

ASHLAND ECONOMIC DEVELOPMENT COMMITTEE

DRAFT MEETING MINUTES

August 8, 2017

8:30 am

Ashland Fire Station

Committee Members:

Steve Felton (Chairperson), Cheryl Cox, Beno Lamontagne, Susan MacLeod, Fran Newton, *Ex Officio* Selectman; Eli Badger, ZBA; Mardean Badger, Planning Board; Ashland Fire Chief Steve Heath (no relation to mill owner); David Toth, Water & Sewer Commissioner

Mill property owners present: John Glidden, LW Packard and Minus 33; Dale Grant, El Pakco Inc.; Rob Perlman, General Properties; Judy Smith, Mill #3

Others present: Tim Andrews and Tony Guinta from Nobis Engineering; Jeffrey Hayes and Elizabeth McCabe from LRPC; Michael McCluskey, NHDES; Alan Peterson, US EPA

The meeting was called to order at 8:33 AM.

Overview of purpose of meeting:

1. To establish an open interactive forum to address the future development of the mill area to make it profitable, safe and productive for the owners and the Town. It must be a collaborative effort with all owners, Town officials and governmental agencies participating to set and work towards a mutual goal.
2. Break down project into action steps with identified parties involved in those steps.
3. Plan an autumn roundtable meeting with all the agencies that will contribute to the planning effort.
4. Main goal today is to prepare for and identify goal of that autumn meeting by getting property owners input and to update brownfields action with Ashland Properties LLC/Heath mill building.

Discussion:

- To update mill owners since previous meeting with them, Selectman Newton stated that the brownfields phase 2 is starting and information from that assessment will determine a decision and direction for that property. Tim Andrews and Tony Guinta from Nobis are doing the assessment, and Alan Peterson from EPA and Michael McCluskey from NHDES are here to listen, provide information and answer questions.
- Mr. Hayes suggested to identify and accomplish “low-hanging fruit” smaller projects will move this forward.
- Beno Lamontagne mentioned how the mill in Groveton moved from an abandoned brownfields site to now housing a new company with 40 employees and looking to expand to 100. Central and Northern NH has a dearth of suitable properties available to fill the needs that are sought. Ashland has many attributes to fill those needs. The State website www.choosenh.com was explained to the mill owners as a good opportunity to list their spaces.
- Mr. Peterson mentioned that there are planning funds to do a market analysis of what businesses would fit. The environmental piece provides cost certainty and identifies what needs to be rehabilitated.
- Tim Andrews outlined the progress the Town has made with the brownfields assessment. 2-3 years ago the first application was submitted but unsuccessful. By continuing to look for a “patchwork” of funding, the Town succeeded this time around. The majority of the mill properties are active and viable; the focus is on the underutilized white building and boiler room that have provided no tax income and now pose health and safety hazards. The boiler room is eligible for petroleum contamination/hazardous materials assessment. NHDES has done removal action on the white building. Active release of

contamination not deemed a problem, although waste water had been treated in the past and contamination may exist within, so that will now be examined. The subsurface issues are unknown; there is still a connection to the Wastewater Treatment Plant so that impact will be assessed; bedrock borings have been done and some overburden (soil) samples have been taken for analysis. At this point, the building will be entered to sample and assess all materials -- estimated will take 3-4 days in the main building and 1-1 ½ days for the boiler room; subsurface drilling the borings will be at least 2 weeks and then return to take water samples. The results report should take two months to finalize to get out to stakeholders September-November dependent upon timeline for scheduling subcontracted drilling firm. The report will not include recommendations, those would be part of a remedial action plan/clean-up plan granted from EPA (additional funding \$250,00/parcel). This is why we should be proactive in deciding on a solid re-use strategic plan for rehabilitation and use, best with a potential buyer in the mix.

- Mr. McCluskey emphasized that NHDES is reluctant to fund projects without a detailed next step plan.
- Mr. Peterson explained that the EPA is under pressure to prove need for this program. The clean-up and re-use is a voluntary program started by the GW Bush administration to provide support for businesses to re-use properties and create jobs. The State can grant liability relief on properties that have gone through the program. Teardown is sometimes part of the action plan to re-use the property rather than the building.

