

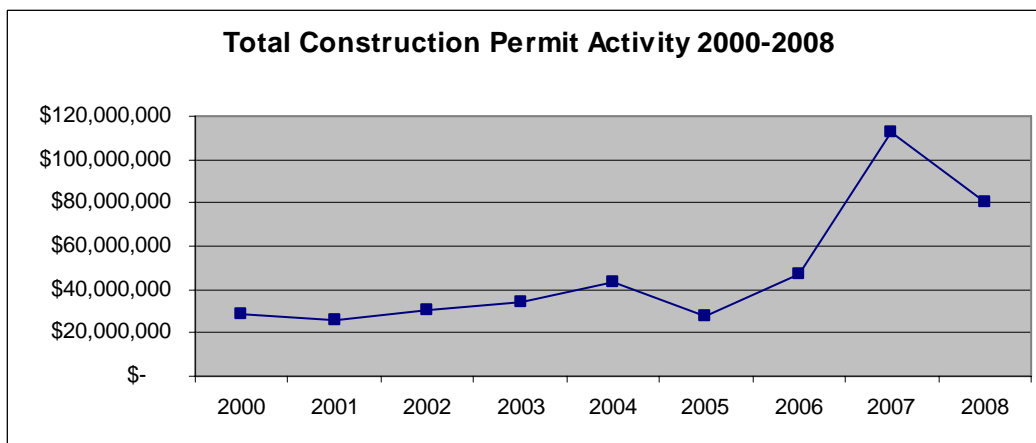
CITY OF BANGOR 2008

COMMUNITY & ECONOMIC DEVELOPMENT

ANNUAL PROJECTS REPORT

The City of Bangor experienced a tremendous level of large scale development activity in calendar year 2008. Construction was visible throughout the City with major projects in the Mall area, Downtown, in the Broadway, State Street, and Union Street areas, and in Business and Industrial areas. We celebrated the completion and opening of projects that began in 2007 and continued in 2008 such as the Hollywood Slots Hotel and Raceway facility, Marriott Courtyard, and Hilton Garden Inn, and saw the beginning of new projects such as Eastern Maine Medical Center's parking garage and the Maine Judicial Branch court facility.

The total dollar amount of construction permit activity in 2008 was \$80,048,181, following a record year of \$112,653,125 in 2007. For perspective, the two year total of 2007 and 2008 is \$192,701,306 while the six year total from 2000 to 2005 is \$189,598,796.



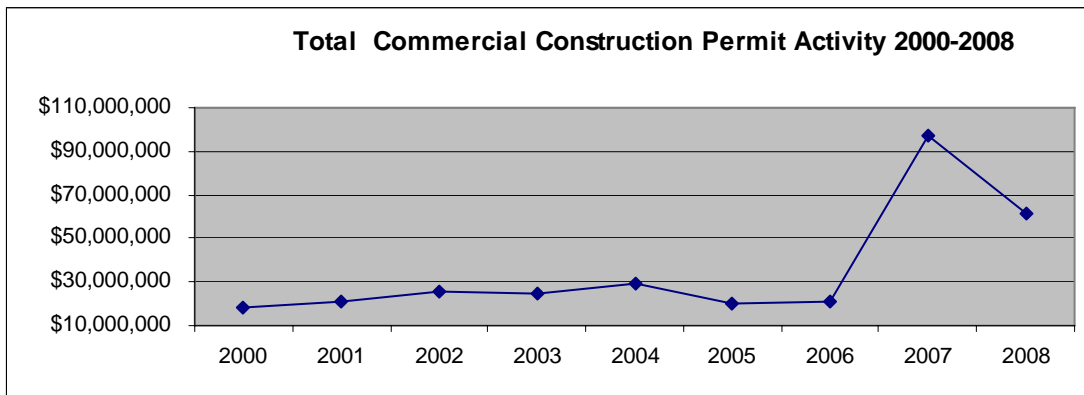
The new construction permit activity data presented is reported by the City of Bangor Code Enforcement Department using a national based permit fee to calculate estimated cost for construction permits. The Code Enforcement process provides an equitable standardized approach to capture the median construction cost for the type and use group of the proposed project. It is important to note that this process establishes only the cost of the actual building construction, not the cost of the total project. The total estimated cost of a project that is often reported in the media includes not only the base construction costs but also the cost of everything for the fit-out that is necessary to the project. The dollar amount for construction captured by Code Enforcement in the data below may represent less than a third of the cost of the total project. Once the project is complete, the total value of the project will be captured by the Assessing Department and reported as an assessed value increase in 2009.

It is also important to note that many projects are completed in phases. For instance, developers of a large project with multiple buildings may choose to obtain permits for each

phase of the construction; one for the site ground work, one for the primary building, and separate permits for each additional building or component. Projects that require a multi-year construction schedule may, therefore, have phase one permitted in a different calendar year than later phases. In that event, the construction value of the project is reported across more than one calendar year.

2008 commercial construction permit value amounted to \$61,413,734, bringing the total dollar amount of commercial construction activity from 2000 to 2008 to \$317,897,541. Prior to 2007's almost \$97 million, the dollar range of commercial construction historically has been around \$20 million annually with a low of \$18,259,647 in 2000 to a high of \$28,847,381 in 2004. By that standard, 2008's over 61 million dollars of new commercial construction is three times what it was in 2006 and historically. Bangor's unprecedented commercial construction boom the past two years was driven by a multitude of large projects reflecting a diverse range of economic development including retail, hotel, gaming, public buildings, educational institutions, retail stores, banks, restaurants, office space, and industrial and warehouse space. Keeping in mind the process for capturing these dollar amounts, we can look forward to another stellar year in 2009 as more of the projects we know are in the planning stages begin construction.

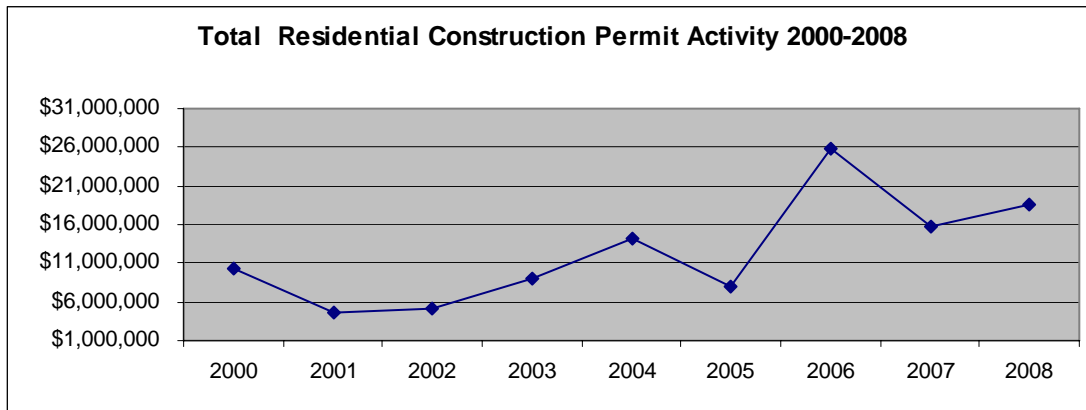
In regard to new retail construction, retail sales in the Bangor Economic Summary Area remain solid. In recently released information from the Maine State Planning Office, consumer retail sales in the Bangor region from January to September 2008 was \$1.06 billion. Over the same period in 2007 it was \$1.05 billion, an increase over-the-year of 1.8 percent (Monthly Economic News You Can Use).



