

**TOWN OF OLD ORCHARD BEACH  
SPECIAL TOWN COUNCIL MEETING  
Tuesday, January 30, 2007 – 6:30 p.m. & 7:00 p.m.  
TOWN HALL CHAMBERS  
MINUTES**

**TOWN MANAGER:** Due to a work conflict we have had to delay the start of the Public Hearing until we have a quorum which we anticipate will be at 7:00 p.m.

A Special Town Council Meeting of the Old Orchard Beach Town Council was held on Tuesday, January 30, 2007. Chairman Joseph Kline opened the meeting at 7:12 p.m.

**COUNCILOR LONG:** Our first order of business is to call for the appointment of a Chairman Pro-Tem in the absence of the Chair and Vice Chair.

**MOTION:** Councilor Dayton motioned and Councilor Frenette seconded to appoint Councilor James Long as Chairman Pro-Tem in the absence of the Chair and Vice Chair:

**Present were:**

**Councilor Robin Dayton  
Councilor Roxanne Frenette  
Councilor James Long**

**Absent were:** Chairman Joseph Kline  
Vice Chair Shawn O'Neill

**CHAIRMAN PRO-TEM LONG:** I have called these two public hearings for the following reasons:

**TOWN OF OLD ORCHARD BEACH  
SPECIAL TOWN COUNCIL MEETING**

I am hereby calling a Special Town Council Meeting on Tuesday, January 30, 2007, at 6:30 p.m. and 7:00 p.m. at Town Hall for the following reasons:

**PUBLIC HEARING #1: 6:30 p.m.** A \$150,000 Community Enterprise Grant, sponsored through the Community Block Grant (CDBG) Program for business façade and streetscape enhancements. The designated area for this grant is as follows: Businesses located on Old Orchard St bordered by E and W Grand, Portland Ave, Saco Ave, Imperial and Staples Sts.; Businesses on E. Grand Avenue bordered by Old Orchard St and Walnut Street; Businesses on W. Grand Ave bordered by Old Orchard St and Staples St. Public comments will be solicited at this Hearing and will be submitted as part of the application.

**Comments may be submitted in writing to: Caroline Segalla, 1 Portland Avenue Old Orchard Beach, ME 04064 at any time prior to the Public Hearing.**

**PUBLIC HEARING #2: 7:00 P.M. A pre-application being submitted to the State of Maine CDBG program for a Business Assistance Grant (BA) by Old Orchard Beach Associates LLC. The purpose of the request is to enclose the Grand Victorian Plaza with a retractable mechanism of approximately 8,000sf. Public comments will be solicited at this Hearing and will be submitted as part of the pre-application. In the event that Old Orchard Beach Associates LLC is awarded these grant funds, it is understood that review and approval by municipal committees and boards, shall be contingent upon the applicant acquiring any and all State and Federal approvals and permits. Comments may be submitted in writing to: Caroline Segalla, 1 Portland Avenue Old Orchard Beach, ME 04064 at any time prior to the Public Hearing.**

**CHAIRMAN PRO-TEM LONG: I open this Public Hearing at 7:15 p.m.**

**CHAIRMAN PRO-TEM LONG: The 2005 Façade Grant is nearing completion. An opportunity to apply for another façade grant is now available. This new grant, entitled Community Enterprise Grant – 2007, is again sponsored through the Community Block Grant (CDBG) Program for business façade and streetscape enhancements. The maximum grant award for the 2007 grant is \$150,000 with the final application due February 9, 2007. Again a public hearing is required in order to gather community support. The designated area for this grant is as follows: Businesses located on Old Orchard St bordered by E and W Grand, Portland Ave, Saco Ave, Imperial and Staples Sts.; Businesses on E. Grand Avenue bordered by Old Orchard St and Walnut Street; Businesses on W. Grand Ave bordered by Old Orchard St and Staples St.**

**TOWN MANAGER: We have previously received a Façade Grant and we are looking to applying for this one as a result of continued interest by businesses.**

