

Cover Letter

December 12, 2005

Diane Kelley
One Congress Street
Boston, MA 02114-2023

Environmental Management Support, Inc.
Attn: Mr. Don West
8601 Georgia Avenue, Suite 500
Silver Spring, MD 20910

Dear Ms. Kelley:

Dear Mr. West:

Eastern Maine Development Corporation is applying for a Brownfield Assessment Grant under the Environmental Protection Agency. Our proposed scope of work involves assessing Brownfields sites in Eastern Maine for potential remediation and re-use in cooperation with local development plans. This will potentially bring needed economic and community development opportunities to small service center communities in Maine.

Included in this letter is the relevant information for our application.

1. Applicant Identification – Eastern Maine Development Corporation
PO Box 2579
Bangor, Maine 04401
2. Funding Requested -
 - a. Grant type – Assessment
 - b. Amount - \$ _____
 - c. Contamination – Petroleum
 - d. Community-wide assessment
3. Location – EMDC's service area is the six counties of Eastern Maine: Hancock, Knox, Penobscot, Piscataquis, Waldo, and Washington. Our assessment area will focus specifically on service center communities in the region. The contact information for the mayor/county exec/gov of each area must be included.
4. Contact - Project Director – Michael Bush
PO Box 2579
Bangor, Maine 04401
Phone: (207) 942-6389, Fax: (207) 942-3548
Email: mbush@emdc.org
5. Date Submitted – December 13, 2005
6. Project Period – June 2006 to June 2009 (3 year maximum)
7. Population –
 - a. The general population of EMDC's service area is _____.

- b. Population of the area addressed by this project is _____.
- 8. Other – EMDC is not a federally recognized tribe, Empowerment Zone, Renewal Community, or Official Recognition community.
- 9. Cooperative Partners – The names and phone numbers of individuals and organizations that are partners in this application.

Project Description

Threshold Criteria for Assessment Grants

- A. Applicant Eligibility – Non-profit organization
- B. Community Notification – Include copies of public hearing notice, minutes, etc.
- C. Letter from the State or Tribal Environmental Authority -
- D. Site Eligibility and Property Ownership Eligibility – not applicable

Ranking Criteria for Assessment Grants

- A. Assessment Grant Proposal Budget

	Project Tasks					
Budget Categories	Task 1	Task 2	Task 3	Task 4	Task 5	Total
Personnel						\$ 18,000
Fringe Benefits						\$ 12,000
Travel						\$ 2,000
Equipment						\$ -
Supplies						\$ 2,000
Contractual						\$ 164,000
Other						\$ 2,000
Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200,000

B. Community Need

1. The Target Community

The proposed project will cover 6 counties in Eastern Maine served by the Eastern Maine Development Corporation, covering approximately 40% of the land in the State of Maine. These counties include: Knox, Hancock, Penobscot, Piscataquis, Waldo, and Washington. To put this in perspective, the geography of Eastern Maine is 2.7 times the size of Connecticut, and 1.7 times the area of Massachusetts. Almost half of this area, however, consists of unorganized areas – where few humans live, but there are many forests and lakes.

Population in these 6 counties has grown from 256,628 in 1970 to _____ in 2000. Many of the communities are only now attaining population levels that existed in the late 1900s and early 20th century when there were thriving shoe, lumber, and service industries powered by abundant rivers flowing toward the coast. Growth of late has been sporadic in the region with coastal counties such as Waldo growing 64% over the

past 30 years. Moving inland, Piscataquis County has grown only 10% over this period and has lost population since 1990. Coastal Washington County, the most eastern county in the United States, has contradicted the coastal population trends and has shown negligible population growth since 1990. Industry closings and changing forest harvest practices have resulted in significant population loss in more rural pockets, such as the Millinocket area (due to a 6 fold reduction in employment over the past 15 years) and the Vanceboro area, where forestry and rail transportation have declined.

