

BATES MILL REDEVELOPMENT STRATEGY

Presented to
The Maine Conference
for

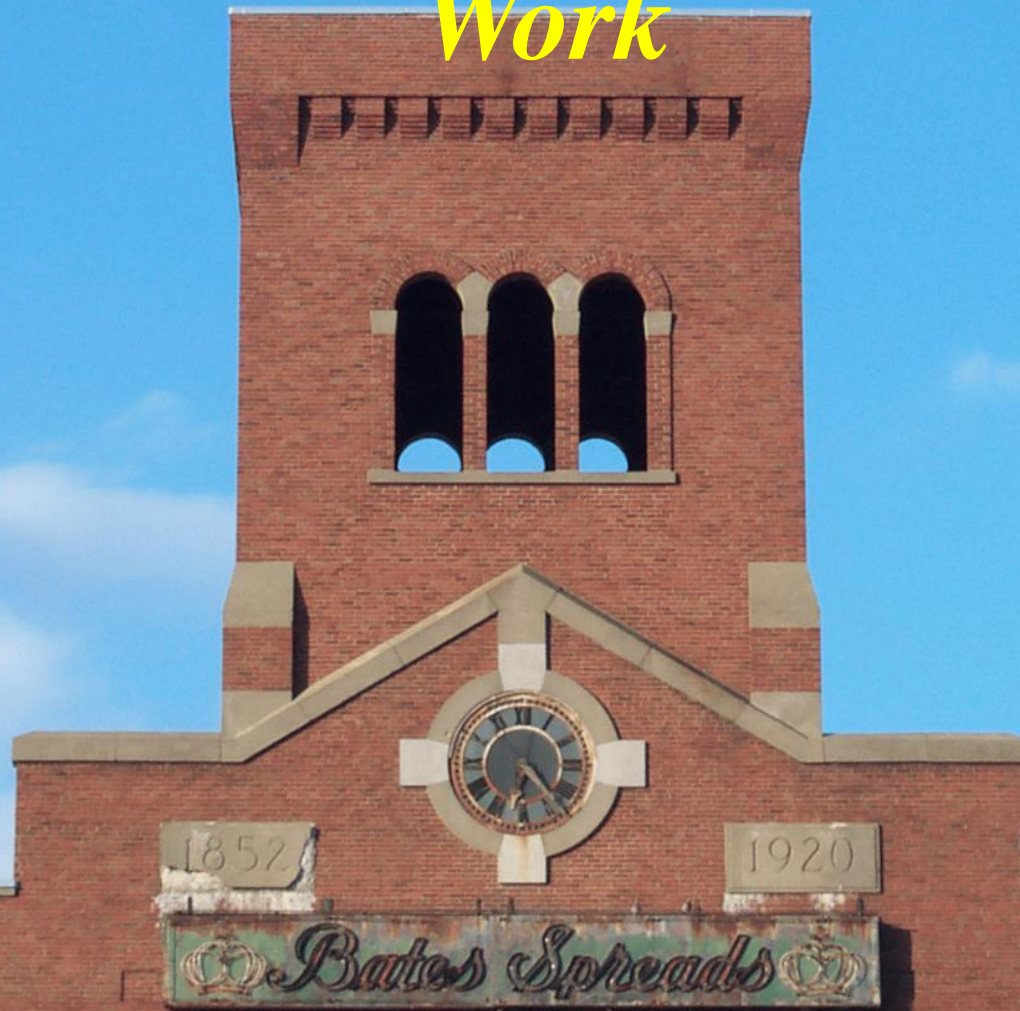
**Technical Assistance to Brownfield
Communities**

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BATES MILL

Community Brownfields Programs Work



Bates Mill Complex



Photograph by Benjamin Magro

Why Did Lewiston Get Involved In This Project?

⌚ *Historic Preservation*

⌚ *Environmental Remediation*

⌚ *Economic Revitalization*

⌚ *Investment*

⌚ *Jobs*

⌚ *Taxes*

Bates Mill Complex

An aerial photograph of Lewiston, Maine, showing the Androscoggin River winding through the city. The Bates Mill Complex is highlighted with a red diamond and a callout box. The image shows a mix of industrial buildings, residential areas, and green spaces along the riverbanks. A large parking lot and modern buildings are visible in the foreground, while the river flows towards the background.