**CAROLINE SEGALLA: Façade grants may be made available to the following: for-profit or non-for profit businesses for exterior improvements including signage, painting, siding, awnings, lighting, display windows and other approved exterior improvements. Streetscapes including pocket parks, benches, street lighting, tree plantings, signage, traffic calming improvements, sidewalks and other approved exterior improvements are eligible. Applications are due by February 9<sup>th</sup>. We wish to gather citizen support.**

**RAY DELEO: Owner of the Atlantic Birches Inn. Any opportunity to expand the boundaries of this grant and going up Portland Avenue would be greatly appreciated. Is this specifically for blighted areas or can it be used for other things?**

**CAROLINE SEGALLA: Thank you for showing interest by being here this evening. The Town not only wishes to invite those businesses that were not able to participate in the 2005 CE grant located within the previously designated area but also other businesses located on Portland Avenue from Old Orchard Street to**

Cascade Plaza; on West Grant from Old Orchard Street to Atlantic Avenue; and on Saco Avenue from Old Orchard Street to E. Emerson Cummings Boulevard. Interested parties must note that project benefit will be met when exterior improvements and signage on an existing business takes place in a designated slum/blight area, or documentation exists that a business qualifies under a spot blight basis. The expansion will require additional Environmental Report Reviews (ERR) similar to the ones conducted during the 2005 CE Grant. The Town must conduct an ERR to be in compliance with Federal and State laws, regulations and applicable Executive Orders and has six months to complete this or notice of award could be rescinded. If the ERR's are approved by CDBG, businesses reflecting spot/blight or located within a designated slum/blight area would be invited to participate in the business façade and streetscape grant process. The grant would assist in innovative solutions to problems faced by businesses, promote business façade programs and make streetscape improvements in downtown and its major gateways.

**JEANNE LACHANCE:** I am the owner of JJ's Eatery. I would be interested in this grant and would like to apply for it. Such things as awnings, and upgrades to our businesses would make us more part of the "curb appeal" so often mentioned by the Town Manager. This money would make it possible for less affluent businesses to participate.

**CAROLINE SEGALLA:** On behalf Chris and Carol Bolduc of "Blustery Day" and "The Race Place," located at 39 Old Orchard Street who wish to participate in the grant, but could not be here this evening, I wish to note that they have obtained DRC approval to renovate their façade and would more likely request the full grant award of \$25,000 for this. In addition, Guy T. Loranger of Beach Bagels located at 34 Old Orchard Street also wishes to participate but could not be here this evening but will be preparing a letter of support. He wishes to install a 71 foot awning on the side of his business costing approximately \$6,000.

**TIM SWENSON:** I am the developer of the Grand Victorian. This is another good idea to help businesses that cannot afford to make improvements to their properties and upgrade our communities. I fully support this effort.

**COUNCILOR FRENETTE:** We got \$125,000 last time. Many people took advantage of this with the intense encouragement of Caroline Segalla to which we thank her for her efforts. It is a matching grant?

**CAROLINE SEGALLA:** The maximum CE Grant award this year was increased to \$150,000. Grants will be available for up to 50% of the total cost of the improvement project to a maximum grant amount of \$25,000 per property location. The grant applicant may be the property owner or tenant. A tenant must have the property owner's signed authorization of the proposed building improvement. A Façade Improvement Grant may only be made to a commercial or mixed-use property located within the designated area. If the proposed improvements to a structure are less than 500sf, Administrative Design Review is required. Proposed improvements greater than 500sf (or for changes deemed significant by Planning Staff) will require review by the Design Review Committee (DRC).

**COUNCILOR DAYTON:** The \$125,000 we received, has all of it been expended?

**CAROLINE SEGALLA:** An explanation of the expended funds is below:

**\$127,500 was the total grant award**

<b>Expenditure</b>	<b>Amount</b>
Advertising	\$684.60
Sign to advertise program	\$575.00
Moby Dick Variety at 74 E. Grand Ave.	\$25,000.00
Dickinson's Candy shops at 42-46 Old Orchard St.	\$25,000.00
The Crest at 35 E. Grand Ave.	\$25,000.00
The Pier at 2 Old Orchard St.	\$25,000.00
The Landmark at 28 E. Grand Ave.	\$4,355.63
19 E. Grand Avenue retail shops	\$2,330.64
Seagate Enterprises at 17-21 Old Orchard St	\$8,713.75
The Wonderland at 4 W. Grand Avenue	\$2,982.51
The Catalyst at 41 Old Orchard St	\$2,855.07
Ricki's Place and Moose County at 67-69 E. Grand Ave.	\$5,000.00
<b>TOTAL AWARDED including Administrative Costs</b>	<b>\$127,497.20</b>