A primary focus of this project will be upon 'service center' communities. Within the 6 counties of Eastern Maine there are ___ such communities, ranging in size from Greenville (a tourist and forest industry economy) with a population of _____, to Bangor (the central service center for all of Eastern Maine with a diverse health, education, and service economy), with a population of _____. Nearly all of these communities have lost population over the past decade, following a national pattern of increased dispersion of the population into rural communities.

A 2003 survey conducted by the Maine Department of Environmental Protection (MEDEP) identified as many as 122 Brownfields sites within the "service center" communities in the six counties that EMDC serves. Of these, 95 were identified as hazardous substance sites and 27 petroleum only sites.

This population pattern has increasingly been recognized as a burden on Maine's limited ability to support a growing infrastructure of roads, schools, and other public investments. As a result, State and local budgets have become increasingly stressed and the ability of Maine's families, ranked 37th in median income in the nation, to support this financially is receiving increased attention. One of Eastern Maine's unique advantages may well be the character and function of the area's service center communities. Many of the city and town centers are historically and functionally similar to their historic look and character. Within the coastal areas these service centers are generally better maintained, while inland the poor economy and out migration threaten the historic character and functional role.

Within the service center communities are those that have seen their economic and social role erode. These communities often have abandoned or underutilized buildings and vacant lots that were formerly commercial buildings or services, such as gas stations. Such communities may include Princeton, Monson, Mattawamkeag, Dennysville, Brooks, Warren, and Milo. These communities retain much of their historic character and are more likely to have public services and infrastructure, but a poor economy has prevented investment. Generally, however, these communities have a central village area, range in size from 800-1500 people, and offer from 3-9 businesses that continue to operate in proximity to other vacant or underutilized buildings and vacant lots in a central village area. It is presumed that petroleum and other pollution limits redevelopment of some of these lots, thus encouraging development on more distant and rural lands.

2. Benefit to the Target Community

Eastern Maine is a large area, with generally low-density population patterns. Few communities have municipal planning and development professionals and find it difficult to be proactive in guiding development. The proposed Brownfields Assessment program will provide technical assistance and information on Brownfields issues and sites that will help address this situation.

An illustration may be helpful. The Town of Princeton is located in Washington County, Maine's poorest county, along US Route #1. At one time the village center had several gas stations, long since abandoned. Adjacent to the center is the largest concentration of homes in the town, numbering close to 100. The presence of a chain of lakes cutting diagonally along the northwest boundary of the town results in a high water table, and also provides a major recreational and tourism asset for the region directly next to this village area. Redevelopment in this village center adjacent to the lake seems to represent a prime economic development opportunity for the town. Presently, however, a number of homes can not drink their water, and several lots remain vacant due to the prior pollution. While the Town is presently working with the Maine Department of Environmental Protection to address this particular situation, this example is not uncommon in our service area.

In other situations a former gas station site is empty, serving as a storage facility, despite its location at the entrance to Town along a sweeping curve, a waterfront area adjacent to a new \$5 million tourist attraction is undeveloped, and road frontage in a designated development area is vacant due, in part, to unknowns regarding prior petroleum uses. In each case Brownfields Assessment funds could help identify if petroleum pollution is present, its extent, and suggest redevelopment options that would improve the health and safety of village residents and promote opportunities to redevelop the village center.

3. The Impact of Brownfields

A primary concern of this proposal is the impact of Brownfields upon the health and viability of service center communities. The viability of these centers as economic, cultural, and social centers is crucial to the future of Eastern Maine. The presence of brownfields in these service centers helps promote migration to previously undeveloped sites where pollution risks are eliminated. This situation can have negative impacts upon the health and vitality of the service center. Commercial development outside the village center competes for the consumers spending - thereby making it more difficult to sustain in-town facilities. Further, communities are often compelled to expend scarce public investment resources to service new development, leading to a cycle of reduced investment in the village/urban core.

