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EDA designated economic development district

February 13, 2026

To: Union Thompson Community Center (TCC) Committee Members
From: Dan DeBord, MCOG Regional Planner
Subject: TCC Redevelopment – Progress Update, Funding Planning & Strategic Roadmap

Dear Committee Members,

In October 2025, I provided the Select Board with a Strategic Next Steps memo outlining a phased roadmap for advancing the Thompson Community Center (TCC) redevelopment project. That memo identified parallel work streams focused on property assessment, environmental due diligence, short-term stabilization, supporting water infrastructure improvements, and funding acquisition that could move the needle on our ultimate goal of seeing this building thrive again someday. I want to acknowledge at the outset what we all know: this is a complex project that requires patience, careful planning, and a commitment to doing things in the right sequence. The good news is that the foundational work we have been doing is exactly the kind of methodical progress that positions the town for success.

Every step we take now reduces risk, improves our competitiveness for grant funding, and builds a stronger foundation for the informed community decision-making that will ultimately determine the property's future. I am pleased to report and think it is important to recognize that we have, in fact, made progress on the tasks identified in that October memo and others not yet contemplated at that time by working together across multiple fronts. I hope you will take a moment to sit with that and appreciate that your time, effort, and care about this matter does make a difference and is leading to incremental progress that adds up over time. Even though I know it can feel like a disheartening slog at times, I believe the potential positive impact our eventual redevelopment and reuse of this meaningful building will have on the town is well worth it. You should feel good about the work you do – it makes positive change.

With all of that said, this update is intended to bring the TCC Committee fully up to speed on what has been accomplished, what new opportunities have emerged or may be out there to explore, and where we go from here. This document is organized into three parts. First, a progress report on each of the original tasks outlined in the October memo. Second, a comprehensive analysis of funding strategies and new opportunities that have been identified through research and ongoing engagement with state and federal partners. Third, an updated project timeline and strategic roadmap that incorporates everything we have learned since October and positions Union to maximize its competitiveness for external funding while minimizing local tax base impact.

Part 1: Progress Report on Original Memo Tasks

The October 2025 strategic memo identified five categories of action. Below is a status report on each.

1. Property Assessment and Valuation Framework

Demolition Cost Analysis – Partially Completed

The Town Manager obtained a budget proposal from Jake Barbour Inc. (JBI) dated November 21, 2025, for selective demolition of the brick building only, with the original yellow wooden structure to remain. The estimated cost from this proposal was \$165,000 to \$185,000, on a time and materials basis. This estimate covers mobilization, demolition and disposal of the brick building, and removal of existing concrete frost walls and slabs.

Important exclusions: The JBI estimate does not include ledge excavation and removal, relocation of existing utilities, handling or disposal of hazardous materials, salvage work, temporary shoring or enclosures for the remaining building, disconnection between buildings, temporary fencing, backfilling of excavated foundations, or asphalt paving and repair. Several of these exclusions – particularly hazardous materials handling and the building disconnection work – could represent significant additional costs that will need to be accounted for in any comprehensive demolition budget. The Phase 1 and Phase 2 Environmental Site Assessments currently underway will help us better understand the hazardous materials dimension of these costs. Once we better understand those potential hazardous materials concerns, we can solicit additional information from JBI and other similar sources to home in on what a true ‘all in’ cost would look like for dem of the brick portion of the building only.

Land Valuation Assessment – Completed

Rachael Umstead of Lone Pine Real Estate Company prepared a Comparable Market Analysis (CMA) dated October 28, 2025, for the TCC property. Using seven comparable commercial properties in Knox and Lincoln counties – including closed sales ranging from \$162,500 to \$309,000 and one active listing at \$250,000 – the analysis recommends a listing price of \$252,750 for the approximately 1.5-acre property in its village location with TIFF zoning and public water access. The comparable sales reflect an average sale-to-list ratio of 91%, typical for commercial properties in this market. This valuation provides a useful baseline for understanding the property’s value, though it is important to note that the value to a developer will depend heavily on the environmental condition of the site, the status of cleanup funding, and what infrastructure (particularly water and wastewater management) is available at the time of any transaction.