<b>BEGINNING BALANCE</b>	<b>\$127,500.00</b>
<b>BALANCE LEFT AFTER REIMBURSEMENTS</b>	<b>\$2.80</b>

**COUNCILOR FRENETTE:** Last year it took two years? The sign acknowledges that we have a grant is outside by the side of the building – do we need a new one? You do an excellent job.

**CAROLINE SEGALLA:** If there is a date on it we will need to change that but otherwise I believe the sign can be reused. That would be a definite goal.

**COUNCILOR DAYTON:** You have done an outstanding job, Caroline, and I wish to acknowledge that.

**CHAIRMAN PRO TEM LONG:** I also acknowledge your work and that of the Planning Department and close this Public Hearing at 7:26 p.m. fully supporting this effort.

**CHAIRMAN PRO-TEM LONG:** I open this Public Hearing at 7:27 p.m.

The Town of Old Orchard Beach will hold a Public Hearing on January 30, 2007 at 7:00 p.m. at the Town Hall Council Chambers to discuss a pre-application being submitted to the State of Maine CDBG program for a Business Assistance Grant (BA) by Old Orchard Beach Associates LLC. The purpose of the request is to enclose the Grand Victorian Plaza with a retractable mechanism of approximately 8,000sf. Public comments will be solicited at this Hearing and will be submitted as part of the pre-application. All persons wishing to make comments or ask questions about the proposal are invited to attend this Public Hearing. Comments may be submitted in writing to: Caroline Segalla, 1 Portland Avenue Old Orchard Beach, ME 04064 at any time prior to the Public Hearing. TD/TTY users may call 711. If you are physically unable to access any of the Town's programs or services, please call 207-934-5714 ext. 226, so that accommodations can be made.

Old Orchard Beach Associates, LLC, the owner/developer, is requesting community support for a Business Assistance Grant from the Maine Department of Economic and Community Development (CDBG funds) for the purpose of constructing a retractable enclosure over the Grand Victorian Plaza. The area of coverage is to be approximately 8,000sf. CDBG requires the applicant to have Town support at this time, in order for the grant application to proceed. This stage of the process is the pre-application stage. Public comments will be solicited at this Hearing and will be submitted as part of the pre-application, due February 2<sup>nd</sup>, 2007.

In the event that Old Orchard Beach Associates, LLC. is awarded these grant funds, it is understood that review and approval by municipal committees and boards, shall be contingent upon the applicant acquiring any and all State and Federal approvals and permits. Prior to the submittal of the pre-application on the February 2<sup>nd</sup>, 2007 due date, comments may also be submitted in writing to: Caroline Segalla, 1 Portland Avenue Old Orchard Beach, ME 04064 at any time prior to the Public Hearing

Old Orchard Beach Associates, LLC. believes the enclosure will provide retail and food service to visitors and residents year round. Businesses within the enclosed plaza will be able to remain open during inclement weather. Lastly, the sheltered area will offer visitors and residents a place to congregate during special events occurring within close proximity of the beach.

There are no current facilities of this kind located in the downtown district; additionally the project will create year-round jobs for low to moderate income persons while retaining existing positions.

### **Further information:**

The public hearing is a requirement of the grant pre-application: [to see if the public would support the project.] This public hearing is not an approval of a particular plan or guarantee that the project will proceed. Whether the public supports or opposes the project, the results/ comments from this public hearing will be forwarded to the CDBG with the grant pre-application. If CDBG supports the pre-application, the plaza enclosure project would be considered for a grant. The applicant would still have to make an application for the grant. If awarded a grant, the project would be required to go through review by both the DRC and the Planning Board.