To the extent that the above cycle diminishes the viability of the village/urban core, communities are foregoing one of their prime opportunities for economic development. In the example sited above, Princeton's prime economic advantage is its location as a outdoor recreational paradise for fishing, boating, and eco-tourism. Brownfield impacts, however, have forced development outside of town along a 2 mile stretch of road.

In addition to the economic impacts, Brownfields preclude development of in-town housing. Eastern Maine is rapidly aging and ranks nationally as one of our oldest populations. Providing opportunities for citizens to live in proximity to services is crucial if people are to receive proper care and government services are to reduce some of the costs of serving a rural population. A recent Maine State Planning Office report demonstrated a strong link between a low population density and low per capita incomes. Further, this co-location of housing and services will encourage more exercise, as people can walk to attain services as opposed to being forced to drive. Finally, petroleum pollution negatively impacts our groundwater, the primary source of water for many of our public and private drinking water.

C. Site Selection Process

1. How the sites will be selected/how the criteria were developed

EMDC will convene a steering committee to oversee this project and address site selection. The group will be led by Mike Bush, project director and Director of Community Economic Development for EMDC. Members of the committee will include representatives from regional planning and development organizations, county and town representatives, and environmental organizations.

Selection criteria for the identification of sites will include the following:

- Potential for re-use
Reuse potential will be based on a qualitative assessment of the site's redevelopment potential. Sites with verifiable private interest will receive priority, as will sites where market studies or current efforts underway indicate a strong likelihood of private investment. Also, we will emphasize projects that are located in growing service center communities and are part of the State's Pine Tree Zone Development program (offering tax benefits to locating businesses).
- Consistency with municipal comprehensive planning and development strategies
This criteria will help ensure consistency with existing plans, and coordination with existing projects that have a high degree of public support and leverage.
- Community support
Strong partnerships will be sought with community leaders before projects are selected for participation in this program. This support will be evaluated through prior actions of the town/city to demonstrate their interest in redevelopment activities in the area of the proposed project, willingness to provide support and leverage future funds for redevelopment, and other evidence of community support.
- Potential source of private investment

The potential for future private investment on the site will be evaluated based on the level of developer interest and commitment towards the property and/or the presence of a development plan or market study that demonstrates a strong market demand.

- Need for public funding in the absence of responsible parties that can pay
Project funding will be prioritized towards projects that demonstrate a need for public support.
- Potential to benefit low and moderate income residents in neighboring areas
Redevelopment projects that promise jobs or opportunities for low and moderate income residents will be given priority. Further, projects that eliminate or help mitigate negative health impacts will also be prioritized.

2. Previous inventory activities, prioritization efforts, or other activities

The Maine DEP conducted an inventory in 2003 that identified 100 petroleum contaminated sites in Eastern Maine, 27 of which were in service center communities. EMDC has separately identified potential sites as part of its work helping communities plan and develop their economies. This latter work is not formally documented, but does provide a menu of good projects, in part because we are working with these communities already and there is a demonstrated interest in redevelopment (ie. They meet some of our selection criteria). Finally, the focus on service center communities is a direct outcome of our region-wide planning process, the Eastern Maine Comprehensive Economic Development Strategy and is included in this year's work plan as a specific strategy. Brownfield Assessment funds will provide us key resources to leverage with this effort.

3. Discuss access issues on privately owned sites and how to resolve

The Steering Committee will not undertake assessment activities where it is not possible to secure access through the cooperation of the owner. In the case of privately held parcels, the Committee will work with the owner, providing information about the proposed project, possible liability and new statutory provisions concerning the owner's potential responsibility for cleanup, as well as possible sources for assistance with cleanup. Consultants hired through this process must demonstrate tact and responsiveness to owner concerns. Similarly, we will work within limits of law to ensure that Assessment findings are shared with the owner first, so as to demonstrate respect for the private owners participation in this program. We will work with the Maine DEP and their Voluntary Response Action Plan (VRAP) as one means to provide the owner confidence that remedial actions will provide sound and lasting solutions to remediation activities.

