Cumberland County Community Development Program
2016 CDBG General Program Application
Community Cover Page

Project Title  Robinson Mill Housing at Mallison Falls

Lead Community  Town of Windham

Additional Communities  

Contact Information  Name  Ben Smith, Planning Director
Address  8 School Road, Windham, ME 04062
Email  bwsmith@windhammaine.us  Tel  207-712-1069

Program Category
Public Infrastructure/Facility  Downtown Revitalization
Housing  Economic Development

CDBG "National Objective"
Low/Moderate Income:  Area-Wide  Limited Clientele
Direct Benefit:  Presumed Group  Primarily housing rehabilitation  (Identify Group)
Slum/Blight:  Area-Wide  Spot Basis

Amount of CDBG Funds Requested  $319,000.00
Total Estimated Project Cost  $399,000.00

Name of Authorized Official  Anthony Plante, Windham Town Manager
Signature of Authorized Official  

2016 Application
2016 General Application Questions

Respond to the narrative questions in a maximum of six pages (economic development & non-economic development project applications) or seven pages (multi-jurisdictional project applications.)

1. Provide a brief summary (400 words maximum) of the proposed project. 
   - 10 points.
   Focus your answer on issues such as, but not limited to: What will be built? What will happen? Where will it happen? Who's in charge? Who will be served?

The redevelopment of Robinson Mill will become a centerpiece for a new multi-family residential community at the heart of South Windham while preserving this historic mill building, which is an integral part of the town's industrial heritage. This project aims to achieve this vision through moderate density redevelopment of the former industrial complex to provide residential apartment units. The 45 new units will improve the diversity and affordability of the current housing stock available in Windham, encourage residential growth in the South Windham Village, while preserving alternative greenfield sites, and combatting urban sprawl.

- Historic Structure Saved and Adaptively Reused to Provide Apartment Housing in Windham
- Provides 51% of the Units (23) Rented to 80% or Below the AMFI
- Replaces a Septic System & adds Stormwater Runoff Controls Along the Presumpscot River
- Provides River Access to the Community
- Affordable Housing TIF providing project funds to redevelopment and South Windham Village improvements and ensuring long term affordability of units.
- This specific funding request will provide needed infrastructure and traffic control measures to support the project.

Scope & Cost to Bring Necessary Utilities to Current Mill Structure for Redevelopment

<table>
<thead>
<tr>
<th>Description</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>New Water Line in Mallison Falls Rd &amp; Building Site</td>
<td>$139,000</td>
</tr>
<tr>
<td>New Electrical Lines</td>
<td>$68,000</td>
</tr>
<tr>
<td>New Sewer Lines and Pump Station</td>
<td>$56,000</td>
</tr>
<tr>
<td>New Gas Lines</td>
<td>$16,000</td>
</tr>
<tr>
<td>New Signage &amp; Traffic Improvement to Mallison Falls Road Intersection</td>
<td>$42,000</td>
</tr>
<tr>
<td>New Data Communication Lines</td>
<td>$15,000</td>
</tr>
<tr>
<td>Paving &amp; Patching</td>
<td>$42,000</td>
</tr>
<tr>
<td>New Stormwater Controls</td>
<td>$21,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$399,000</strong></td>
</tr>
</tbody>
</table>

*Project Match of $80,000 from Affordable Housing TIF
2. Provide a response to the four questions below defining and justifying the need for the activity. - 20 points

a. Convey the magnitude and severity of the issue to be addressed.
   Response

   The proposed redevelopment and new construction centered in the Robinson Mill is the most promising development in the revitalization of South Windham Village in the last few decades. Located in an area of South Windham with an LMI percentage of 51.34%, this underutilized, environmentally challenged former woolen mill is on the verge of being transformed into a residential complex with a total of 109 dwelling units in three existing buildings and two new buildings on Mallison Falls Road and the Presumpscot River. This project represents the most significant amount of private investment in the Village area since the Robinson and Keddy Mills were constructed. This project also provides a substantial start on increasing the amount of residents in the Village area needed to support the types of local village-scale commercial uses as called for the in 1998 South Windham-Little Falls Revitalization Plan, the 2003 Comprehensive Plan, and responses to the 2014 Community Survey and Visioning Forums held in support of the ongoing Comprehensive Plan update.