2008 was also a good year for residential construction activity in Bangor, following record year activity in 2006 and 2007. Permits issued for new home construction in 2008 totaled \$18,634,447, bringing the total dollar amount of residential construction activity for the last three years to over \$60 million. Comparatively, the five year period of 2000 to 2005 totaled \$51,020,354.

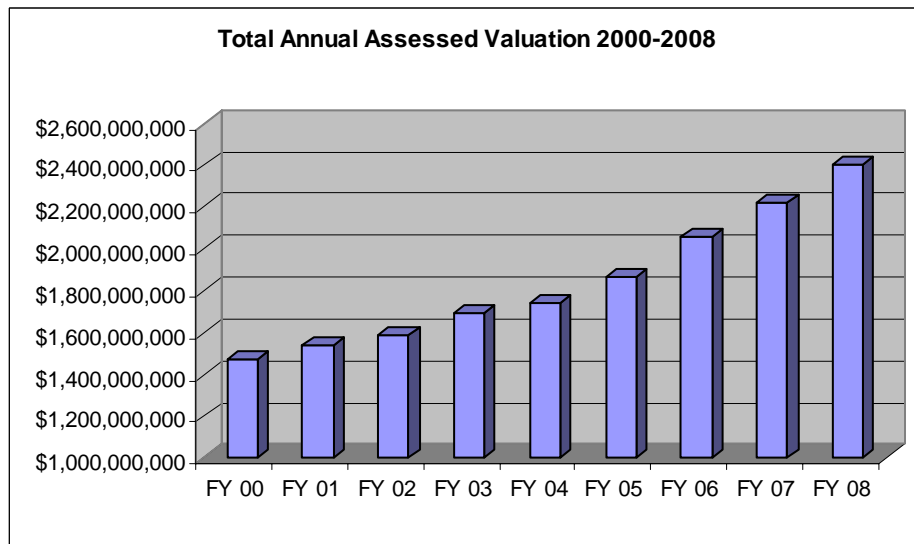
2008's residential construction permit activity represented 211 total new residential dwelling units, 34 of which are single family homes and 97 are in Holiday Retirement adjacent to Sunbury Village on Ohio Street.

According to the Maine Real Estate Information System (MREIS), the median sales price of existing single-family homes sold in Penobscot County for the months of September, October and November of 2008 increased from \$130,000 in the same quarter of 2007 to \$132,575 in 2008, an increase in the median sales price of 1.98%. Comparatively, the same quarter saw a decrease of 7.67% for the State. Nationally, the median sales price declined 12.8% from November 2007 to November 2008. These figures represent the latest data available from MREIS released December 23, 2008.

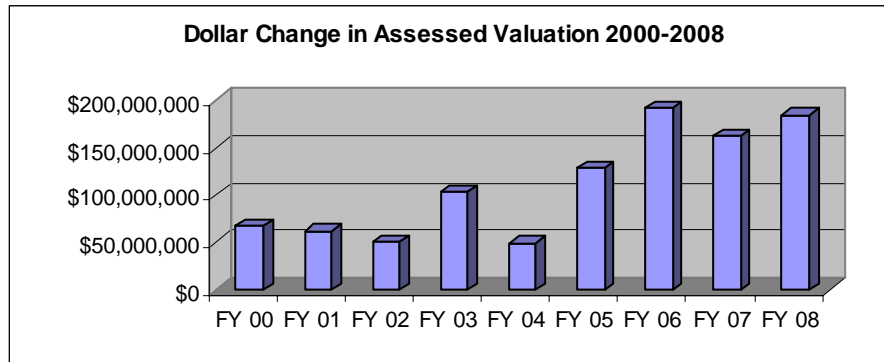


Assessed Valuation

Bangor's total assessed valuation was \$2,406,088,800 for fiscal year 2008, an increase of 8% from fiscal year 2007. Total assessment grew 63% in the seven year period of 2000 to 2007. For comparative purposes, Bangor's total assessed valuation increased by 24.7% in the ten year period from 1991 to 2000.



Bangor's dollar change in assessed valuation was \$184,182,200 for fiscal year 2008, an increase of 8% from 2007. To illustrate how rapidly Bangor is growing, the last three years, 2005 to 2008, the dollar amount increase in assessed valuation was \$665,759,500. In the twelve years before that, 1991 to 2004, Bangor's assessed valuation increased by \$556,697,200. So, in the last three years Bangor has added \$109 million more to its valuation than in the entire twelve years prior to 2005.



Development Project Activity

The following list of development activity includes substantial projects that received planning board or permit action in 2008. Some of these projects were nearing the end of their development cycle and were completed in 2008. Some projects were begun in 2008 and are still in early stages of their development cycle.

Projects that are still in the early stages of their development cycle, such as still in the planning stage, are included in the list even though they have not obtained construction permitting from the Code Enforcement Department and are not, therefore, captured in the 2008 data on construction permit activity. These projects are included to provide a full picture of what is happening in Bangor beyond the constraints of the calendar year of 2008.

Broadway – Hammond Street Area

1135 and 1157 Broadway – Cocca Development, LTD

Project: construction of a 19,695 sq. ft. building for retail use with 20,000 sq. ft. of outdoor storage and display area. The 3.19-acre site is on the corner of Broadway and Burleigh Road. The planned use is for a Tractor Supply Company store.