D. Sustainable Reuse of Brownfields

1. Prevent Pollution and Reduce Resource Consumption

A portion of grant resources will be targeted towards this objective. Specifically, we will: a) collaborate with the Maine State Housing Authority on their energy efficiency programs, utilizing information recently presented at their annual conference that featured energy efficient design and building; similarly we will collaborate with the Maine Department of Economic and Community Development to promote commercial green building development, 2) collaborate with the Maine DEP on their recent revisions to Maine's stormwater management requirements to ensure these standards are understood and incorporated into redevelopment plans, 3) collaborate with the Urban Forestry Program offered through the Maine Department of Conservation to ensure redevelopment plans utilize native plants and incorporate design elements that promote urban forestry objectives, and 4) we will collaborate with the Municipal Review Committee, an organization of over 150 communities cooperating on solid waste disposal issues, and their staff to ensure that demolition debris is handled properly, utilizing the best practices available in this region.

2. Promote Economic Benefits

The proposed program will be incorporated into the development plans of regional and local development groups. We will sponsor a workshop with these groups to help explain the importance of maximizing village/urban resources by redeveloping Brownfield sites. At this workshop we can explain the resources available, and create important linkages to Maine's Creative Economy Initiative and how Brownfield Assessment activities can support our common objective to create vibrant urban centers. There are approximately 8 multi-town development groups in our service area, and another 6-10 towns with professional planning and development staff. Our initial focus will be upon these groups. In addition, we will incorporate this Brownfields program into the Eastern Maine Comprehensive Economic Development Strategy, a 6 county strategy focused upon 'balanced growth', among other goals. The service center focus of this proposal is consistent with this proposal. A final group to work with in promoting the economic benefits of this project is the Service Center Coalition, a group of towns cooperating on policy and development issues important to service center communities.

Our website will emphasize the strong connection between brownfield redevelopment and strong, healthy, vibrant service center communities. In addition, we will use this program to test our hypothesis that Eastern Maine needs to create a critical mass of activities in close proximity to capture the necessary economy of scales to capture economic wealth (our history as a state and region has not generally supported this approach).

3. Promote a vibrant community by a mix of uses, appropriate density, transportation/housing choice and walkability

The Eastern Maine region is actively involved with the National Maine Street Center downtown program. This goal is consistent with that program's goal to revitalize downtowns. In addition, the Maine Community Development Block Grant program actively targets downtown revitalization projects in the State. We would coordinate this project with the goals of the CDBG program to both leverage additional resources and strengthen the economic and planning assumptions that strengthen downtowns through revitalization efforts that emphasize mixed uses, appropriate density, transportation/housing choice and walkability. This grant will help convey these planning concepts, and also prioritize projects that are part of an overall plan to accomplish the above. In prioritizing these projects we will also increase opportunities for leveraging CDBG and other funds to accomplish these planning concepts in practice.

4. Reuse existing infrastructure

A major emphasis of this project is to maximize government investment in existing infrastructure. Our primary emphasis will be upon service center communities and the next tier of communities that are likely to have infrastructure, such as water, sewer, sidewalks, and a distinct village center. Further, we will prioritize development opportunities that have a documented chance to succeed. In other words, we will fund projects that actually have strong potential to move beyond planning into implementation, ensuring that existing infrastructure is actually used. Also, coordination with development groups, key state agencies, and funding resources such as the CDBG program that can help leverage development projects will work to ensure that existing infrastructure does indeed get used through these Brownfield redevelopment efforts.

5. Prevent future brownfields

Public education will be a major outcome of this project. The educational benefits of technical assistance and outreach efforts will be formalized in materials and web site information that will provide a ready resource.

Abandonment has resulted in a number of expensive brownfield remediation projects within Eastern Maine over the past several years. Mill closings in Corinna, Orono, and Brewer have left behind environmental hazards that resulted in expensive efforts to address them. Efforts will be made to work with development groups to **retain existing** facilities, and at the same time pursue necessary environmental 'fixes'. Eastern Maine Development Corporation has participated in such efforts and can lend financing help to firms. Through pro-active efforts to work with active facilities we can help before it gets too late and options become limited.