   Beyond the immediate South Windham Village benefits, the Town of Windham has seen the number of new multi-family units decreasing in relation to single family homes. In the 1980s, multifamily, condominium and apartments represented 23% of the dwelling units built in Windham that decade (243 of 1,055 units). In the 1990s that dropped to 12% (140 of 1,193 units), and in the 2000s that share of new dwelling units was 11% (114 of 1,019 units). At the end of 2013 multifamily dwelling units made up less than 1% of the new dwelling units in the first 4 years of the 2010s (2 dwelling units out of 360).

   Since then a 12-unit apartment building came online on Depot Street in the Village. This project was fully rented the day it received its certificates of occupancy, which is a further indication of the need for more housing in general and more options in housing variety specifically in the South Windham area. Please note that this is the only part of town with the infrastructure and zoning to support significant multifamily development.

b. Identify the total number of people affected by the issue.

   This grant will fund utility work to serve 45 new residential dwelling units within the existing mill building. The units will be in one of three mill buildings that are to be renovated for this purpose.
i. Out of the total number of people affected, identify the number of people from low/moderate income households.

51% of these new units will be for renters earning 80% or less of the area’s annual median income and the remaining 49% of the units will be market rate. Long term affordability is acquired via an Affordable Housing TIF.

c. Describe to what extent the project makes in the long-term measurable difference in the economic and social health of the region.

Redevelopment of the mill property into new affordable residential rental units will improve the social health of the region by meeting a regional need for this type of housing. First, the well documented situation in Portland’s housing market of high rents and low vacancies are forcing renters to make decisions about where to live in the region. New affordable rental options in Windham will help people in that situation. Second, there are many older homeowners downsizing from a home in suburban areas of Cumberland County to smaller condominium or rental units. There is not enough housing of this type in Windham and it is forcing longtime Windham residents who choose to downsize or who cannot afford to maintain a large home to move out of the community. This project will also improve the economic health of the region. Adding more residents to South Windham Village will improve the chances for village-scale retail, services & offices to be supported in the South Windham/Little Falls area.

d. Construction related activities: Convey how the project relates to the community’s long-range planning and capital improvement needs.

After a decade of discussion culminating in 1998 with “A Plan for the Revitalization of South Windham/Little Falls Village.”, Windham, along with the neighboring town of Gorham, has been calling for a more active, vibrant and commercially active village through the reuse of the existing mill buildings, public access to the Presumpscot River and the provision of more village-scale commercial uses. Windham also specifically addressed these same desires in the 2003 Comprehensive Plan and heard more of the same in the 2014 Community Visioning Forums and 2014 Community Survey in support of the ongoing update to its Comprehensive Plan.

3. Provide a response to the three questions concerning management of the proposed activity – 10 points

a. Define who will manage the grant funded project and how they will manage it.
The Town Manager, Finance Director, and Public Works Director comprise the management team. Their combined oversight will manage the administrative, fiscal, and construction aspects of this project.

b. Explain the experience of the applicant in undertaking projects of similar complexity.

The management team possesses 82 years of combined experience with grants, grant applications, management, reporting, fiscal oversight and project supervision having successfully managed multiple Federal, State, and County grant funded construction projects.

c. Demonstrate that an ongoing commitment exists to continue the maintenance and operation of the activity or facility.

In the long-term, affordability of at least 33% of the units will be maintained via the use of an Affordable Housing TIF. Project infrastructure will become part of the Town’s and utility companies’ Maintenance and Capital Improvement Plans.

4. Demonstrate that the project is **ready to proceed** – 20 points

For construction related projects:

- Describe the steps that have *been* completed or must *be* completed to bring the project to construction start. These may include: site control, design, engineering, cost estimates, procurement of permits, testing, consultations concerning life safety, ADA, or other special requirements, traffic studies, zoning, Planning Board approval.

  **Completed:** The developer has this property under contract. The developer has received a VRAP from the Maine DEP for the project site. A contract zone for the property has been approved for the site by the Windham Town Council in order to allow for higher residential density than is allowed in the Village Commercial zoning district. The project has secured a Brownfields loan from GPCOG for a portion of the site cleanup costs. The project has been approved through the National Park Service for historic tax credits.