Status: Approved by Planning Board; spring 2009 construction

609 Broadway Shopping Center – Matt T, LLC, and Inland Western Bangor, LLC

Project: Construction of a 3,170 sq. ft. drive-thru restaurant located at the Broadway Shopping Center. The plan is to move the existing Kentucky Fried Chicken (KFC) business from its location on Broadway to a site within the Broadway Shopping Center parking lot between TJ

Maxx and Pizza Hut. The proposed restaurant will have a combined KFC and Taco Bell menu. Permit issued May 2008.
Status: Complete

2630 Broadway – One Steel Recycling

Project: construct a building for office and warehouse use as part of a recycling facility.
Status: Permit issued October 2008, estimated cost \$548,308

758 Broadway – Ross Manor

Project: construct addition with renovation of finishes in an existing core. Permit issued November 2008, estimated cost \$385,000.
Status: Apartment units to be constructed in Spring 2009

861 Broadway – Zone Corporation

Project: construct a 1,024 sq. ft. garage.
Status: Complete

706 Broadway – The Richmond Company, Inc.

Project: construction of a 14,550-square-foot Walgreen's Pharmacy with a drive through window for an estimated cost of \$2,398,691.
Status: Opened July 2008

268 Stillwater Avenue – Acadia Hospital

Project: construction of a 4,217 square foot addition for pediatric and family outpatient services and modifications to a 450 square foot addition for use as a waiting room and a walkway to the addition at 268 Stillwater Avenue. Permit issued September 2008, estimated cost \$92,000; permit issued November 2008, estimated cost \$625,874.
Status: Under construction

1 College Circle and Griffin Road – Husson College

Project: construct an 85-space parking lot with an access drive from College Circle with landscaping improvements, revise the Meeting House Landscape plan at 1 College Circle, and construct a new 1,643 foot entrance road located on Griffin Road. Modification approval to construct a 70' x 60' paved storage area pad and access drive, reorient 6 parking spaces and add 18 spaces and a paved access drive. Permit issued September 2008, estimated cost \$579,824.
Status: Complete

1211 Hammond Street- Linnehan Holdings LLC

Project: construct two buildings totaling 1,191 sq. ft. for automobile sales and service use, one as a 24 x 24 foot garage and the other as a 23 x 60 foot office building.
Status: Developer has not moved project ahead

1240 Hammond Street – John Coughlin d/b/a Glidden Auto Body

Project: expand the existing building by 1,344 square feet and expand the outdoor storage area by 7,000 square feet.
Status: Complete

1380 Hammond Street – Perry & Morrill, Inc.

Project: construct a 4,452 sq. ft. building for office and storage. In the spring of 2008 a fire destroyed the combined commercial and residential buildings. The applicant runs a general contracting business for building construction and remodeling and will rebuild on part of the existing concrete foundation. Permit issued September 2008, estimated cost \$464,833.

Status: Under construction

759 Broadway – Varnbro, Inc.

Project: construction of a 2,926 square-foot bank, drive-thru lanes, parking, and access drives

Status: Complete

Main Street / Downtown

97 Hammond Street – Penobscot County Courthouse

Project: remodel for life safety upgrades to basement offices. Permit issued January 2008, estimated cost \$310,000.

Status: Complete

74 Exchange Street – Maine Judicial Branch

Project: construct four story state courts facility. Estimated cost \$12,034,903.

Status: Under construction; anticipated completion Fall 2009

25 Broad Street – Bangor Museum & History Center

Project: remodel phase 1 improvements: structural and exterior closure. Permit issued February 2008, estimated cost \$1,061,000.

Status: Phase 1 complete; project closed for winter

Main Street and Dutton Street – Hollywood Slots Racino

Project: construction of a 136,885 SF, \$131 million gaming facility, a 4-story parking garage, a 180,915 SF, 7-story, 152 room hotel that will cover 7.8 acres and employ 490 people with a payroll of \$15.6 million.

Status: Opened August 2008

76 Dutton Street – Bangor Historic Track and City of Bangor

Project: expand parking lot from 133 to 217 spaces, adding 30,738 SF to the employee parking lot. Estimated cost \$435,000.

Status: Complete

Bass Park and Buck Street – Bangor Historic Track Inc. and City of Bangor

Project: construction of Bass Park horse stables, a paddock, and other accessory structures.

Status: Permit issued August 2008, estimated cost \$834,356; paddock barn complete 11/08

131 Main Street – Bangor Opera House

Project: Penobscot Theatre's two year and close to a million dollar renovation process saw the final major component completed when a new marquee at the Bangor Opera House was installed December 3, 2008.

Status: Complete

Mall Area

The Springer Drive – Longview Avenue area, which involves five current retail locations including Target, Wal-Mart, Burlington Coat Factory, the former Home Depot building and Shaw's, has recently been the topic of some conversation. Of these five locations, Target on Longview Drive and Burlington Coat Factory at 229 Springer Drive have not indicated any desire to move. The current Wal-Mart location at 70 Springer Drive will be the new Lowe's Home Improvement location once the new Super Wal-Mart on Stillwater Avenue is open. The former Home Depot building on Longview Drive, while not currently occupied, is still under lease to Home Depot.

Home Depot opened at their new location on Stillwater Avenue, two new hotels opened in the mall area, and construction of the new Super Wal-Mart continues. The City of Bangor and the State have completed many of the traffic improvements necessary to accommodate increased traffic due to new development and the anticipated increased traffic from the Super Wal-Mart opening. In sum, the Mall area remains a viable, valuable location despite the current economic environment. All private property owners either have their space leased or have interest by a private business to lease the space.

483 Hogan Road – The Curtainshop

Project: construct on portion of 483 Hogan Road Lot; 11,500 SF with 1,766 SF mezzanine
Status: Permit issued November 2008, estimated cost \$971,867

638 Stillwater Avenue – Widewaters Stillwater Co., LLC

Project: Home Depot construction of 117,073 square feet of retail space consisting of a 114,700 sq. ft building, 2,373 sq. ft. vestibule and 27,988 sq. ft. garden center, 9,990 sq. ft. Dollar Tree. Estimated cost \$12,086,958
Status: Complete. Opened May 2008.

Project: Revise the outdoor storage and display areas and modify the landscaping at 638 Stillwater Avenue (Home Depot site).
Status: Anticipated completion Spring 2009

200 Sylvan Road – Peter Anastos

Project: construction of a 91-room, 4-story Marriott Courtyard on a 16-acre tract. The hotel added about 30 jobs to the area. The Courtyard sold out in its first weekend.
Status: Opened October 2008

250 Haskell Road – Dublin"5" LLC

Project: construction of a 5-story, 135-room, 83,668 sq. ft. Hilton Garden Inn with a 10,300 sq. ft. conference center. Permit issued June 8, 2007 for an estimated cost of \$10,803,951.
Status: Opened December 30, 2008

878 Stillwater Avenue – W/S Kittredge Road, LLC

Project: construction of a 23,100 square foot retail store and a 2,530 square foot bank with drive-thru service. This project was previously planned as a 2,530 sq. ft. bank with drive-thru service, a 5,875 sq. ft. restaurant, and a 14,002 sq. ft. retail store all totaling 22,407 square feet. The applicant now proposes changes that eliminate the restaurant and enlarge the retail building. Including the bank that does not change there will be only two buildings rather than three and the total floor area will be 3,223 square feet larger at 25,630 square feet. Wal-Mart

Inc. said the Bangor Wal-Mart's current location on Springer Drive has a buyer lined up who has been on board a couple of Years.