6. Extent project is committed to achieving recognized green building and/or energy efficiency building standards

We will identify, coordinate, and transmit current State standards to developers and parcel owners to achieve green building and energy efficiency standards. MSHA defines 'green building' as the 'design, construction, and operation of buildings that save money and energy, reduce their impact on natural resources and create healthy comfortable living environments'. The emphasis of this program that we will transmit and promote to developers emphasizes: energy efficiency, good indoor air quality, and additional site and building features (such as native vegetation) that reduce the negative impact of development without adding to the bottom line.

E. Creation and/or Preservation of Greenspace/Open Space or Nonprofit Purpose

Maine, and specifically the area that EMDC serves, has a great amount of Greenspace/Open Space. Because of that reason, many developers find very little reason to assume the potential liability that contaminated properties may represent, and therefore often choose to develop Greenspace/Open Space.

Through this grant, EMDC will be able to assess the liability of Brownfields properties and develop marketing strategies (i.e. economic development grants, infrastructure improvement) that make the reuse of Brownfields more attractive to developers.

F. Community Involvement

1. Discuss plans to involve affected community

A Steering Committee will be formed to prioritize projects and assist with project outreach and communications. This group will represent stakeholders who have a commitment to defined project outcomes, but also an interest in seeing specific projects developed. Once specific sites are selected we will ask arrange a meeting with key local officials in the community where the project is located to discuss key aspects, such as: community interest in redevelopment, history of site and private development interest, compatibility and complimentary aspects related to related development efforts, and other aspects of the project important to its success.

To date, a letter has been mailed to all communities informing them of plans to submit this application. A public information meeting will be held on December 12, and the outcomes will be discussed in this application. Further, specific outreach was made to interested towns and likewise community contacts were made as a result of the letter sent.

2. Describe efforts and/or plans to develop partnerships

A number of efforts have been accomplished to develop partnerships. A project description was provided to the executive directors of the Bangor Area Comprehensive Transportation Committee, Penobscot Valley Council of Governments, and Municipal Review Committee. Specific invitations to coordinate efforts and refer project ideas were made to: the Midcoast Planning Commission and the Washington County Council of Governments, Sunrise County Economic Council, Hancock County Planning Commission, Resource Conversation and Development Councils, and the various development groups in the 6 county area served by this project.

In addition, this project has been discussed with the technical assistance provider for the Community Development Block Grant Program, the energy director at Maine State Housing and Department of Economic and Community Development, and Ron Lambert at Rural Development. Each of these groups has active interests in working with communities and pursuing development projects that may benefit from brownfields redevelopment efforts.

3. Describe specific plan for communicating progress to citizens

There will be a number of avenues to communicate progress: 1) the Steering Committee will represent key community stakeholders, 2) technical assistance providers (state, federal, and non-profit) will receive regular mailings along with the Steering Committee and be invited to meetings, 3) local 'project teams' will provide contact to specific projects and receive regular updates on findings, 4) a web site will be maintained with educational materials, project updates, Steering Committee meeting minutes, and other information that will both keep people informed and provide a ready resource for other redevelopment efforts, 5) at least two workshops will be held to explain the project and, latter in the project, to share information and involve citizens and others, and, finally, 6) period press releases and articles of interest will be developed for the media and the EMDC newsletter.