BATES MILL

(circa 1868)

1847 Benjamin Bates sees Great Falls on Androscoggin River

1848 Construction begins on Bates Mill

1850 Construction begins on canal system

1852 Canals completed & Bates hires first 200 employees

1860 Three sets of mill buildings built.

The Bates Mill is one of the largest and most admirably fitted in New England. It runs 36,000 spindles employing 1,000 and producing 5,700,000 yards of cotton goods. Lowell and Lawrence cannot equal it.

Lewiston Falls Journal,

1857

1857

Major supplier to the Union during Civil War

Famous for Bates Bedspreads

■ *5,000 employees by 1950*

The mills came first & the growth of the Bates Mill is reflected in the growth, character, and culture of Lewiston.



CITY HISTORY WITH BATES MILL

- 1992 City Takes Over Mill to Save < 100 Jobs*
- 1993 Development Corporation Established to Oversee Redevelopment LMRC*
- 1994 Federal Grant Received for Building Improvements*
- 1996 Phase I Environmental Assessment*
City Enters into an Agreement with Developer
Development Master Plan for Mill Prepared
- 1997 Community Education/Participation*
- 1998 EPA Removal Action*
- 1999 Brownfields Grants BAssessment & Planning*
- 2000 Brownfields Grant BRevolving Loan*

CITY HISTORY WITH BATES MILL

- *2000 Phase II Environmental Site Assessment Report*

*2000 Voluntary Response Action Plan (VRAP)
Submitted to MDEP*

2001 MOA Between MDEP and City for Clean-Up

2002 Engineering Evaluation and Cost Analysis

2002 Lead/Asbestos Removal

2003 Certification of Completion

LEWISTON'S APPROACH

QEnvironmental AClean Bill of Health@

QLewiston Mill Redevelopment Corporation

BNon Profit Development Corporation to provide oversight, guidance, and fiscal management.

QPublic/Private Partnerships

BUse public resources to leverage private investment

BPublic investment used to identify and fix environmental issues & build traditional infrastructure

BCreative development agreement

BReal estate option

BDevelopment consulting service cost sharing

ENVIRONMENTAL ISSUES

JOB #1 B If project isn't clean B it's not bankable

△ Phase II ESA focused on 1 million s.f. of mill buildings

△ ESA completed in 1999/00

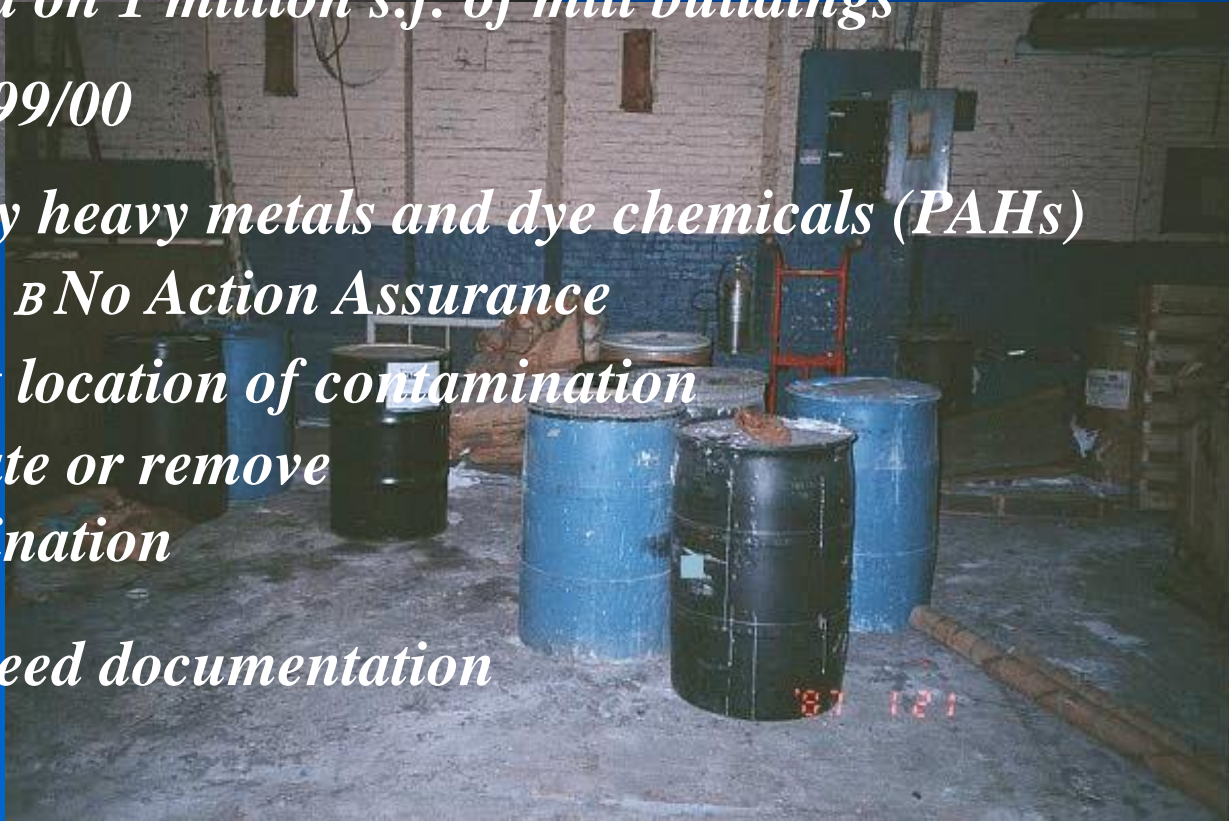
△ Contamination mostly heavy metals and dye chemicals (PAHs)