Status: Building still in design for 2009 construction

340 Stillwater Avenue – SJM Realty Trust

Project: expand the existing building 1,200 square feet; related parking, landscaping, and lighting improvements. Permit issued January 2008.

Status Complete except for landscaping

Kittredge Road and Stillwater Avenue –Stillridge, LLC

Project: construction of a 20,416 square-foot addition to the existing 20,416 square-foot building, relocate the entrance driveway at Stillwater Avenue and provide a thru connection to Kittredge Road at 982 Stillwater Avenue. The project was originally approved for a 40,154 square-foot building on August 21, 2001. The proposed addition will make the building 40,308 square feet.

Status: Planning board approved; building in design

Haskell Road – Jori Brothers Family, LLC

Project: construction of a 13,266 sq. ft. retail building and associated parking. The 1.39-acre (60,548.4 square feet) site is located on the west side of Haskell Road between Peterbilt of Maine and Denny's Restaurant.

Status: Under construction

30 Kittredge Road and 930 Stillwater Avenue – CMI and Eremita & Valley

Project: construct new curb cuts to the new Hogan Road extension and abutting Wal-Mart from Crossroads Plaza at 930 Stillwater Avenue and construct a 24,000-square foot two-story combination retail/office/restaurant building off the new Hogan Road extension.

Status: Site work to be completed by May 2009 for Wal-mart opening; building in design

109 Haskell Road – Dublin "5" LLC

Project: eliminate a proposed tennis court and add construction of a 1,516 square foot addition for an enclosed pool and other site improvements.

Status: Complete

246 Sylan Road – Eastern Maine Healthcare Systems

Project: renovate the existing building for use as a research laboratory. The applicant is planning building renovations to house the Maine Institute for Human Genetics and Health. Permit issued March 2008, estimated cost \$1,500,000.

Status: Complete

Springer Drive – GMRI, Inc.

Project: Site Development Plan Revision and Site Location of Development Modification approvals for a revision to a restaurant building site. Texas Longhorn restaurant open.

Status: Complete

354 Hogan Road - Eastern Maine Community College

Project: construction of new parking areas, service drives, and other accessory structures.

Status: Partially complete

293 Hogan Road – Quirk Chevy

Project: remodel; permit issued September 2008, estimated cost \$486,000.

Status: Nearing completion

463 Stillwater – Triangle Center LLC

Project: construction of Shaw's Supermarket across the street from the Bangor Parkade shopping center. Permit issued August 21, 2007 for site improvements including earthwork, building pad, parking lot, utilities, landscaping and storm water. Springer Drive: Shaw's Supermarket near the Bangor Mall is scheduled to close on Jan 31, 2009. The company's plans to build a new store on Stillwater Avenue have been placed on hold.

Status: Earthwork/utilities done; construction has not started and is uncertain

70 Springer Drive – P.S. Bangor, LLC

Project: construction of a 139,216 square-foot Lowe's retail building, outdoor display in excess of 1% of gross floor area, and two 6,006 square-foot restaurants

Status: Construction to begin as soon as Wal-Mart relocates

State Street Area

656 State Street – State of Maine, Dorothea Dix Psychiatric Center

Project: construct 30 additional parking spaces, walkways, and to reconstruct and pave an existing parking lot.

Status: Complete

97 Oak Street – The Richmond Company

Project: construct a 14,496 square foot building for use as a pharmacy with a drive-up window. The proposed plan depicts a 1.5-story Walgreen's Pharmacy building with one (1) drive-thru lane, buffers and parking spaces.

Status: Existing building is vacant; demolition scheduled for late winter; new building in design

489 State Street – Eastern Maine Medical Center

Project: construction of EMMC \$240 million major renovation and expansion

The current plans include both renovation and new construction. The plans are multi phase, multi year and flexible. Phase one is projected to take several years to complete. It includes:

- Demolition of the Stetson Building
- Construction of a second eight story inpatient care tower next to the Grant Tower will support critical care, ED observation space, and inpatient monitoring for patients of the Heart Center of Eastern Maine, and shelled space for cardiovascular diagnostic services.
- Replacement of all the main operating rooms in Advanced Surgical Care of Maine
- Renovation to the third floor of the Grant Tower and adjacent addition to accommodate expanded Obstetrics and Neonatal Intensive Care
- Construction of a 5 ½ story parking garage and adding another 61,000 sq. ft. level to the existing parking garage. The current 2,061 parking spaces on the campus will increase 828 spaces to 2,889 spaces.

Status: Permit issued September 2008 to construct parking garage, estimated cost \$19,660,690; March 2008, estimated cost \$668,408; June for phase 1 and phase 2 (angio/fluoro) for an estimated cost of \$437,352; December 2008, estimated cost \$387,436

Union Street Area

915 Union Street – Eastern Maine Healthcare

Project: remodel healthcare diagnostic and treatment center. Permit issued November 2008, estimated cost \$3,755,863.

Status: Work near 50% complete

Bangor International Airport – Florida Avenue - City of Bangor

Project: construct 18,000 sq. ft. of pavement at Building #269 located on Florida Avenue. The City Airport Department currently leases it to a steel fabrication business and will add an additional 18,000 square feet of pavement to provide access around the building for delivery trucks and additional room for loading and parking. The dimensions of the proposed pavement will be approximately 90 feet by 200 feet.

Status: Complete

Hayes Street, Maine Army National Guard

Project: construction a 40' x 78' building

Status: Under construction

133 Corporate Drive - Sunbury Medical Properties, LLC.

Project: expand existing parking lot by 33 parking spaces with related lighting and landscaping improvements.

Status: Complete

287 Godfrey Boulevard – City of Bangor

Project: construct a 16,118 square foot second floor addition and new stairwell at the Bangor International Airport Domestic Terminal building; and maintenance and reconstruction of 5.71 acres of the terminal aircraft apron. Permit issued July 2008, estimated cost \$2,889,474.

Status: Complete

Florida Avenue and Griffin Road – General Electric and City of Bangor

Project: build a 9,000 sq. ft. addition; convert a parking area to loading, and other improvements at the Florida Avenue site and to add five small paved areas at the Griffin Road site. Permit issued October 2008, estimated cost \$1,209,000.

Status: Under construction

308 Godfrey Blvd – WNC Bangor Hotel Company LLC

Project: interior renovations, and construction of a 3,341 sq. ft. expansion of the existing Four Points Sheraton Hotel located at Bangor International Airport. Estimated cost \$930,000.

Status: Complete

1765 Ohio Street – Bangor Cellular Telephone LP US Cellular

Project: construct telecommunication shelter, 150 foot tower, access road & associated equipment. Permit issued January 2008, estimated cost \$189,000.