Historic Tax Credit Impact Analysis – Completed

Essex Preservation Consulting, who assisted with the original efforts to make the property eligible for historic tax credits, shared their assessment on the historic tax credit question: both buildings will likely be required for National Register eligibility. If a historic tax credit project were pursued on just the wood (yellow) building, the brick building would need to remain standing for a period of five years after the credits are claimed on the wood building. After that five-year period, the town could proceed with demolition or other disposition of the brick building.

Strategic Implication: This finding creates an important decision framework. Pursuing historic tax credits would require maintaining both buildings for at least five years, which constrains the timeline but could unlock significant financial value. Alternatively, if the community determines that demolition of the brick building is the priority, historic tax credits likely would not be available for either structure. This is a decision that should be informed by developer input through an eventual RFI process, as the market will help indicate whether the tax credit value justifies the preservation requirement.

2. Environmental Assessment and Brownfield Strategy

Phase 1 Environmental Site Assessment – In Progress

Working closely with MCOG Senior Planner Max Johnstone, the town initiated the Phase 1 ESA process utilizing MCOG's Brownfields assessment grant funding. Sevee & Maher Engineers conducted the Phase 1 site walk on January 21, 2026, and their Qualified Environmental Professionals (QEPs) are currently preparing the Phase 1 report. We anticipate the completed Phase 1 Assessment within the next two weeks. This report will document the property's environmental history, identify any recognized environmental conditions, and establish the scope for Phase 2 investigation.

Phase 2 Environmental Site Assessment – Anticipated May–June 2026

Pending the Phase 1 findings and EPA approval of the Phase 2 scope, we anticipate the Phase 2 fieldwork and analysis will take place between May and June 2026. The timeline range depends on the speed of EPA approvals. As outlined in the original strategic memo, the Phase 2 investigation will be comprehensive enough to support future cleanup grant applications, including adequate sampling density, testing for all contaminants of potential concern, and clear delineation of any contamination discovered.

Critical Funding Alignment: Completing the Phase 2 Environmental Site Assessment by June of this year positions Union very well for the next EPA Brownfields Cleanup grant cycle. The FY 2026 Brownfields Multipurpose, Assessment, and Cleanup Grant application deadline was January 28, 2026 (likely delayed due to the extended federal government shutdown this past fall), whereas the FY 2025 deadline, the round in which neighboring Warren successfully applied for and received funds from this program for their Steamship Navigation Site cleanup project, was November 14, 2024. Following historical trends, we should anticipate the next round's deadline falling in approximately October or November 2026. Having a completed Phase 2 in hand by early/mid summer gives us ample time to prepare a competitive application. If successful, this major source of funding would be a complete game changer in the attractiveness of this property to a developer.

3. Stabilization and Infrastructure Improvements

Roof Stabilization – Partially Completed

The Maine Redevelopment Land Bank Authority (MRLBA) approved a Lightning Grant of \$25,000 for roof and siding repairs. G&E Roofing completed repairs to the yellow building's roof on December 23, 2025. The MRLBA agreement allows for contractual services payments after each repair, up to a total of \$25,000, with all work to be completed by June 30, 2026. This immediate stabilization work helps to protect the building's structural integrity for another winter while longer-term plans are developed.

G&E Roofing also provided a comprehensive proposal on November 20, 2025, for full roof replacement on the historic yellow portion of the building at a quoted price of \$131,315. This proposal specifies installation of a single-ply EPDM membrane roof system with 2 layers of polyisocyanurate insulation, new steel edge detail, flashings, and retrofit roof drains, carrying a 15-year limited membrane system warranty. This quote remains relevant for future planning but would require additional funding beyond the Lightning Grant and would need to be resolicited with the potential for cost shifts given that the proposal offer had a 60 day to accept window that has already expired.

MRLBA Larger Funding: At this point, MRLBA has not finalized the grant application process for larger project funding requests. We continue to monitor this and will pursue additional MRLBA funding as soon as the process becomes available. As noted in the original memo, MRLBA's mission aligns well with this project, and they have indicated willingness to support beyond the Lightning Grant level.