△ Maine DEP response B No Action Assurance

✂ Document location of contamination

*✂ Isolate or remove
contamination*

✂ Deed documentation



BATES MILL MANAGEMENT ORGANIZATIONS

Lewiston Mill Redevelopment Corporation (LMRC)

15- Member Board of Directors

Organized as a nonprofit

Mission Statement:

The Lewiston Mill Redevelopment Corporation will provide the guidance and oversight needed to turn the Bates Mill Property over the private sector in a way that insures its viability as a successful business enterprise and best serves the Citizens of Lewiston.

Annual Operating Budget

\$1.416 million

(includes Bates Mill Lot Owners Association budget)



LEARNINGS

Things that worked

⌚ Public/Private partnership

⌚ Brownfields Programs

⌚ Federal Cooperation

HUD

EDA

USDA

SBA

EPA

⌚ Community Public Relations

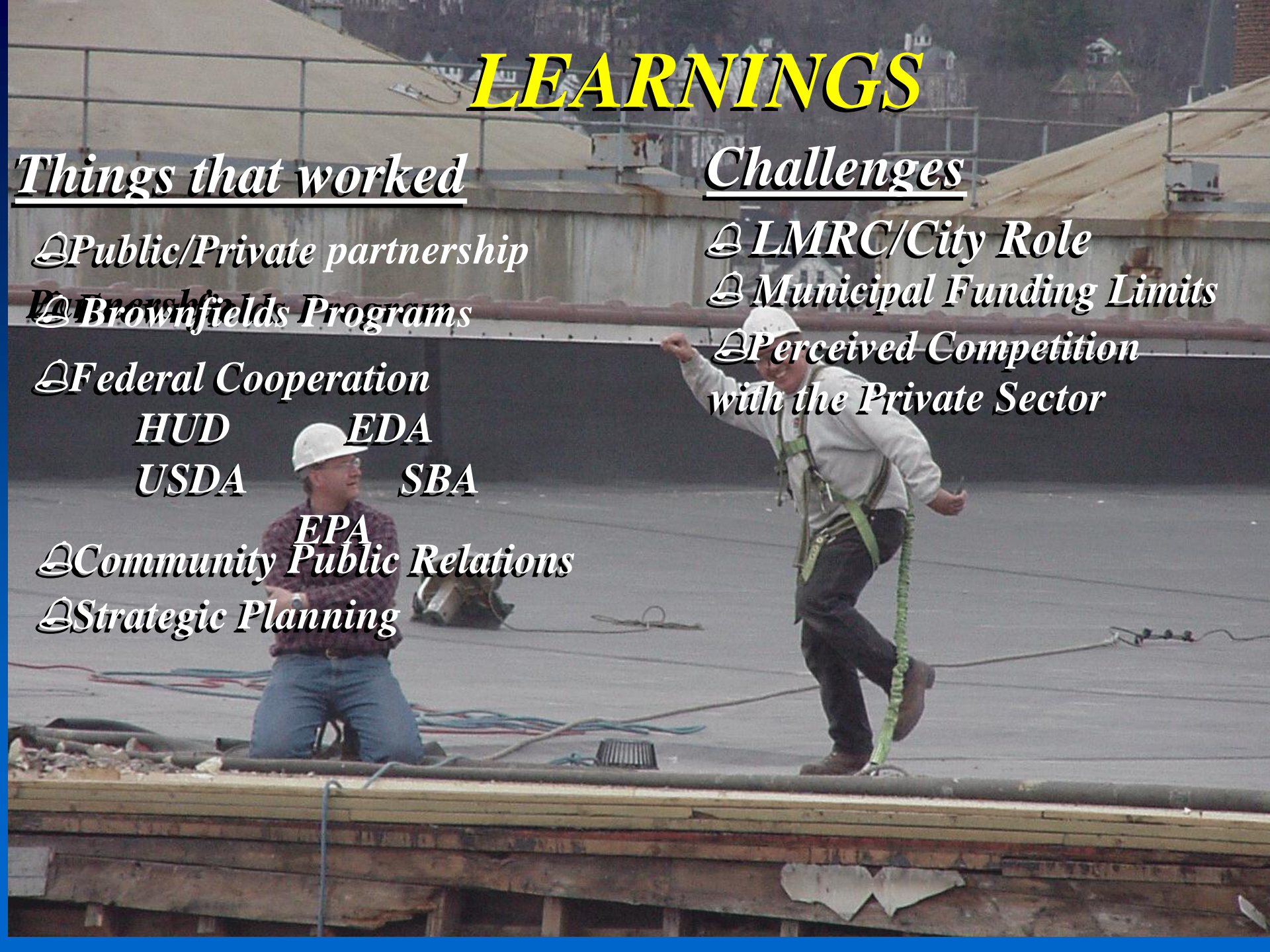
⌚ Strategic Planning

Challenges

⌚ LMRC/City Role

⌚ Municipal Funding Limits

*⌚ Perceived Competition
with the Private Sector*



Ownership Highlights

- Mills #1, #2, #3, #6, #7 and associated parking
- Own a total of 671,311 s.f. of building space
 - ✓ 344,800 s.f. redeveloped and leased
