

**FREEPORT ECONOMIC DEVELOPMENT CORPORATION
BOARD OF DIRECTORS
TUESDAY, March 31, 2015, 7:30 AM to 9:30 AM
Freeport Community Center
MINUTES**

1. The Meeting Convened at 7:35 AM

In attendance: Jim Cassida, Wendy Caisse, Candice Rinaldi, Mark Malone, Ed Bradley, Adam Nappi, Andy Kull, Chip Gray, David Latulippe, Kristina Egan

Absent: Zane Shatzer, Peter Troast, Betsy Ruff, Mary Davis, Peter Joseph

Guests: Rep. Sarah Gideon, Bill Rixon, Donna Larson

2. Introductory comments

Jim welcomed the board members, and introduced Sarah Gideon, Councilor Bill Rixon and Donna Larson. At the local and state level, there are exciting initiatives in clean energy, and these guests were invited to discuss the various efforts. He suggested taking their presentation out of order on the agenda. The board agreed, and item #7 on the agenda was taken up first.

3. Consent Agenda Items:

1. Approval of MINUTES of November 19, 2014 meeting

2. Approval of MINUTES of February 12, 2015 meeting

Keith said that the November minutes needed to be approved because there was no meeting in December, January's meeting had been cancelled due to weather, and the board had decided to have an abbreviated agenda for the February 12 meeting. Ed asked if both sets of minutes could be approved together. He moved approval of both the November and February meeting minutes as presented. Adam seconded. The vote was unanimous of all those present and voting.

3. Acceptance of FINANCIAL STATEMENT for the period ending February 28, 2015

The board took a moment to review the financial statement. Keith apologizing for neglecting to include it in the materials emailed to the board in preparation for the meeting. There were no questions or concerns from the board. Wendy moved and Andy seconded acceptance of the Financial Statement. The vote was unanimous of all those present and voting.

4. Economic Development Report (Written Report)

The board reviewed Keith's report. Ed added that on April 28 at the community center, there would be a public forum on the Arts & Cultural Center exploration group, and he encouraged everyone to attend. Adam and Kristina asked Keith to share any information he had on the progress of this group, including the summary of interviews that the group had conducted. Wendy asked Keith to share a copy of the economic and demographic report he had prepared for Coach. Keith said he would send these to the board as soon as he returned to his office.

5. Update on Budget/Workshop Process

Keith said that on March 10, FEDC had its workshop with the town council, and it went very well. The board received some praise from councilors, and answered a few questions. Keith invited the board members to attend the public hearing on the TIF and Capital Budgets, taking place on April 7, and said he expected that there would be FEDC opposition attending and speaking at that hearing. Keith indicated he had already spoken with a few people he had worked with over the past year, and they would be coming to the meeting to tell the council how FEDC had helped them. The board suggested some others who might be willing to come speak on FEDC's behalf. Keith asked the board members to consider attending, if they were available.

6. Discussion and Approval of FY2016 Board Meeting Schedule

Keith presented the board with a schedule for FY 2016 board meetings. The meeting schedule would be as normal, except for a few cancellations. He explained that Jim had proposed cancelling meetings in August (to avoid vacation conflicts), and May (to avoid Memorial Day conflicts). The board was comfortable with the schedule as presented. David moved and Chip seconded acceptance of the schedule as presented. The vote was unanimous of all those present and voting.

7. Presentations on Climate Change Action and Solarize Freeport Efforts from

Donna Larson, Freeport Town Planner, State Rep. Sarah Gideon, and Councilor Bill Rixon

Sarah Gideon spoke about legislation she had sponsored in Augusta. She said that one of the themes for energy policy is creating jobs, and innovation. New technology can decrease costs of doing business in Maine, and spawn new innovative businesses and careers in Maine. The idea behind solar power, she said, is that Maine residents can generate their own power, as opposed to natural gas which is widely used, but imported. Mainers like the idea of using their own resources, and the idea is to decentralize the production of electricity. The impediments are that it is costly, and that the existing energy infrastructure is aged. Her bill is aimed at reducing some of the barriers to production. She spoke about opening opportunities for solar farm energy production, and explained the concept of a solar farm. Ed asked about the retail cost versus the wholesale cost of energy. Chip asked about existing fees/costs imposed for being removed entirely from the energy grid.

Bill Rixon spoke about the Freeport Climate Action Team, which would be seeking local ways to mitigate the impacts of the climate crisis. The idea of a community solar farm, which Rep. Gideon had raised, interested him. He felt a solar farm could become a valuable community resource, and mentioned that Donna Larson had been exploring the idea for the town. Donna described it as a possibility on a large, town owned, not-otherwise useful property such as a former landfill. It would not become a revenue generator for the town, but might raise enough revenue to replace the tax value of the land, plus provide solar power to otherwise ineligible users. Many properties are not eligible because of poor exposure or other technical reasons, and it could also be utilized by commercial tenants whose landlords do not want solar panels on their buildings. Mark asked about the tax impacts of adding solar panels, and whether that would increase the assessed value of the property. Donna said she did not believe so, but it would be up to assessing to determine whether its impact on the property increased its taxable value. Jim spoke to what happens when solar panels, as a taxable personal property asset, are added to a solar farm.

Keith mentioned that he and Donna had also been exploring the expansion of the successful Solarize Freeport initiative (which arranged a bulk-purchasing and bulk-installation contract for residents) to local businesses. There could be a role for FEDC to play, especially in light of the recent changes to the USDA's eligibility rules, which made all of Freeport eligible for Rural Energy for America Program (REAP) financing. Donna discussed how the program could be expanded to include commercial installations, providing businesses with the same discounts residents would enjoy, but that businesses would also be able to take advantage of depreciation and of REAP. However, writing multiple REAP applications would be very time-consuming, and there might be a role for Keith in assisting or writing these grants, and there could be a small administrative fee applied to each applicant which might compensate FEDC for Keith's time. Keith mentioned that he might also be able to hire some temporary grant-writing help, because the board had approved an "economic development services" line item in the previous year's budget. Keith asked the board for feedback. Ed suggested that Keith and Donna try to get a better feel for how much time it would really take. Donna mentioned that they had a potential applicant who would be willing to "guinea pig," so that application would give us a better feel for how much time and effort it took to prepare one grant application. Adam agreed that before Keith commit to any participation, he should be aware of how much time and money it would take. Keith said he did not think that if he had to hire someone, even part-time and temporary, that the position would pay for itself with the fees; he suggested it would not be a revenue-generating program for FEDC. Instead, FEDC would be providing a useful service which would help businesses gain access to financing for energy upgrades. Jim said that he thought Keith should report back to the board on the commitment that he and Donna expected before he hire anyone. The board agreed.

8. Executive Session

The board entered Executive Session at 9:05. The board came out of Executive Session at 9:20.

9. The meeting adjourned at 9:20.