  **Must be completed:** The project engineering is well under way but not yet complete. The Planning Board must approve the fully engineered project prior to construction. The Town Council must approve an Affordable Housing TIF for this project with a credit enhancement agreement so that a portion of the TIF funds go back into utility and site cleanup costs, and traffic control measures.
• Describe any existing and/or potential impediments to project initiation.

The potential impediments are procedural and involve financing for this project. If any of the "must be completed" steps do not happen, the project will not proceed.

For projects requiring a match:

County sponsored projects do not require a match. Community sponsored applicants require a threshold 20% match in cash, donated land or building materials, or contracted project development services. In-kind contributions are allowed, but need to be documented, quantifiable services for work performed.

• List sources and amounts of matching funds on match sheet provided (Appendix III).

Please see Appendix III

• Are the funds secured?

No, funds are not secured. The Windham Town Council is currently engaged in negotiations with the developer regarding approval of an Affordable Housing TIF. The AHTIF will provide matching funds.

5. **Budget for project.** Fill in the attached budget form and provide the basis for determination of budget amounts (Appendix IV). - 5 points

- Describe how funds, including match when applicable, will be distributed between project elements.
- Limit the budget and budget description to that portion of your program that is applicable to this application.

Please see Appendix IV for the complete budget.

Applications will not be accepted without a completed budget.

6. **Implementation schedule** for project: Fill in the attached schedule form (Appendix III). - 5 points

Please see schedule on attached Appendix.

7. **7A) NON-ECONOMIC DEVELOPMENT ONLY**

Provide a response to the three questions demonstrating the need for CDBG program funds - 15 points
a. Why are CDBG funds critical for the commencement and ultimate success of the project?

These funds are a critical piece of completing utility work required to service a large residential development. CDBG funds are a critical part of the overall funding mix that will allow the developer to secure the largest remaining piece of that mix – private financing for the project.

b. Have you, or will you, seek funds from other sources? If so, what are those funding sources?

As noted throughout the application, these CDBG funds will be added to federal Brownfield Loan funds, historic tax credits, and municipal TIF funds in order to position this project for a loan from a commercial bank.

c. What is the impact on the project if CDBG funds are not received or if only partial CDBG funds are received?

CDBG funds are an integral part of the funding mix that is needed to make this project viable. If CDBG funding is not received, or only partially granted, additional sources of funding must be found to bridge the gap. If those sources are not forthcoming the project may not proceed.

7. 7B) ECONOMIC DEVELOPMENT ONLY
Economic Development/Job Creation Related Projects Only – 15 points

This question will be answered by applicants seeking assistance for a private business. The project will meet a CDBG “national objective” by creating jobs for low/moderate income persons.

N/A

8. Distress Score

Windham - 7

9. Multi-Jurisdictional Bonus

5 points will be awarded to projects sponsored by two or more communities demonstrating benefits to low/moderate income residents of all participating communities.

N/A
<table>
<thead>
<tr>
<th>Activity</th>
<th>Q. #1</th>
<th>Q. #2</th>
<th>Q. #3</th>
<th>Q. #4</th>
<th>Q. #5</th>
<th>Q. #6</th>
<th>Q. #7</th>
<th>Q. #8</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contract/</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Environmental</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Review</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reporting</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Project Bid</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Construction</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Project Completed</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

| X | X |

2016 Appendices
<table>
<thead>
<tr>
<th>Type of Funding</th>
<th>Match Amount</th>
<th>Source of Match</th>
<th>How is the match calculated?</th>
<th>Is the match secured? Please circle yes or no.</th>
<th>If yes, please attach relevant documentation.</th>
<th>If no, please outline and attach future steps to secure match.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash</td>
<td>Municipal Cash</td>
<td>$80,000.</td>
<td>Affordable Housing TIF CEA</td>
<td>20%</td>
<td>Yes [No]</td>
<td>Affordable Housing TIF to be completed prior to construction.</td>
</tr>
<tr>
<td></td>
<td>Other Cash</td>
<td>$</td>
<td></td>
<td></td>
<td>Yes / No</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Other Cash</td>
<td>$</td>
<td></td>
<td></td>
<td>Yes / No</td>
<td></td>
</tr>
<tr>
<td>Other Cash</td>
<td>$</td>
<td></td>
<td></td>
<td></td>
<td>Yes / No</td>
<td></td>
</tr>
<tr>
<td>In-Kind/Donation</td>
<td>Municipal In-Kind &amp; Donation</td>
<td>$</td>
<td></td>
<td></td>
<td>Yes / No</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Other In-Kind &amp; Donation</td>
<td>$</td>
<td></td>
<td></td>
<td>Yes / No</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Other In-Kind &amp; Donation</td>
<td>$</td>
<td></td>
<td></td>
<td>Yes / No</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Other In-Kind &amp; Donation</td>
<td>$</td>
<td></td>
<td></td>
<td>Yes / No</td>
<td></td>
</tr>
<tr>
<td>TOTAL MATCH</td>
<td>$80,000.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1. Please feel free to attach up to 1 page of additional documentation demonstrating secured match.
2. Please feel free to attach up to 1 page explaining the future steps that will be taken to secure matches.
Appendix IV: Budget