Owners' Comments

- Rob Perlman said that his company participates in different projects from mid-NH down to Florida that use brownfields and rehabilitated properties. If you can save the foundation you can rebuild and save the costs of engineering and building new. He bought the former fuel building and leases office space to a service company for chiller maintenance. About six people work out of the site. He is interested in the two shed buildings on Mechanic St owned by Andrew Lane to use for storage and distribution; so far the parties have not come to an agreement.
- Dale Grant, brother of owner of warehouse (total ~125,000 sq ft) on Winter St. John Grant said that two thirds of the space is rented out -- El Pakco with 12 employees manufacturing intricate screw machine parts; there is 65,000 sq ft with an auto repair shop (4,000 sq ft) and boat storage. Parking is biggest challenge. With the connectivity to the Heath property, there is interest in buying into it for future expansion.
- John Glidden owns LW Packard and Minus 33 which employs nine and some part-time help. His biggest concern about the Heath building is the threat of fire. Even with two of the bridges that had connected the buildings removed so flames might not spread, smoke damage would destroy his wool inventory. Right now he is almost at capacity and would like more storage space in the future.
- Judy Smith and her husband Tim own the 8,000 sq ft Mill #3 on Winter St and have renovated it to be an event venue and provide time-share space to various businesses. Latest improvements were done last fall – fully sprinklered, 1,200 sq ft of heated floor, 5,000 sq ft heated with Rinai heaters and improved kitchen and office. The exterior will be the next project. They are currently at a crossroads for direction to go with its use. They would like to keep it as community space as it has been for the past 8 years. Currently there are 3 time-share business users. Access parking is an ongoing concern. They have had the cooperation of neighbor John Grant in the past, but a better solution would be welcome.
- Scribner building (owned by Andrew Lane aka Squam River Hydro LLC) is currently the potential site for a distillery still in its formative stages.
- Andrew Lane input via email to Steve Felton: He owns the two dams and hydro generators that are operating profitably, but other parts of his properties are difficult to rent out and maintain. One of his buildings connects to the Heath building which he felt demolition may be the best option. As a businessman, he needs to see a return on his investments.
- Fire Chief Heath acknowledged the owners' concern about the potential fire hazard. It is preferable to have all buildings occupied and maintained. The derelict building is an "attractive nuisance" with reports of youths hanging out and smoking inside the building.

- Is the building worth saving? Mr. Glidden explained that there are actually three to look at – white building is two, one of which could stand on its own with “tube-type” construction built of brick sheathed in asbestos. Foundations are sound. The old Ashland Knitting Co. with the connections to WTP is what should come down. The third section is what straddles the river built to allow flood waters to flow through it. May be strategic to have engineering assessment on good portion of building.

Next steps discussion

- Should the Town take possession of it? Mr. Peterson stated that there is EPA funds to demolish it to create green space or parking or expansion of other buildings. Town has to be owner to get clean-up funds. Mr. McCluskey stated that as “regulator” DES has worked with other towns, communities and developers that have had no connection to the original contamination, so DES is patient with those projects that keep contamination secured.
- Can a nonprofit organization be the avenue for making a project happen? Nonprofits cannot directly get assessments, and only owners can get clean-up funding from EPA. It was suggested to find an established environmental or redevelopment organization to help write grants and guide with clean-up expertise.
- Selectman Newton stated that the major concern about taking possession by a vote of the Selectmen is still assuming the liability. Liability protection from EPA happens with a bona fide DES-funded assessment. Points to keep in mind: shelf life for phase 1 is six months to a year; phase 2 is within six months of acquisition; consult with an environmental attorney and distinguish between environmental liability and liability for injury or damage – involuntary taking for taxes liability doesn’t follow, but a voluntary taking (\$1 purchase agreement or a foreclosure) retains liability.
- Mr. Hayes suggested starting on town meeting warrant to address market feasibility plan, clean-up, demolition to move this along. He is willing to work with Town to figure out – the risk/benefit for taking for taxes, coordinating Northern Border grant for infrastructure to clear space, create parking, and assist with clean-up and re-use planning (a smaller part of the grant funds budget). Mr. Andrews mentioned that funds for renovations are materials-based, but there are funds available to cover what brownfields does not. When cost of redevelopment of facilities can create jobs, demolition can be a phase of a comprehensive plan to that end. Having a fuller picture of how that plays out will be what gets some of this funding. Mr. Peterson remarked that figure out the parking and the funding will happen.
- Water & Sewer did a good job in obtaining grant for its receiving station that tied into supporting redevelopment of the mill area. Keep this tie-in in mind with future proposals.
- Mr. Guinta then asked that with a scenario of going from phase 1 to clean-up with an absentee owner, at what point does the Town need to act? Clean-up grants to property owners have September to November open to applications, with awarding in the spring. March is town voting. This coming year Town should start the process seriously.
- At next regular meeting, committee will schedule another larger morning meeting for early September to continue preparing for the roundtable. Jeff Hayes agreed to attend.

Meeting adjourned at 10:22 am.

The next regular meeting will be on Tuesday, August 29 @ 6:30 pm at the fire station.

Minutes submitted by Susan MacLeod