Again, there is to be no approval or denial, no acceptance or rejection, but a public hearing for comment to be submitted with the grant. Citizen participation is a requirement of this application; therefore the public hearing minutes shall be copied and forwarded with the pre-application

### **PERTINENT GRANT REQUIREMENTS (FYI):**

**3. Citizen Participation (15 Points) - Describe how business groups, local citizens, community groups and others were involved in the identification of the problems/needs and solutions discussed in the application. Local citizens, groups, boards, agencies, etc. are essential to any successful project. It is important that you show how these various groups were involved in bringing problems or needs to the attention of the community. The OCD views the involvement of local citizens in focusing on problems/ and solutions as a key element in a successful program application as well as in successful implementation of a project. Review is divided into two areas. Following each area are topics, information, or ideas that must be included in Citizen Participation.**

#### **Public Hearing Process (8 points)**

- Describe how citizen participation contributed to the actual development of this application, including how the required public hearing contributed to the process. (Submit a public hearing record consisting of the published public hearing notice, hearing minutes, and attendance list with the original and all five copies of the application.)

#### **Business/Local Involvement (7 points)**

- Outline other input from businesses, chambers of commerce, development organizations, local groups and individuals have had in increasing the citizen participation process for the proposed project.
- Highlight how the use of any media (TV, radio, newspapers, etc.) increased public awareness and participation in the EDP project.

**WILLIAM DANTON: 209 East Grand Avenue. Thanks for coming out. I attended the last public hearing and looked at the Community Development Block Grant – what the Pier was looking at, and came home and had the discussion with family members. We had the opportunity to analyze and personalize how that grant might**

be helpful to what is going on with the Grand Victorian. My co-manager, George Kerr, had made provisions before to enclose a parcel of land with a roof or covering that is retractable. Wouldn't it be good to have two bites of the apple? The Pier, and we too, could provide upgrades that would enhance the downtown in a manner that only the Grand Victorian has done. Even the access to the Pier goes through the Grand Victorian area. So I think in short that the ability of us to assist that property is a meaningful step to what the Town wants to accomplish. We moved very quickly and Mitchell Associates put together our presentation this evening. One of the things that are probably most meaningful in this particular project is that all the infrastructure issues have been addressed with the building of the Grand Victorian. We can address all the issues associated with this and none of it will be detrimental to the Town. George Kerr will answer any questions at the end of the presentation and we will turn over the presentation portion to John Mitchell of Mitchell Associates.

**JOHN MITCHELL:** I am John Mitchell of Mitchell & Associates and I am representing Old Orchard Beach Associates, LLC. I have been asked to present to the Council the project suggested by Mr. Danton. It will be located in the Grand Victorian Plaza – the south wing and the outdoor plaza. What you see in blue is the proposed retractable enclosure – 80 feet by 66 feet in width. The Plaza was designed and approved with decorative light standards. Here is a simulation of what it would like. It is retracted and enclosed. It is designed as a glass (tempered glass) structure and very attractive and designed to close and open to basically make this public space which now is a one season public space into a three or four season facility. We would be able to provide food service to residents – remain open during inclement weather – it would be a sheltered place to congregate during events. Most importantly it will provide year round jobs to the community. As part of this presentation we put together a video which will help demonstrate more and better than I can explain. In the showing of these various designs you can get an idea of what the project would look like and fit into the décor of the Grand Victorian. Ellis Island recently installed this system. The Grand Victorian will not be attached to the building. We are proposing a pitched roof, reaching the first level of the units.

**GEORGE KERR:** Our personal thanks to Sandra Mowery and Caroline Segalla for all the help they have been to us and also for their work in making this Town look so good. We have been working with many companies, some national, to bring them to our community. We have brought them to Old Orchard to have them get a flavor of our community but unfortunately when they see boarded up buildings and little lighting in the downtown they ask how they can be a four season business. I thank the Town Manager for meeting with us and sending correspondence of encouragement to one national company that visited us. We have lost some businesses to the Biddeford area because they wanted a place with lights and attractive business fronts. The particular business owner to which I mentioned came all the way from Florida. My family earns its money in this community. When people come into this community and I know we have talked about boarding up – when there is no lights – they ask how they can get revenue. In this endeavor as my cousin has stated and Mr. Mitchell has articulated, the infrastructure is in place. I remember after the tree lighting there was an article about restrooms that did not make me very happy. Rest rooms are very important to us during the winter time,