Water System Expansion Partnership – Strategy Updated

The original memo had an aggressive timeline goal that targeted the Northern Border Regional Commission's (NBRC) spring 2026 Catalyst Grant round (pre-application due February 27, full application due April 17) for funding the public water system expansion that would serve both the TCC redevelopment and the anticipated Steel-Pro relocation to Union. Based on Maine Water's engineering timeline and the complexity of the required cost-sharing arrangements with Steel-Pro, I recommend pivoting to the fall 2026 NBRC Catalyst round instead.

This pivot is strategically sound for several reasons. First, it allows more time for Maine Water to advance the engineering and design work necessary for a compelling application. Second, it provides the opportunity to finalize a formal cost-sharing agreement with Steel-Pro before submitting the application – a critical element since the town should not bear match costs for infrastructure that primarily benefits private development. Third, NBRC was recently reauthorized with healthy refunding, making the fall round a reliable funding target. The 2026 Catalyst Program will run two rounds, and NBRC has specifically indicated it will prioritize projects that benefit rural communities with fewer than 5,000 residents and that demonstrate how they meet multiple needs – both of which describe Union's situation well.

The required 50% match for transitional counties (which includes Knox County) underscores the importance of structuring the Steel-Pro partnership carefully. The grant application should position Steel-Pro as the primary economic development beneficiary, with the broader community benefits – enhanced fire protection, support for TCC housing development, improved system reliability, and future village growth capacity – strengthening the narrative.

4. State Legislative Development: LD 2164

A significant legislative development has emerged since the October memo. LD 2164, “*An Act to Assist Communities with Converting Vacant School Buildings into Housing*,” was introduced in this ongoing legislative session, by Representative Traci Gere of Kennebunkport. The bill was referred to the Joint Standing Committee on Housing and Economic Development, and a public hearing was held on February 10, 2026. My understanding is that Todd planned to testify in support of the bill on behalf of the Town of Union in-person at the hearing, in which case he will be able to share his testimony with the committee and thoughts on how the hearing went from an in-person perspective.

What the Bill Would Do

LD 2164 would establish a Vacant School Housing Conversion Program within the Maine Redevelopment Land Bank Authority (MRLBA) and create a new Maine School Conversion Fund with a \$5 million annual appropriation beginning in FY 2026–27. The program would authorize MRLBA to provide technical and financial assistance to municipalities that choose to convert vacant school buildings into residential housing that includes affordable units. Participating municipalities would enter into a memorandum of understanding with MRLBA, which could then provide a wide range of assistance including: overseeing additional environmental assessment if necessary, hazard abatement, and cleanup; determining legal and financial feasibility; navigating zoning and regulatory requirements; facilitating partnerships between municipalities with multiple school buildings; structuring and administering requests for proposals from developers; and identifying financing strategies and funding sources.

The fund could be used for design and engineering feasibility studies, providing utility access, property improvements such as demolition or environmental hazard mitigation, hazardous material removal, subsidies for affordable housing units, and capital investment to leverage matching funds or nonstate grants. The bill would also require MRLBA to submit annual reports to the Legislature on program activity and impact.

If you are interested in more extensive reading, all of the written testimonies that were submitted for the hearing are publicly available if you search for the LD number on the state’s legislative bill tracking website:

<https://legislature.maine.gov/bills>

However, to give you a sample of some of the varying thoughts on the bill from across the state, I've picked testimony submitted by three very bright and well respected folks statewide that landed on different sides of the issue to describe for you here:

In Support – AVCOG: The Androscoggin Valley Council of Governments testified in favor, citing their direct experience with school conversion challenges in communities like Canton, Mexico, Rumford, and West Paris. AVCOG emphasized that former schools are often centrally located, structurally durable, and valued community assets, but present significant hurdles including high upfront costs, environmental concerns, regulatory complexity, and limited local capacity. They noted that the funding proposed in LD 2164 would enable feasibility analysis, environmental assessment, and site preparation that many municipalities cannot afford on their own, and that regional organizations like AVCOG could leverage additional Brownfields funds in coordination with the program. AVCOG also referenced Maine's housing shortage and the statewide goal of creating 80,000 new housing units, framing school conversions as a practical near-term opportunity to contribute to that goal.