Status: Complete

1133 Union Street – Hannaford Brothers Co

Project: remodel MERC 30,000 SF+. Permit issued February 2008, estimated cost \$1,670,000
Status: Complete

1003-1169 Union Street – Airport Mall Associates, LLC

Project: construct a loading dock for existing retail space.
Status: Complete

Griffin Road – City of Bangor

Project: construct an 8,878 sq. ft. building for use as a fire station to replace Fire Station #6 that was built by the City in 1987 on the corner of Griffin Road and Kenduskeag Avenue. The building will be one-story and 30 feet high. There will be three garage bays facing Griffin Road for fire vehicles and equipment. The building will contain an office, a training room, a weight room, a kitchen, and bunk rooms.
Status: Under construction; estimated completion June 2009

301 Odlin Road – Tim Hortons New England, Inc.

Project: Construction of a 2,444 sq. ft. restaurant with drive-through service and associated site amenities. The applicant has purchased a 43,064 square foot portion of the former driving range adjacent to Irving Oil. Permit issued July 2008.
Status: Complete except for landscaping

Union Street – Update on Former Bangor Theological Seminary Campus

- Bangor Public Library is pursuing the purchase of Moulton Library to use as a last book repository, which means when there is only one copy of a book left in the State of Maine it will be housed in the former Moulton Library.
- Community Housing of Maine is looking at the possibility of converting Maine Hall into 30 to 34 units of elderly housing, most likely targeted to veterans.

Industrial

70 Bennett Street – Penobscot Logistics Solutions, LLC

Project: renovate 9,000 sq. ft. of the existing warehouse building, upgrade utilities, and transfer Site Location of Development Permit. A 200,993 square foot warehouse building currently occupies the site that was last modified in July 2000 and October 1999 for a 113,593 square-foot addition by Galt Block Warehouse, Inc, the former owner. Permit issued in June, estimated cost \$268,500; Permit issued in July for phase II, estimated cost \$2,158,000; Permit issued in October, estimated cost \$425,755.
Status: Complete

40 Target Industrial Circle – AC Real Estate, LLC

Project: construct a 12,140 square foot addition for large electric motor repair and reconstruction. A.C. Electric originally built a 6,000 square foot building in this location in 1976 and added 6,000 square feet in 1982. A.C. Electric plans to expand the operation and anticipates an increase from 18 to 25 employees. Permit issued October 2008, estimated cost \$1,266,000.
Status: Under construction

82V Nadine's Way – N.S. Giles Foundation

Project: construction of a 1,500 sq. ft. office building and a 9,600 sq. ft. shop building for a concrete service business.

Status: Complete

301 Odlin Road – Irving Oil Corp.

Project: Construct a 1,060 sq. ft., single-bay carwash

Status: Complete

252 Odlin Road – Stillwater Realty, LLC

Project: construct a 10,160 sq. ft. building for commercial use. The 1.18-acre vacant site is next to VIP Auto center and across from Ground Round on Odlin Road.

Status: Building in design

15 BanAir Road – Lead Mountain Properties

Project: construction of a 10,992 square-foot commercial warehouse/distribution building with parking and loading areas. The single-story building will have 9,000 square feet of warehouse space and the remaining area as office space.

Status: Spring Construction

34 BanAir Road – Bangor Motor Sports

Project: construct a 3,900 sq. ft. building for maintenance and storage use.

Status: Near completion

101 Banair Road – Commercial Delivery Systems

Project: construction of a 4,500 sq. ft. warehouse addition and parking and loading areas.

Status: Complete

200V Target Industrial Circle

Project: construction of a 2.98-acre paved storage yard for camper and recreational vehicle (RV) units with a driveway on Target Industrial Circle. The site is the Webb RV Center facility located at the corner of Hammond Street and Target Industrial Circle.

Status: Under Construction

Haskell Road – Webber Oil Company

Project: a 6-lot commercial subdivision of 22.20 acres.

Status: No action

Maine Secure Composites LLC has received a contract worth nearly \$13 million from the U.S. Department of Defense. The contract will allow Maine Secure Composites to continue developing tamper-resistant containers for the international shipping industry. Maine Secure Composites LLC has located its research and development facility in Bangor and has received Pine Tree Zone designation from the City of Bangor.

Housing / Residential

932 Finson Road – Stan MacMillan

Project: construction of 32 units of attached residential condominium housing (16 duplexes). Permit issued May 7, 2007 for attached residential: phase II of Condo Development, 2,688SF building including garages; 7 buildings, 14 units total. Estimated cost \$1,403,062.

Status: Under construction – eight to ten units finished

302 Husson Avenue – First Atlantic Corporation

Project: construction of a 35,984 sq. ft. addition for use as 40-units of elderly congregate housing.

Status: Construction to begin spring 2009

315 Harlow Street – Volunteers of America Northern New England

Project: construction of a 51,096 sq. ft. building to be used for 55 units of affordable senior housing.

Status: Building design complete; Spring construction

753 Mount Hope Avenue – Sites Realty

Project: construct three residential buildings with two units each, total six units. Estimated cost \$1,062,326

Status: Permit issued April 2008; two of three complete

325 Husson Avenue – Libby Brothers, Inc.

Project: construction of two residential 4,800 SF, 2-story, four-unit buildings and associated improvements with an estimated cost of \$762,720.

Status: Complete except for landscaping

215 Union Street – John T. Karnes

Project: reuse the existing building at 251-253 Union Street and add 8 additional dwelling units.

Status: Complete

Grandview and Essex Street – Woods of Maine

Project: Whispering Meadow, a 23-lot cluster residential subdivision off Grandview Avenue. The proposed subdivision will be composed of 23 single-family units on 14.47 acres.

Status: No final approval yet

Off Briarwood Drive – Woods of Maine

Project: Woodridge Subdivision Phase IV, a 14-lot Major Subdivision. The plan for Phase IV proposes a 9.23-acre subdivision with 14 lots laid out along a new 500-foot private extension of Briarwood Drive. Woods of Maine received Planning Board approval for Woodridge Subdivision Phase I in July, 2004 and Phase II in December 2005. Phases I and II consisted of 28 and 21 single-family lots respectively. On February 6, 2007, the Planning Board approved a Conditional Use and Site Development Plan for four, six-unit attached residential buildings on five acres, as Phase III.

Status: Public Hearing was held in October; Lots being developed

1528 Ohio Street – Woods of Maine

Project: Lyons Ledge Phase II, a 16-lot Major Subdivision. On May 5, 2008, the Board approved a 4-lot Subdivision on 1.72 acres fronting on Ohio Street (Phase I). The plan for Phase II proposes 16 lots fronting on two new roads, 700-foot Brighton Avenue off Ohio Street across from Mount Desert Drive, and Wesley Way off Brighton Avenue.