although we do have public facilities, the tax payers should not be picking up the tab for rest rooms. There would be enough rest rooms and parking if this project would be approved. In speaking to a contact in Augusta I learned there is \$3.2 million dollars in the fund sitting there for this project and others. When they review the applications each will be on its own merit – really about jobs. We do employ close to 100 people in the summer. In looking at this and what others think of our community we need to get all the grants possible, and I don't know if it can be year round right away, but with our staff and the planning that you see here, we can have year round events. I used to put on tug of war and arm wrestling events and we would attract 15,000 people to the beach to watch these event. This was the type of individuals we attracted and the businesses did well and that has always been my philosophy in this community. We have probably expended a million and a half dollars to attract different variety of retail than what we have in this community and I believe this is what we are striving to do. Tomorrow we will be meeting with a beauty parlor business. We had a shirt company looking with interest. We all have to make sacrifices and when I say that we all have expectations and I met with the tax assessor about property taxes. I think there are great expectations for retail space – when I told an individual it is not about the money it is about the tenant. The other issue that I think is important is that the Town Council must believe in the project because if you are not behind this – nothing will go ahead and work. In reading the grant – I had several questions about this \$400,000 and I include the Pier because I believe we both should go into this. If we don't meet the criteria – the town has to pick up the tab. I want you to understand that. There is a check and balance and accountability issue for a two year time period. So if I tell you I am going to employ 10, 20, 50, 100 people – we had better meet that criteria. It is also your investment – when I say “us” – I mean Old Orchard Beach. The design was well thought out – the condo docs done over a year and a half ago – my vision was always to enclose this. We have to create the lights so that we can weather the seasons. I must congratulate Sandra on this business meeting – do we have problems in our community – give that downtown some light – if the downtown gets lights the value of the property goes up and the residents benefit because we are paying more taxes and the State benefits – it is a ripple affect. The investment already made in the Grand Victorian – we would do it anyway but with the grant we could do it sooner than later. I am surrounded by energy in this town. This is a serious endeavor for us and I did want to let you know the amount in that fund as of noon today. We will be coming back to you but when we do there will have to be a partnership and you will have to believe as we believe in this project. I am pleased that the Town is encouraging the businesses to come together. Thank you very much and I will be glad to answer any questions.

**TIM SWENSON:** Owner of the Grand Victorian. Billy has talked about this for some time and I didn't give it much thought at the beginning but seeing it now I can see it as a realty and the owners of the Grand Victorian are happy because it will reduce the noise and bring more jobs to Old Orchard Beach. Projects like this are difficult to do but it is a very good project and I support it very much.

**KEVIN SULLIVAN:** I live at 10 Heath Street. One thing since I went to work with Tim Swenson I have met a lot of people from Old orchard Beach and other places and they are very excited about what is happening in our community. People are



very excited and as things go further and further it increases the reputation that we have in Old Orchard Beach. It has become a family beach – a place to bring your family – a tax base for our community and something like this that is being proposed makes people all the more excited. Do you remember Columbus weekend – the thing that amazed me – that Monday – downtown was a buzz – people walking around. Here is another attraction for our downtown – another reason to stop in Old Orchard Beach. People outside this area are excited about what is happening in Old Orchard Beach – Cider Hill, Birch Hill – good things and the jobs is a really great thing – the ability to work beyond Labor Day. Hopefully the Town will endorse it and add to the renaissance of our community.

**RAY DELEO:** As a business owner this would be a great time to send people there all year long. I hate sending them to Portland when we close up for the summer season when if there was something like this I could keep them in our community.

**COUNCILOR FRENETTE:** We are very fortunate to have a staff that does their homework and applies for these kinds of grants and I thank Sandra and Caroline. If there is anything that I can help with this project I am glad to support it. I remember when Cider Hill opened up – we came here as kids – 55, 60 and 70 now. I think that is thrilling and I am excited what a gem Old Orchard Beach is. I was thinking about Fanneul Hall and the retractable roof.