In Opposition – Maine Municipal Association: MMA's Legislative Policy Committee directed testimony in opposition, raising two primary concerns. First, that MRLBA already has authority to work with communities on school conversions, and a \$5 million dedicated allocation for just one type of redevelopment may not be the best use of funds when municipalities face many types of functionally obsolete properties. Second, MMA recommended that if the bill moves forward, the language should be amended to allow school administrative units (SAUs) to participate in addition to municipalities, since SAUs sometimes retain and redevelop former school properties themselves. MMA acknowledged the premise of the bill is sound but expressed concern about the fiscal note and the narrowness of the eligible property type.

Qualified Support – Developers Collaborative: Kevin Bunker, founder and CEO of Developers Collaborative (DC) and an MRLBA commissioner, submitted testimony supporting the bill's concept while raising important cautions. DC has converted over a dozen historic Maine schools to housing across multiple communities and brings direct experience to this topic. Bunker confirmed that many of the most feasible school conversion projects have already been completed, and remaining buildings retain intrinsic value but face gaps in their capital stacks that existing tools cannot fill. He endorsed MRLBA as well-suited to help with early-stage due diligence and technical assistance. However, he cautioned against diverting resources from existing successful programs like LIHTC, the Rural Affordable Housing program, and AHOP, which are gaining momentum. He recommended continued study to determine the best partnership approach and expressed support for dedicated funding at the appropriate time.

Strategic Implications for Union

Regardless of whether LD 2164 passes in this session, its existence and the discussion it has generated are valuable for Union's TCC project. Union also seems to be an often cited example by MRLBA of the need for this funding to make up an otherwise insurmountable capital stack roadblock, which bodes well for our chances of being an early beneficiary and 'poster child' of the positive impact of the usage of this funding. If the bill passes, Union would already be well-positioned to apply for the newly allocated funding given our ongoing environmental assessments, extensive existing repository feasibility and needs reports, and the proactive work this Committee has done for many years already to advance the project. If the bill does not pass or is amended significantly, MRLBA retains its existing authority to support school conversions, and Union should continue to engage MRLBA directly. The key takeaway is that we should continue preparing as if funding may become available through MRLBA regardless of the bill's outcome, and our ongoing assessment and planning work positions us to move quickly when opportunities arise.

Part 2: Comprehensive Funding Strategy

A central objective of this project is to maximize external funding and minimize local taxpayer exposure. The following is my best effort to 'scour the shelves' to try to find the most promising funding sources and describes how they fit together in a coordinated strategy.

1. EPA Brownfields Cleanup Grant

The EPA's Brownfields Cleanup Grant program represents the single most significant funding opportunity for this project, offering up to \$4 million per award for cleanup, rehabilitation, and site reuse. Union's environmental assessment pathway – Phase 1 completing now, Phase 2 anticipated May–June 2026 – aligns well with a fall 2026 application deadline.

To maximize competitiveness, our application should emphasize: the project's potential to address critical housing needs in a rural community facing documented housing shortages; economic development impact through the Steel-Pro expansion and broader village revitalization efforts; alignment with EPA environmental justice priorities; climate resilience considerations; and the town's proactive efforts to advance environmental assessment on its own through the MCOG Brownfields program.

While recent rounds have not required a local match, we should prepare for the potential that this requirement could return. Early engagement with MRLBA, the Maine Department of Environmental Protection, and Maine DECD about providing match support would strengthen our application. My original October Select Board memo recommended that the town consider establishing a Brownfield Cleanup grant working group by early 2026, comprising representatives from the Select Board, MCOG, this Committee, potential development partners, and community stakeholders. This remains an important near-term action item.

2. Northern Border Regional Commission Catalyst Grant

As discussed in the infrastructure section above, the NBRC Catalyst Grant is our primary target for funding the water system expansion. The program offers up to \$1 million for standard infrastructure projects, with consideration of up to \$3 million for exceptional projects. Knox County is classified as a transitional county with a 50% match requirement. NBRC's 2026 program will run two funding rounds, and we are targeting the fall round to allow adequate time for engineering advancement and cost-sharing negotiations with Steel-Pro.