<table>
<thead>
<tr>
<th>Construction Projects</th>
<th>CDBG Funds</th>
<th>Municipal Funds</th>
<th>Other Funds</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Design/Engineering</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Land Costs</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Materials/Supplies</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Construction Costs</td>
<td>$319,000.</td>
<td>$80,000.</td>
<td></td>
<td>$399,000.</td>
</tr>
<tr>
<td>Project Management</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Costs</td>
<td>$319,000.</td>
<td>$80,000.</td>
<td></td>
<td>$399,000.</td>
</tr>
</tbody>
</table>

Provide the basis for determination of budget amounts:
New Water Line in Mallison Falls Rd & Building Site $139,000.
New Electrical Lines $68,000.
New Sewer Lines and Pump Station $56,000.
New Gas Lines $16,000.
New Signage & Traffic Improvement to Mallison Falls Road Intersection $42,000.
New Data Communication Lines $15,000.
Paving & Patching $42,000.
New Stormwater Controls $21,000.
$399,000.
16-004

To endorse an application for Community Development Block Grant (CDBG) funds for the "Robinson Mill Housing at Mallison Falls" project consistent with the pre-application submitted December 2015.

Attachments: 16-004 Cover Sheet

2016 Pre-Applications-Community - Mallison Falls Robinson Mill

Stormwater

Tony Planta: This is an application for $320,000 in CDBG funds to be matched by $80,000 of funds from a proposed affordable housing TIF for the redevelopment of the Robinson Mill at Mallison Falls. This is a project that has been before the Council several times, it has been before the Planning Board, and they've discussed several times the challenges confronted by the project with environmental and other site development issues. This grant application is intended to overcome some of those site development issues. It is part of a larger project. They understand that the Council has yet to finally resolve whether to move forward with an affordable housing TIF.

What they are faced with right now is a deadline of February 2 to apply for CDBG funds. This application would be for $320,000 in CDBG funds with matching funds to come from the town. If the Affordable Housing TIF, subsequently, didn't occur and the town did not use, or have another source of matching funds, then the grant would not be received. All they are looking for, at this point, is to allow the discussion to continue, authorize the application, and they will continue work on the Affordable Housing TIF and other aspects of the project.

Councilor Welch: if the grant gets approved but the Council did not want to move forward with a TIF, does the grant go away? Tony said if the Council did not want to move with an Affordable Housing TIF or come up with other matching funds, the grant would go away. He said given the picture they've been painted so far with the finances for this project, that absent an Affordable Housing TIF, the project, most likely won't happen.

Councilor Chapman: She said they really have not discussed the Affordable Housing TIF, and she wasn't comfortable voting on it. She did ask Tony if they could find the $80,000 match? She called up to the state and asked them about funding and was told that they will have funding this summer for discretionary funding for environmental cleanup that is not just for petroleum based.

Councilor Muir: Noted that he would have liked to have more notice before voting on this.

Councilor Welch: He understood that the environmental cleanup is a separate issue, and they will be asking for money for the environmental cleanup out of the TIF, if it is approved. Tony said they have already applied for Brownfield Revolving Loan Funds. There is a possibility of applying for other Brownfield's grant funds later this year. There would be other funds to assist with the cleanup that would be included in the Affordable Housing TIF.

Councilor Nangle: This application is theoretical at this point, and this application would either move forward based on our future decisions versus, as in, tonight. All we are doing is voting on whether to support this application and the application, at this time, is subject to our future approvals. Tony said he was correct.

Councilor Welch: He said he wished they had the discussion on the TIF and see where they went with that before tonight.