**COUNCILOR DAYTON:** I was watching with interest and there is an attraction of this structure which is fascinating. What prompted the choice of glass as opposed to some glass but not all glass?

**GEORGE KERR:** The beach – people come from all over the world for our beach. They come to see it, feel it, and experience it. If not glass they would not be able to see that marvelous gem. It would provide a means of heat in the winter. – Solar Heat. There would be solar panels on the two ends.

**COUNCILOR DAYTON:** That is very encouraging. I got the feeling that these grants – the Pier and you - are we trying to put them together? What is the length of the structure?

**GEORGE KERR:** We own the land and both will compliment each other. There is no obstruction to the Pier. As you look at this spec here that we have in front of you, you will note there is not obstruction. The elevation of any structure is 20 feet. The elevation at the Pier is considerably higher so there would not be any blockage to the Pier. We would not be interfering with what they are constructing.

**BILL DANTON:** I need to reemphasize that we own that property. Our intent is to compliment the Pier.

**COUNCILOR DAYTON:** I understand that. I just want to make sure the two grants compliment and look aesthetically as good as they should.

**BILL DANTON:** The structure that we propose, only we have the ability to go up in three days and come down in three days. We will have no adversarial affect on our plaza and we don't have any adversarial affect on them. I want to make sure we maintain that cooperation.

**COUNCILOR FRENETTE:** It behooves both applicants to have their projects compliment each other.

**SANDRA MOWERY:** This needs to go through the Design Review Committee – both it and this project have to go to the Design Review committee, to the DEP, and the Planning Board. There are many hurtles to go through.

**RAY DELEO:** If the Pier project doesn't go through can your facility be used as a conference facility?

**GEORGE KERR:** Yes, because at the end of the retail space the restaurant on the end would compliment each other. It is critical that we supplement the Grand Victorian as he has made an enormous investment in that facility. The Town needs to buy into this because at the end the Town would have to pick up the pieces if this failed. Sales tax will grow and we will reap the rewards.

**CAROLINE SEGALLA:** The grant application is due February 9, 2007. The Town will know if it is invited to participate in the Project Development Phase by March 9, 2007. If this is the case, the town then has six months to complete the Project Development Phase which includes the following:

- 1) environmental review;
- 2) cost analysis and justification;
- 3) non CDBG project funds commitments;
- 5) management plan development; and
- 6) specific state and federal requirements.

Once these requirements are satisfied and accepted by CDBG, a contract will be executed between the Office of Community Development (OCD) and the Town. Façade renovations/streetscape enhancements can begin at that time. Funds must be expended a year from the date the contract is executed. If necessary, the town may request an extension but this requires final approval by OCD.

**CHAIRMAN PRO-TEM LONG:** This is a pre-application and there are a sufficient amount of issues that need to be addressed and it would be before the Planning Board and the Design Review. The applicant recognizes that this will take a significant amount of time. I would point out that I agree with this proposal as it does extend the season, to attract more businesses and tourists and have a longer season – we need to extend the season. In addition I support this application because it supports other investments already made in the downtown area. They draw people over and over again to our community. I support this and other investments in the downtown because it supports a family-style community. I encourage the applicant because the State has a focus on the tourist industry that it now

**understands and it must and we must persuade the State regulator and the scorers that these are worthy of the grants. These are timely and important issues. I encourage all of us to support this investment in the downtown community.**

**COUNCILOR DAYTON: I want to be clear that I do support even though I asked questions and I appreciate the answers and responses that you have given and it is forward thinking and I hope you are successful.**

**COUNCILOR FRENETTE: Sandra, Caroline, thank you for your efforts. I believe this project will bring a lot of good jobs to the community to our citizens and young people.**

**MOTION: Councilor Dayton motioned and Councilor Frenette seconded to adjourn the Town Council Meeting at 8:16 p.m.**

**VOTE: Unanimous.**

**Respectfully Submitted,**

**V. Louise Reid  
Town Council Secretary**

**I, V. Louise Reid, Secretary to the Town Council of Old Orchard Beach, Maine, do hereby certify that the foregoing document consisting of eleven (11) pages is a true copy of the original Minutes of the Special Town Council Meeting of January 30, 2007.**

**V. Louise Reid**