MCOG's grant writing support is provided at no cost to the town through technical assistance funds NBRC provides to regional councils specifically for application preparation. NBRC recommends that interested applicants in Maine complete the Project Interest Form and submit it to BizAwards.DECD@maine.gov before meeting with the State Program Manager, Sarah Demers. This is an important near-term step we should take in late spring to signal our interest early and begin the pre-application dialogue. Sarah and the rest of the state's DECD/NBRC support team are an excellent resource for providing feedback on application ideas and pitfalls to avoid, and in my experience letting them see you and hear from you early on tends to work out well for towns. I have worked with 5 successful applicants this past year and can certainly impart what wisdom I may have and do the bulk of the application writing, but their insight is invaluable from my perspective.

3. USDA Rural Development – Community Facilities Program

The USDA Community Facilities Direct Loan & Grant Program funds essential community facility projects in rural areas with populations of 20,000 or fewer. Both community centers and transitional housing are explicitly listed as eligible facility types, making the TCC conversion a potential fit depending on how the ultimate use is structured. Union clearly qualifies as a rural area under the program's definition. Grants under this program can cover 15% to 75% of project costs, with the grant percentage determined by population and median household income – lower populations and lower incomes qualify for higher grant coverage. Loans can cover up to 100% of project costs at favorable interest rates set by USDA. Applications are accepted on an ongoing basis; there is no single annual deadline.

To begin the application process, the town should contact the USDA Rural Development Maine State Office in Bangor (207-990-9160, located at 967 Illinois Avenue) to discuss the project. USDA would require a Preliminary Architectural Feasibility Report and Cost Estimate. While this program may be more relevant once a developer is identified and a specific redevelopment plan is in place, early consultation with USDA would help us understand eligibility parameters and begin building the relationship.

4. Genesis Community Loan Fund

The Genesis Community Loan Fund is a nonprofit Community Development Financial Institution (CDFI) based in Brunswick with over 30 years of experience supporting affordable housing and community facility projects throughout Maine. Notably, Genesis holds a contract with MaineHousing to provide matchmaking support between municipalities and developers, and to offer training and technical assistance for smaller-scale developers.

Genesis could support the TCC project in two important ways. First, through technical assistance: Genesis provides low- or no-cost professional assistance including feasibility assessments, fund development, and development consulting to organizations advancing housing and community facility projects. This could be valuable as we further refine our redevelopment plan and prepares to engage developers. Second, through predevelopment lending: Genesis makes loans for predevelopment, acquisition, construction, and bridge financing. If the town or a development partner needs capital to advance the project while awaiting EPA or other grant decisions, Genesis could potentially provide bridge or gap financing.

Genesis's Senior Program Officer for Strategic Initiatives, John Egan, would be the appropriate initial. I would suggest the Committee consider asking Todd, myself, and our MCOG Executive Director, Mat, to initiate a preliminary consultation with Genesis to explore how their services might support this project. Genesis may have already been involved in or aware of this project effort in the past, but they have not since I have worked with the town on these efforts over the past year and a half, so it can't hurt to reengage even if they've been consulted previously.

5. MaineHousing Programs

Although these resources have been discussed in the past, it has been a while, so I thought it might be worth revisiting as a reminder of the additional tools available. Once a developer is identified and a specific redevelopment plan takes shape, several MaineHousing programs could provide significant project financing:

Low Income Housing Tax Credit (LIHTC): The federal LIHTC program offers 9% competitive credits for new construction and substantial rehabilitation, and 4% credits that work with tax-exempt bond financing. Maine's Qualified Allocation Plan includes specific scoring categories for "Rehabilitation or Reuse of Existing Housing, Structure or Site" and "Historic Rehabilitation," both of which the TCC conversion could potentially score under. The program also prioritizes projects in rural areas, family housing, and projects serving populations with special needs. A nonprofit set-aside reserves at least 10% of the annual allocation for qualified nonprofit developers. A preservation set-aside of up to \$750,000 annually targets rehabilitation activities with preference for rural areas.