4. Provide a list of the community-based organizations involved in this project and a contact person, phone number, and brief description of the organization's activities and representation

The following groups will be contacted prior to grant submission and asked to serve either on the Steering Committee, local 'project teams', or to serve as technical resources:

Contact Person	Phone #	Activities and Organization
Nick Hodgkins		
Eric Galant		
Judy East		
Dean Bennett		

Bruce McClean
Mark Scarano
Dianne Tilton
Jim Porter
Jeff Nims

G. Reduction of Threats to Human Health and the Environment

1. Describe how funds will be used to address/facilitate the identification and/or reduction of threats to human health and the environment

The project funds will be used to assess Brownfields sites in the region that EMDC serves. The 2003 survey by the Maine DEP indicates that as many as 580 Brownfield sites exist in this region, approximately 480 of which are hazardous substance sites and 100 are petroleum only sites. Given that the area EMDC serves is largely rural, many of these sites will be in small towns with private wells, and will represent threats to the drinking water source for these people. By assessing these sites and identifying threats to human health or the environment, the EMDC can work with the Maine DEP to find ways to mitigate any immediate threats that are identified and mitigate lesser threats posed by contaminants during the redevelopment of these sites.

2. Describe how you are working with your state environmental authority and/or local public health department

The EMDC is working with the Maine DEP, who will act as the Brownfields Site Manager for the project. Any threats to either human health or the environment that are identified will be evaluated by the Maine DEP to determine if immediate mitigation actions are necessary. Sites that are identified and progress to cleanup will participate in the Maine DEP's voluntary cleanup program, the Voluntary Response Action Program ("VRAP"). All work will be approved by the VRAP before commencement, and will be completed to the satisfaction (i.e. protective of human health and the environment) of the VRAP so that final certification of remedial actions can be obtained. If remedial solutions involve the use of institutional or engineering controls, these will be memorialized through the VRAP certification and the state's Uniform Environmental Covenants Act and recorded with the registry of deeds, ensuring the long-term protectiveness of the remedy.

H. Leveraging of Additional Resources

1. Identify the funds that EMDC has committed or will commit

Project needs for outreach, evaluation and prioritization, and Phase I assessments will be met through the resources of this grant. Administrative costs will be covered by EMDC. Outreach and education activities will be assisted through ongoing similar activities funded by EMDC and sponsoring agencies. EMDC commits \$2500 in these latter funds to support the activities of this grant.

2. Demonstrate your ability to leverage funds

Projects proceeding to development plans will be coordinated with the resources of EMDC, and its partners. Specific planning and redevelopment projects will be leveraged with EDA and CDBG funds for planning and redevelopment. EMDC has an extensive history of leveraging these and other funds for planning and development activities, and has leveraged over \$15 million in funds to support downtown revitalization, housing, business parks, and community facilities over the past 10 years. Partnering economic development groups will be asked to assist with redevelopment efforts, especially as these become significant and involve job creation activities. This represents significant staff and professional development support that will help support project outcomes. Finally, our close involvement with various community-based groups, state and federal agencies, as well as foundations provides us an opportunity to leverage funds to meet project objectives.

I. Programmatic Capability

1. Demonstrate your ability to manage this grant and successfully perform all phases of work

EMDC has an extensive history of successfully managing and executing federal grants and contracts. Our annual budget has averaged around \$7 million over the past several years, and we have not experienced any audit findings. We operate with the Grants Management System and have sufficient staff to manage contracts, track expenses, and keep track of budgets.

2. Describe your history managing federal funds – identify and provide information regarding status of any adverse audit findings.

EMDC has an extensive history of managing grant funds. Our staff is experienced in procurement, contract, and financial management of grants. We have extensive experience with grants provided through HUD, Department of Commerce, Department of Defense, EPA, Department of Agriculture, and other agencies. We manage nearly \$15 million in loan fund assets for our revolving loan fund, and have extensive experience with these programs and requirements.

3. If you have been recipient of an EPA Brownfields cooperative agreement provide info regarding compliance w/quarterly progress reports, etc.

Not Applicable

4. If you have been recipient of an EPA Brownfields cooperative agreement, indicate year of award and amount of funds remaining

Not Applicable

5. If you are, or have been, a recipient of an EPA Brownfields cooperative agreement(s) highlight significant accomplishments generated through the use of the funds.

Not Applicable