Corbin for the times that he is not in the office. Jeff Hewett said Don would still be the one paying the lease. Jeff Hewett said at our last meeting we had approved of a renewal with Don, but he told Don we would bring this back to the Board since in our lease it states the Board has to approve a sub-lease agreement.

Motion by Matt Dubois, seconded by Todd Smith to approve a Sub-Lease between Don Acorn and Elizabeth Corbin as long as the original lease with SEDC and Don Acorn is followed. Vote 8-0, motion carried.

c. Discussion and decision to allow Jason Gayne as SEDC Chairman and Jeff Hewett to sign the Audit Agreement with Brantner, Thibodeau & Associates for FY 2018.

Motion by Todd Smith, seconded by Matt Dubois to allow Jason Gayne as SEDC Chairman and Jeff Hewett to sign the Audit Agreement with Brantner, Thibodeau & Associates for FY 2018. Vote 8-0, motion carried.

- d. Discussion and decision to allow Todd Smith as SEDC Treasurer to sign the two Standard Form to Confirm Account Balance Information with Financial Institutions for Bangor Savings Bank and Skowhegan Savings Bank for the Audit for FY 2018.**

Motion by Matt Dubois, seconded by Reid Gibson to allow Todd Smith as SEDC Treasurer to sign the two Standard Form to Confirm Account Balance Information with Financial Institutions for Bangor Savings Bank and Skowhegan Savings Bank for the Audit for FY 2018. Vote 8-0, motion carried.

7. Member Topics

Broadband- Jeff Hewett let the Board know about the Broadband meeting yesterday at the Municipal Building. Jeff Hewett said there was two different topics that came up during the meeting. One the State group came here to talk with us about what they are trying to do Statewide, they said the USDA is sitting a big pile of funds about \$600 million, they are in the process of making the final rules that go along with it. If you talk with the USDA they are saying that will come out next year but Heather and some of the other groups think it may roll out September or October of this year. There is more that the Town needs to do in improving their goals. Jeff Hewett felt it was a pretty good meeting, he would have liked to see more come to the meeting locally. We are trying to look at this as more a regional effort. SomersetEDC has been working with CMP on the power line. In the agreement CMP is going to be running a fiber optic line from Lewiston either to Quebec or Montreal. So, this will be a line that when people start connecting to it the county will actually get income from that. Jeff Hewett said he did sit with Fletcher the Owner of GWI about running fiber in Skowhegan. Jeff went with Fletcher and looked at as a Town giving him access across the walking bridge with fiber. For Fletcher to run fiber across the bridges that are DOT's it could be \$100,000-\$200,000 and it is a long process. To be able to run the fiber across the walking bridge he would have to run it from Commercial Street. But CMP is looking at moving all the poles from the south side of the street to the north side; making the south side ones go away and new taller ones would be installed. Jeff said that Fletcher is looking at this project as something they would fund as a straight investment. Fletcher also said this would be an open line where anyone could connect on to it and he's not looking at just Skowhegan he's looking at expanding into other regions.

Reid Gibson said Bee Line is moving forward to with faster speeds.

Jeff Hewett agreed Bee Line's expenses are dropping and their taking out a lot of the road blocks. The Town has been running a 300meg connection at the Municipal Building and has not quiver in the last six months it has been up.

Reid Gibson said they are 25 over 5 and it has been great.

Jeff Hewett said if we could get a connection out of Skowhegan from the three-ring binder here and get it to the new line that CMP is going to run. We could make another loop, so that you connect to the three-ring binder either in Lewiston or Farmington then connect on to Skowhegan it gives us that much more back bone to our system.

Kristina Cannon said she couldn't stay till the end of that meeting but she said it seemed like it was going to be more information than action oriented. She asked if there were any action steps that came out of the meeting?

Jeff Hewett said the actions steps that came out of the meeting were locally we are going to have work on our goals a little bit more to be in alignment with what they want to see. Jeff said it was more informational because they can't make the final decisions on what they want to do till the USDA releases the money and what the rules are. They are trying to make sure everyone is on board when the money is released so they can move fairly fast.

Natural Gas- No updates at this time.

Acquisition/Development- No updates at this time.

Marketing- Kristina Cannon let the Board know that they paid someone to do a video for River Fest last year. It has been on the River Fest website and pushed it on Facebook and now it is being turned into a television ad; that will be running on Bee Line for the first time on the 23rd.

Kristina said the Kennebec Valley Tourism Council have been working on a series of video; about ten of them covering the entire Kennebec Valley region with footage of all the seasons. The footage will be able to be pushed out about all the activities you can do in our region throughout the year.

Run of River- Kristina Cannon let the Board know there is some good news coming but is not ready to share just yet and will more at our next month.

8. Items by the Members

The Board had a brief discussion about the dumpster that the Charter School has out on Commercial Street.

9. Economic & Community Development Office Items

Jeff Hewett let the Board know he sat down with Bill Card from SBA (Small Business Administration) would like to hold a workshop on Federal Procurement and MIT Grants in September or August. This would be a collaborated effort between SomersetEDC, the Chamber, Main Street, the Town and SBA to hold this workshop. Jeff said he is looking into having the workshop at like the High School to be able to hold it as video pod cast so

people from areas like Jackman could also be involved instead of driving down for a half a day workshop.

Jason Gayne said that the Somerset Public Health in the conference room has that system capabilities' as well.

Jeff Hewett let the Board know that Bill Laney from the Adult Education through the school has said that the Career Center is moving to Hinckley Campus. Bill Laney asked Jeff if they could use the Renaissance Center Conference Room from September 10th to December 10th Monday – Thursday 8:00 a.m. to 11:00 a.m. for the basic literacy academic classes for individuals. The program last year had 41 people who graduated from the Adult Education.

Motion by Matt Dubois, seconded by Kristina to allow the Adult Education to use the Renaissance Center conference room from September 10th to December 10th Monday – Thursday 8:00 a.m. to 11:00 a.m. for the basic literacy academic classes. Vote 8-0, motion carried.

Motion to adjourn by Todd Smith, seconded by Reid Gibson.