Rural Affordable Housing Rental Program: Governor Mills and the Legislature appropriated \$25 million for this program, which funds smaller affordable rental housing projects of 5 to 18 units in areas where traditional LIHTC projects are not generally feasible. All units must be leased to households at or below 80% of Area Median Income. The TCC conversion could potentially be structured to fit within this program's parameters, particularly if the project targets workforce housing for the Union village area. This may be a more accessible pathway than the relatively competitive 9% LIHTC program, although both avenues are worth exploring.

6. Housing Opportunity Program – Municipal Ordinance Development Grant

The Maine Office of Community Affairs (MOCA) recently released the HOP Municipal Ordinance Development Grant program (HOP_MUN2026-1), which provides \$5,000 to \$15,000 per municipality for ordinance amendments and housing-related planning work, with no local match required, and has three tiered rounds, although the funding maximum



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drops to \$10,000 after this initial round. The first round application deadline is March 4, 2026, and the period of performance would run from April 2026 through March 2027.

This funding supports ordinance amendments to comply with recent state housing legislation including LD 2003, LD 1706, LD 1829, LD 997, and LD 427, covering accessory dwelling unit requirements, housing density standards, affordable housing density bonuses with height allowances, residential uses in commercial zones, parking minimum requirements in growth areas, and off-site parking agreements. If funds remain after primary ordinance work, rather than MOCA requiring that they be returned to the state, municipalities may use them for other housing-related ordinance revisions, community guidance on land use changes, community housing planning activities, and housing-related educational sessions. This flexibility to utilize the funding, particularly for planning activities and community engagement after ordinance revisions are made, is in large part the draw for this program as it relates to the TCC redevelopment efforts.

I strongly recommend Union submit an application in this round. Warren submitted its application on January 22, 2026, requesting \$15,000, an application which I wrote, and it can serve as a model for Union's application. The HOP program gives priority in this first round to municipalities with town/city council forms of government that can adopt ordinances more quickly. Since Union uses the town meeting form, it falls into the lower-priority category, so we may not get the funding initially. However, if we do not get the funding in the first round they automatically enter us into the second round, which opens up shortly after the first closes, where I'm fairly confident we would be funded. The program statement notes that, in addition to prioritizing town/city council forms of government with the first round, if first round funds remain after town/city council applicants have been covered, they will they award on a first come first serve basis to the remainder of municipalities like Union that have a town meeting form of government. This is, in short, why I recommend putting an application in now, even if this round is not specifically designed for towns like us. Best case scenario, we get an extra \$5,000 for housing community engagement work, worst case scenario, we get passed on to the \$10,000 max funding capped round that was designed for towns like Union. The deadline for this first round of applications is March 4, 2026.

For Union, I would recommend an application requesting the full \$15,000 to fund MCOG consultant services for comprehensive ordinance review and amendment drafting, legal review by the town's attorney, town staff time for coordination, and public notice costs. This work would be structured as an additional contract above and beyond any existing part-time planner services contract with MCOG and would likely bring in additional specialized community engagement and ordinance writing capacity above and beyond myself who are infinitely more experienced, providing the dedicated capacity needed to complete ordinance updates in coordination with the town's ongoing Comprehensive Plan update process. The ordinance work could be targeted for the June 2027 Annual Town Meeting, and then remaining funds could support updates to additional housing-related ordinances, general ordinance cleaning, and then the all important additional community engagement efforts that will be necessary as we continue with this TCC project.

Applications should be submitted to housing.moca@maine.gov with the subject line "HOP_MUN2026-1 Union."

7. Village Partnership Initiative Concept

As the various project elements have developed since October, an overarching strategic framework has emerged that I believe could strengthen all of our grant applications and help the community understand how these pieces fit together. I would suggest to the Select Board that Todd and I begin having conversations with MDOT about the potential for a Village Partnership Initiative (VPI). While this is primarily transportation focused, roads, sidewalks, bike and pedestrian safety, etc., it would build off of existing efforts to do targeted village center improvements planning, we can't consider the village center without considering the TCC and Town Office/Public Safety building as a critical piece of that puzzle. After all, if we are successful in our redevelopment efforts and have seniors (or anyone for that matter) living in the newly renovated TCC building, they will need to have a safe, secure, and reliable connection to be able to access the services in the village center in order to have the quality of life we're hoping for.