 - ✓ 326,511 s.f. net available for lease (in #1, #2 & #6)

Space Status:

Mill	#3	#6	#7	#2 SH
Total s.f.	161,200	53,400	48,000	38,200
Leased	161,200	35,600	48,000	24,000
Available	0	17,400	0	14,200

FUNDING SOURCES

Operational

\$3.0 Million HUD (entitlement)

\$7.0 Million Local B Public

\$.5 Million HUD EDI B Loan Program

TOTAL \$10.5 Million

Infrastructure Investment

\$1.8 Million EDA (1994/95 roof & boiler for majority of complex) .

\$.5 Million HUD EDI Grant (1996 roof on remainder of buildings)

\$2.3 Total

<i><u>1997 - Mill #7</u></i>	<i><u>2000 – Mill #3</u></i>	<i><u>2005 - Mill #6</u></i>	<i><u>Mill #2 SH</u></i>	
		<i><u>Mill #2</u></i>		
<i>\$2.0 Million Private</i>	<i>\$3.25 Million – Private</i>	<i>\$5.0 Million – Private</i>	<i>\$3.0 Million – Private</i>	<i>\$7.0 Million private</i>
<i><u>\$1.0 Million Public</u></i>	<i>\$5.00 Million – Public</i>	<i><u>\$ 0.0</u></i>	<i><u>\$ 0.0</u></i>	<i><u>\$ 0.0</u></i>
<i>\$3.0 Total</i>	<i>\$1.67 Million – HUD S.P.</i>	<i>\$5.0 Total</i>	<i>\$ 3.0 Total</i>	<i>\$7.0 Total</i>
	<i><u>\$.20 Million – USDA RBEG</u></i>			
	<i>\$10.12 Total</i>			