Status: Houses on 4 front lots; roads/infrastructure being built

1397 Essex Street Woods of Maine Inc.

Project: a 14-lot cluster subdivision on a 47.5-acre parcel located on the east side of Essex Street. The plan proposes 14 lots along a new 2,060-foot long road, East Ridge Avenue. Six of the proposed lots will be between 1 and 1.5 acres, six will be between 1.5 and 2.5 acres, and two will be between 4.5 and 5 acres.

Status: No construction to date

543 Kenduskeag Avenue

Project: Construction of a three-unit residential building and a four-unit residential building. Permit issued September 2008 for construction of a 4 unit building, estimated cost \$426,328

Status: Under construction

150 Griffin Road – Bangor Retirement Residence II LLC

Project: Project: construction of a two-story, 91-unit assisted living facility (group housing) for frail elderly people. The 91-unit complex will be located adjacent to the Sunbury Village retirement home. Though it will be owned and operated by a separate entity, the assisted living complex is considered Phase II of the development, which began when a 40-acre parcel was subdivided into four sections, one of which now houses Sunbury Village. The two facilities will be linked by sidewalks and will share an access drive. Plans by Bangor Retirement Residence II call for a two-story complex comprising three connected sections, namely a central section housing office and community space and some residential units flanked by two residential wings. Estimated cost \$7,805,891.

Status: Under construction

Off Kenduskeag Avenue – Forrest H. Grant Family LP

Project: a 9-lot residential cluster subdivision. The total area for this proposed subdivision is 6.63 acres with total lot area at 2.22 acres and the total open space to be maintained in perpetuity is 3.82 acres.

Status: No construction to date

125 Fern Street – House Revivers

Project: renovate the existing building, a former laundry building, into a 15 unit apartment building and construct a two-unit garage, a four-unit garage, an eight-unit garage, and site improvements. The former 2 story brick laundry building was built around 1912 and contains approximately 2,400 square feet per floor. The business ceased operation in 2000 and initiated a remediation program to clean the site.

Status: Site cleaning complete; changes to condos; per-sale of units underway

30V Vizsla Avenue – C. A. Strout and Sons, Inc.

Project: construction of 25-lot detached manufactured housing subdivision.

Status: Pending

ECONOMIC DEVELOPMENT

Economic Development Marketing: Economic Development Staff is implementing the annual marketing plan that includes strategic advertising, real estate and special needs advertising, business attraction activities targeted toward site location professionals, developing and maintaining a suite of specific up-to-date collateral materials, general image and "champion of the community advertising", as well as business retention activities. Staff prepares media plans in advance, based on editorial calendars, to capture the most favorable publication rates in targeted U.S. and Atlantic Canadian publications. Advertising is in place at BIA in the Domestic Arrivals Building and in the General Aviation Terminal.

BanAir Corporation: BanAir is a private, non-profit corporation established by the City to provide property management and real estate marketing and development services for properties adjacent to Bangor International Airport. The BanAir Corporation, staffed by the City's Economic Development office, manages and markets on behalf of the City all non-aeronautical property, including land and buildings, adjacent to the Bangor International Airport complex. Some of the services BanAir Corporation provides are lease negotiation, assignment of leases, property management, repairs and maintenance, tenant relations, and land development. BanAir Corporation is currently developing and marketing Maine Business Enterprise Park, BIA Commercial / Industrial Park and BanAir Industrial Park. The BanAir Corporation also operates the Bangor International Enterprise Center, a small business incubator, Bangor Foreign Trade Zone No. 58. and administers the Bangor Economic Development Revolving Loan Program.

The Bangor International Enterprise Center: Is a small business "incubator" staff manages designed to support small businesses during their start-up and early growth stages. It is a valuable resource for entrepreneurs providing flexible operating space at affordable rental rates. The facility can accommodate manufacturers, distributors and business service companies for one to two years after which the businesses "graduate" to other locations within the community.

Acquisition of Industrial Property: The BanAir Corporation purchased 82 acres of industrial property on outer Hammond St. for development as a business park. A Community Development Business Development loan to BanAir assisted this acquisition. Ames A/E has been engaged to perform the engineering and design services needed for environmental and subdivision approvals for development of the site.

WATERFRONT

Improvements to the public areas along the Waterfront that have been completed include replacement of the century old wooden bulkhead with a new steel bulkhead, all new underground utilities, landscaping and streetscape improvements, a new walk along the rivers edge, parking improvements, and a fully handicapped accessible heavy vessel dock which has been accommodating visits by two American Cruise Lines vessels. Development sites along Front Street and Main Street are now ready for development.

Downeast Windjammer Cruises and Ferries, operating under the name Bangor Harbor Cruises, offered cruises from the Bangor Waterfront on *The Patience* for the second year. *The Patience* is a Replica of a 19th Century Steam Ferry offering 1 Hour Harbor Cruises, 1-1/2 Hour Sunset Cruises, Dinner Cruises, and Private Charters. *The Patience* added another opportunity for people to enjoy the Bangor Waterfront.

Engineering and design plans for the twelve acre public space and recreation area downriver from Railroad Street between the railroad tracks and the Penobscot River continue to move forward. The plans include continued development of many recreational opportunities such as extending walking areas, creating play areas for families and connecting parking and walking paths with large open space areas where other public year round uses will be possible. People coming to use the Park and to attend events at the Park will find well-lighted parking areas and well-lighted pedestrian paths with cross walks, bicycle paths, recreational areas and other ADA compliant public infrastructure improvements. The Park will provide a public space for programming venues, a music staging area and will promote scheduled activities needed to energize existing businesses and encourage additional commercial development near the public area.

On December 18, 2008 the Governor announced the City of Bangor will receive \$675,000 from the Maine Riverfront Community Development Bond program. This program, which is administered by the Maine Department of Economic and Community Development, was funded through a \$5 million voter approved bond. The program requires that every \$1 of State funding be matched by \$2 in local funds. With this grant, the City now has \$2,250,000 available for the next phase of our waterfront park project, including \$580,000 in grant funds from the U.S. Economic Development Administration. Bids will be sought in Spring 2009, and the work will be completed by summer 2010. Additional future phases are planned to complete City's master plan for this area and will be implemented as funding becomes available.

DOWNTOWN

Downtown TIF District: Bangor's Downtown TIF District continues plans to prioritize projects.

Downtown Parking: The Council appointed a 2007 Downtown Parking Advisory Committee that conducted a comprehensive review of downtown parking issues and prepared a set of recommendations considered by the Transportation and Infrastructure Support Committee and the City Council. Based on the effectiveness of convening a downtown parking advisory committee every year since 1997, Economic Development staff will petition the current Council to do so again in the spring of 2009. Work continues on plans to improve parking in the Downtown area.