The launch point we would build off of with MDOT is working to ensure that we are ahead of the curve in coordinating our approach to three interconnected priorities: the TCC school redevelopment, the water system expansion serving Steel-Pro and the village area, and general village center infrastructure improvements, many of which are transportation related in some form or fashion. The rationale for this framework is straightforward. These are not isolated projects – they are complementary investments that reinforce each other. Water expansion benefits TCC redevelopment by providing the infrastructure needed for residential housing. It simultaneously supports Steel-Pro's relocation, which brings jobs and economic activity to the village. The TCC conversion to housing addresses a documented housing need and brings residents to the village center who will support local businesses. Together, these investments create a virtuous cycle of village revitalization.

Presenting these projects under a unified VPI framework strengthens our competitiveness for NBRC Catalyst funding (which specifically prioritizes projects meeting multiple needs and creating efficiencies), adds compelling context to the EPA Brownfields application (demonstrating comprehensive community revitalization rather than an isolated cleanup), and provides a clear narrative for community engagement that connects each investment to the town's broader vision. I recommend we develop a brief VPI framework document and incorporate its themes into all forthcoming grant applications and community presentations. Todd and I can get the ball rolling on this with some initial conversations with our MDOT Regional Planner for the Midcoast, Michael Hori.

Part 3: Updated Project Timeline and Strategic Roadmap

The following timeline integrates all completed work, ongoing activities, and planned actions. It aligns critical decision points with external funding cycles and regulatory requirements.

Completed Actions (Through February 2026)

Action Item	Date
Phase 1 ESA site walk conducted	January 21, 2026
Demolition cost estimate received (JBI: \$165K–\$185K)	November 21, 2025
Land valuation CMA completed (\$252,750 recommended)	October 28, 2025
Roof replacement quote received (G&E: \$131,315)	November 20, 2025
Yellow building roof short-term repair completed (MRLBA Lightning Grant)	December 23, 2025
MRLBA Lightning Grant approved (\$25,000)	December 2025
Historic tax credit impact analysis (both buildings required 5 years)	Fall 2025
LD 2164 testimony submitted by Town Manager	February 10, 2026

Immediate Actions (February – March 2026)

- Complete Phase 1 ESA report (anticipated within two weeks)
- **Submit HOP Municipal Ordinance Development Grant application (deadline March 4, 2026)**
- Monitor LD 2164 legislative progress through committee process
- Establish TCC Committee communication plan for ongoing progress updates

Spring 2026 (April – June)

- Phase 2 ESA fieldwork and analysis (May–June, contingent on EPA approval)
- HOP grant award notification (anticipated April)
- Initiate preliminary conversations with Genesis Fund (John Egan)
- Submit NBRC Project Interest Form to BizAwards.DECD@maine.gov
- Maine Water engineering advancement for water system expansion
- Establish Brownfield Cleanup grant working group (Committee + MCOG + stakeholders)
- Initial Conversations with MDOT Regional Planner Michael Hori
- Develop Village Partnership Initiative (VPI) framework document
- Complete remaining MRLBA Lightning Grant roof/siding work (by June 30 deadline)

Summer 2026 (July – September)

- Complete Phase 2 ESA report (June–July)
- Initial Genesis Fund consultation on project feasibility and financing structure
- Contact USDA Rural Development Maine State Office to discuss Community Facilities eligibility
- NBRC Catalyst Grant pre-application preparation (water system expansion focus)
- EPA Brownfields Cleanup Grant application preparation
- Finalize Steel-Pro cost-sharing agreement for NBRC match
- Draft ordinance language development (MCOG)
- Planning Board workshop sessions on draft housing ordinances
- Public informational sessions on ordinance changes and TCC project status

Fall 2026 (October – December)

- **Submit EPA Brownfields Cleanup Grant application (anticipated October–November deadline)**
- **Submit NBRC Catalyst Grant pre-application (fall round)**
- Submit draft ordinances to HOP for review (target: November 15)
- Receive HOP feedback on draft ordinances (30-day review period)
- NBRC full application (if invited after pre-application review)
- Final ordinance revisions incorporating HOP and Planning Board feedback