Environmental

Brownfields – Planning and Assessment

\$275,000

Brownfields – Revolving Loan Fund

\$500,000

City Cost & Return on Investment

\$8.87 million **Total City bonds**

-4.2 million **Chestnut Street Parking Structure**

\$ 4.67 million **Difference**

-2.0 million **Sale proceeds of Bates Mills #3, #6, & #7**

\$2.67 million **Net City Investment**

\$17 million **Total Private Sector Investment**

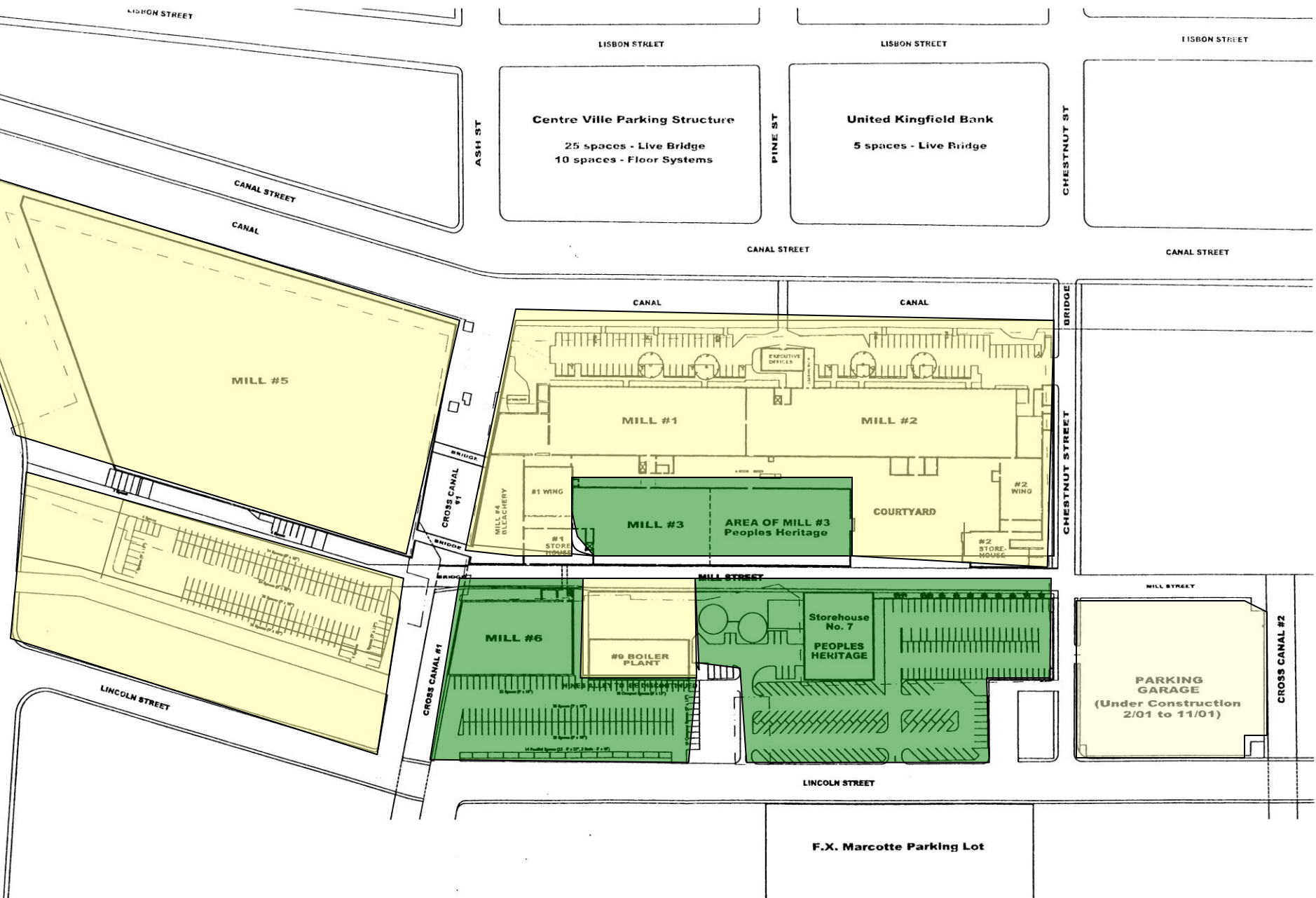
Each \$1 of net City investment in Bates Mill has leveraged more than \$6 in private investment.

Bates Mill Related Capital Investment

BATES MILL RELATED CAPITAL INVESTMENT

(As of February 2002)

<i>USE</i>	<i>COST (millions)</i>	<i>SOURCE</i>
Chestnut Street Parking Structure	\$ 6.00	City Bond (\$4.20) Federal Grants (\$1.8)
Property Acquisition	\$0.670	City Bond
Mill Street	\$0.300	City Bond
Courtyard	\$0.720	City Bond
<hr/>		
<i>PUBLIC INFRASTRUCTURE SUBTOTAL</i>	<i>\$ 7.69</i>	
Bates Mill Rehab (Mill No. 7, Roofs, Boiler Plant)	\$4.48	City Bond (\$2.67) Federal Grant (\$1.8)
Environmental Planning and Clean-Up	\$0.775	Federal Grant
<i>BATES MILL REHAB AND ENVIRONMENTAL SUBTOTAL</i>	<i>\$ 5.26</i>	
 <i>GRAND TOTAL</i>	 <i>\$12.95 million</i>	



LOOKING TO THE FUTURE



Bates Mill #5 Convention Center



Mills #1 & #2 Wing & Storehouse