Special Bangor Center Corporation Events: Bangor Center Corporation recently enjoyed its third annual Downtown Countdown on New Year's Eve; an 8-week (Thursday night) summer concert series in Pickering Square; and its third season of an 8-week open air market (Thursday night) as a companion event to the concerts.

Bangor Center Corporation Projects: Economic Development Staff works with Bangor Center on three major program areas: Marketing/Events; Beautification; Downtown Liaison. This year Bangor Center embarked on a \$15,000 holiday advertising campaign to bring more shoppers to the downtown district. Elements of that campaign included Saturday visits with Mr. and Mrs. Clause in December, and a window design contest with shoppers voting to determine the winner.

Economic Development Staff managed a substantial new flower box program, along the Kenduskeag Stream, with the assistance of private funding and the Bangor Public Services Department. The program will continue to expand in 2009.

Bangor Center adopted the Kenduskeag Stream Heritage Trail sign project, funded by a grant from L.L. Bean. The Heritage Trail provides historical facts as well as information on local wildlife and folklore through a series of thirteen educational signs along two-miles of the Kenduskeag Stream. The City recently finished installing these thirteen signs, adding a valuable addition to our historic downtown district. A press conference was held on Tuesday, October 7, 2008 to unveil the signs to the public.

Arts and Cultural Plan: The Commission on Cultural Development has now been in existence two years. In 2006, a Discovery Research project was done to assess the needs of the area, and from that a five-year strategic plan was developed in 2007. As part of that five-year plan, the Commission has applied for a second grant from the Maine Arts Commission for Capacity Building. We will receive results of this request in March of 2008. If approved, the grant dollars will be used to further new cultural programs and services, such as a Cultural Affairs website and professional development opportunities for members of the cultural community.

COMMUNITY DEVELOPMENT

HUD CDBG Entitlement Grant for 2008 \$1,026,151: Annual Community Development Program funding of continuing activities including housing rehabilitation, business development loans, waterfront planning and site improvements, downtown and neighborhood streets and sidewalks, Park Woods case management, and administration.

Annual Grantee Performance Report for HUD: Documents annual expenditure of grant and program income funds, performance measures, and compliance with program requirements.

Union Place Neighborhood Conservation Project: The City, through the Community Development Program acquired and cleared several depilated buildings in an overcrowded 0.8 acre environment and relocated residents to decent, safe and sanitary housing. The City negotiated a development agreement with a housing developer, John Karnes, who is renovating the remaining 4-unit apartment building and building another 8 apartment units on the site. This project was completed in the spring of 2008.

Residential Rehabilitation Loan Program

This program is designed to (1) provide low-interest financial assistance for necessary improvements to residential property owned or occupied by low/moderate income persons, (2) eliminate code violations in existing housing resulting in safe and sanitary living conditions, (3) implement and encourage energy efficient improvements, (4) eliminate lead based paint hazards, and (5) prevent the decline and deterioration of older neighborhoods. Such decline results in erosion of the tax base, a loss of investment equity by owners, and requires more extensive and expensive future remedial action necessary on the part of the homeowner. The preservation of housing stock has become one of the primary objectives of citizens, City Council, and staff professionals who believe that the quality of housing is a primary source of neighborhood stability.

In calendar year 2008, \$13,483 in loans were approved under the Residential Rehabilitation Loan Program.

Homeless Continuum of Care: HUD's main annual, competitive, comprehensive funding availability for homeless programs authorized by the McKinney-Vento Homeless Assistance Act. Although over 20 people are actively involved in the annual grant writing process and monthly meeting schedule, the City is the applicant, Director of Health and Community Services Shawn Yardley is the Chair, and Kaleena Nakowicz the Assistant Director of Community Development is the Coordinator of the April through July grant writing process. This complicated application process can take up to 20 hours a week of staff time in the month of July. The City has been awarded over \$8 million in the last 12 years. The City has chosen to focus its strategy on two main components of the Continuum of Care, the Supportive Housing Program and the Shelter Plus Care Program. Administering these grant awards involves monitoring compliance with federal program requirements, budget analysis, drawdown and disbursement of federal funds, and submission of Annual Performance Reports.

Supportive Housing Program (SHP): The Supportive Housing Program is a component of HUD's Homeless Continuum of Care Program, and designed to develop supportive housing and services that will allow homeless persons to live as independently as possible. Transitional housing is one type of supportive housing used to facilitate the movement of homeless individuals and families to permanent housing. Basically, it is housing in which homeless persons live for up to 24 months and receive supportive services that enable them to live more independently. The following are the SHP grants:

- **Transitional Planning Coordinator - Bangor Area Homeless Shelter:**
Description: Provides a 20 hour per week employee located at the Bangor Area Homeless Shelter to work with individuals and families to assist in their transitional planning. This person is actually an employee of CHCS. Before this grant was awarded, these transitional planning services were done off-site by other agencies. Case management services can now be directed and coordinated right at the shelter.

Funding: This program was awarded **\$ 63,000** in 1996 through HUD's Continuum of Care Homeless Assistance Program for support services for three years, a three-year renewal grant of **\$55,789** was awarded in 2001, and a one-year renewal

grant of **\$18,600** was awarded for Program year 2007. This Coordinator position will continue to be funded by the COC although HUD has not released the final grant amount yet for the 2008 Homeless Assistance NOFA Grant

- **Transitional Housing and Intensive Services for Chronic Homeless People - Acadia Recovery Community (formerly Hope House):** Description:

Construction of a new ten-bed facility for a transitional housing program for the homeless persons most resistant to traditional service delivery. This program offers a continuum of local resources referred to as Intensive Service Coordination (ISC) to individuals that have been barred from shelters and individuals that keep circulating through emergency services system. These persons are often dual diagnosed with mental illness and substance abuse problems. The nature of the project is highly demonstrational, and was the only project in the United States awarded funding for new construction in the 1996 HUD Continuum of Care grant cycle.

Funding: This program was awarded **\$395,000** in 1996 through HUD's Continuum of Care Homeless Assistance Program for construction, and three years partial funding for support services and operating costs. MSHA has also approved another **\$210,000** grant to be administered by Penquis C.A.P., Inc. for construction of the project. The Federal Home Loan Bank of Boston has also approved a **\$40,000** grant for construction and technical assistance. This program has been awarded annual renewal grants of **\$72,678** through 2003, and an annual renewal of **\$9,975** was awarded for program year 2007. These services will continue to be funded by the COC although HUD has not released the final grant amount yet for the 2008 Homeless Assistance NOFA Grant Acadia Hospital has been successful in matching HUD funding and can now operate the program on considerably less SHP funding.

- **Homeless Youth Outreach and Support Services - Shaw House:**

Description: Expand existing outreach and community support efforts to assist homeless youth in Bangor by developing a comprehensive team to perform outreach, crisis intervention, case management, substance abuse services, and other appropriate support services. This program adds a full time Outreach Worker to the Shaw House Streetlight program, a full-time Crisis Worker, a full-time Case Manager, a half-time Youth Substance Abuse Worker, and will expand Shaw House's Day Program. This program will involve an integrated approach to homeless youth by combining delivery of services between Shaw House and Acadia Hospital, in an attempt to engage homeless youth to transition into a more safe lifestyle and transitional or permanent housing.

Funding: This program was awarded **\$348,581** in 1997 through HUD's Continuum of Care Homeless Assistance Program for support services for three years. Matching funding in the amount of **\$254,932** for three years has been committed by the State of Maine Department of Corrections, Department of Human Services Bureau of Child and Family Services, and the Department of Behavioral and Developmental Services Region III. A **\$112,783** one-year renewal grant was awarded in December of 2001; this funding ran out in January of 2003. This

program is consistently renewed each year since 2001 for **\$118,422**. . These services will continue to be funded by the COC although HUD has not released the final grant amount yet for the 2008 Homeless Assistance NOFA Grant

- **Shelter Plus Care Program (S+C):** S+C is another component of HUD's Homeless Continuum of Care Program. S+C provides rental assistance for hard-to-serve homeless persons with disabilities in connection with supportive services funded from sources outside the program. S+C is a program designed to provide housing and supportive services on a long-term basis for homeless persons with disabilities, (primarily those with serious mental illness, chronic problems with alcohol and/or drugs, and acquired immunodeficiency syndrome (AIDS) or related diseases) and their families who are living in places not intended for human habitation, or in emergency shelters.
 - S+C is administered by the Department of Health and Community Services; however, Community Development staff is directly involved in the program design during the annual Continuum of Care grant writing process. This program was renewed again in 2005 for **\$540,972**. S+C funds leverage nearly three times the annual grant amount in supportive services delivered by Case Management staff in various agencies throughout the greater Bangor area. . These services will continue to be funded by the COC although HUD has not released the final grant amount yet for the 2008 Homeless Assistance NOFA Grant

Park Woods Homeless Transitional Housing: Monitor the Park Woods Homeless Transitional Housing Project and the appropriate continuing expenditure of CDBG funds that help support that program. In the fiscal year July1, 2008 to June 30, 2009 **\$ 86,836** of CDBG funds are used to pay for Case Management staff and clerical support. The Director of Health and Community Services and the Park Woods Case Manager develop resources for the Park Woods project, and to ensure the adequate and proper physical maintenance and property management of the buildings. They attend monthly meetings of the Health and Community Services Dept. staff, Legal Department, and the contract property manager of the Park Woods Project.

Acquisition and Disposition of Residential Real Estate:

Staff continues to identify residential properties in poor condition throughout the City that are having a blighting influence on their neighborhood. The staff makes a recommendation to the City Council on how to engage property owners to rehabilitate such properties, or the City could investigate the possibility of acquisition of the properties for rehabilitation and resale.

REGIONAL ACTIVITIES

Transportation: Staff has been working with MDOT and BACTS on several projects including intermodal facilities, BIA-MDI transit alternatives (MDOT), passenger rail extension (Maine Rail Passenger Corridor Committee), reactivation of Calais Branch Railroad (MRG, Inc./DownEast Heritage Railroad), East-West Highway (I-395 PAC), Route 9 and 1A corridor improvements (RTAC 2), and Stillwater Ave. corridor improvements (BACTS). Community

Development staff served on the MDOT public advisory committee (PAC) evaluating transportation alternatives in the corridor between Bangor and Mt. Desert Island.

Trails: Staff has been involved in planning the Waterfront/Bass Park/Kenduskeag Stream trail system, Bangor/Brewer historic trail proposal, East Coast Greenway connection through Bangor waterfront, and Downeast Trail connection from Bangor area to Calais area.

Regional Plan: Staff has been involved with Penobscot Valley Prudent Investments Linking Our Towns (PV PILOT) prepared by a PVCOC ad hoc committee with MDOT funding. Currently, activities to implement tourism related transportation improvements are being investigated.

Penobscot River Restoration Project: Staff has been involved with Building Community Assets along the Penobscot River.

Bangor Region Development Alliance: The Bangor Regional Development Alliance is a coalition of nine municipalities, area businesses, and nine non-profit organizations marketing the Bangor area and the State of Maine to expanding businesses. Staff are very involved in various marketing events conducted by the Alliance from trade shows to personal sales visits.

Economic Development Council of Maine (EDCM): EDCM is a State non-profit member organization of 200 economic development professionals. Staff works with EDCM and EDCM members to ensure Bangor is positioned to maximize development opportunities.

Eastern Maine Development Corporation (EMDC): EMDC is a non-profit organization dedicated to helping businesses and communities in Eastern Maine develop and grow. Staff works with EMDC on regional planning projects.

Greater Bangor Convention and Visitors Bureau (GBCVB): Staff works with the GBCVB to promote tourism activity in Bangor. Staff serves on the CVB board.

Bangor Target Area Development Corporation (TARGET): TARGET is a local non-profit economic development corporation and has been extensively involved in business and industrial park development in Bangor. Its most recent accomplishment is the development of the TARGET Technology Center in Orono, a technology incubator facility with the University of Maine as the largest tenant. Staff serves on the Board of Directors.

Community & Economic Development Staff Coordinates with the following organizations:

Finance Authority of Maine (FAME)
Maine Department of Economic & Community Development (DECD)
Maine Department of Environmental Protection (DEP)
Maine Department of Transportation (MDOT)
Maine Army National Guard
Maine Air National Guard
Maine State Planning Office (SPO)
University College of Bangor

Eastern Maine Community College
University of Maine System
State Legislative Delegations & Federal Congressional Delegations
Army Corps of Engineers
Economic Development Administration (EDA)
Federal Highway/Mass Transit Administrations (FHA & FTA)
Small Business Administration (SBA)
U.S. Department of Housing & Urban Development (HUD)
U.S. Department of Transportation
Action Committee of 50
Bangor Region Chamber of Commerce
Keep Bangor Beautiful
Eastern Maine Development Corporation
Bangor Convention and Visitors Bureau
Bangor Homeless Shelter
Shaw House
Bangor Museum and Center for History
University of Maine Museum of Art
Robinson Ballet
Penobscot Theatre
Bangor Symphony Orchestra
Maine Discovery Museum
Bangor Public Library
Penobscot Valley Council of Governments
Penquis Community Action Program

Thanks to the City Council's always forward planning and action, the stage is set for another highly successful year in 2009.