Winter 2026–27 (January – March 2027)

- Planning Board final recommendation to Select Board
- Select Board ordinance review and approval for Town Meeting warrant
- Planning Board public hearing(s) on any proposed housing related ordinance changes
- Warrant article preparation for ordinance adoption
- Public notice and community outreach campaign
- EPA Brownfields and NBRC Catalyst grant award notifications (typically spring)

Spring–Summer 2027 (April – August)

- **June 2027 Annual Town Meeting: Ordinance adoption vote**
- If EPA Brownfields funded: initiate cleanup planning and design
- If NBRC Catalyst funded: water system expansion engineering and construction
- Issue developer RFI based on completed assessments and funding status
- Additional housing ordinance updates if HOP funds remain

Long-Term (2027–2028)

- Environmental cleanup execution (if EPA funded)
- Water system expansion construction (if NBRC funded)
- Developer selection and negotiation
- TCC redevelopment project financing assembly (LIHTC, Rural Housing, Genesis, etc.)
- Construction and occupancy

Critical Decision Points

Historic Preservation vs. Demolition

The Essex Preservation Consulting response creates a clear fork in the road. Pursuing historic tax credits on the yellow building requires the brick building to remain standing for five years after credits are claimed. The financial value of these credits must be weighed against the carrying costs of maintaining both structures and the community's desire for timelier redevelopment.

Developer Engagement Timing

The original memo recommended issuing a developer RFI after completing the property assessments. I recommend refining this to wait until after the EPA Brownfields award decision (anticipated spring 2027). The potential availability of up to \$4 million in cleanup funding dramatically changes the project's feasibility and attractiveness to developers. An RFI issued with a cleanup funding commitment in hand will generate significantly more interest and higher-quality proposals than one issued amid environmental uncertainty.

Water System Cost-Sharing

A formal cost-sharing agreement with Steel-Pro must be finalized before the NBRC application is submitted. This agreement should clearly delineate responsibilities, ensure the town's interests are protected, and establish a fair methodology for allocating costs of oversizing the system to accommodate TCC redevelopment and future village growth. The town should not bear match costs for infrastructure that primarily benefits private development.

Risk Factors and Mitigation

Environmental Unknowns: The Phase 2 assessment may reveal contamination requiring extensive cleanup. The EPA Brownfields Cleanup Grant is specifically designed to address this, and MRLBA may provide gap funding. In a worst case, contamination exceeding the \$4 million EPA limit could shift the calculus toward demolition rather than rehabilitation.

Funding Competition: Both the EPA Brownfields and NBRC Catalyst programs are competitive. Mitigation includes applying to multiple sources, exploring Genesis Fund bridge financing, maintaining a phased approach, and ensuring our applications are as strong as possible through early preparation and stakeholder engagement.

Community Support: Previous town meeting votes on TCC have been contentious. Mitigation requires extensive community engagement, clear communication that external funding minimizes local tax impact, demonstration of economic benefits from Steel-Pro job creation and village revitalization, and transparent presentation of tradeoffs through the VPI framework.

Legislative Uncertainty: LD 2164 passage is uncertain and faces qualified opposition. Our strategy does not depend on its passage – we can proceed with existing MRLBA authority and other funding sources regardless.

Federal Funding Flexibility: Changes in federal administration priorities could affect EPA and NBRC funding availability. Mitigation includes pursuing multiple funding pathways simultaneously, maintaining flexibility in project phasing, and building the strongest possible applications that align with both current and likely future federal priorities around housing, economic development, and rural community revitalization.

Conclusion and Recommended Next Steps for the Committee

The TCC project has made meaningful progress since my October 2025 strategic memo. Environmental assessments are advancing on schedule, cost estimates have been obtained, immediate stabilization has been completed, and multiple funding pathways have been identified and researched. The strategic pivot of the NBRC application to fall 2026 aligns our timing with engineering realities and strengthens our position. The emergence of LD 2164, the HOP ordinance funding opportunity, and the depth of available MaineHousing and USDA programs provide a rich landscape of potential support that makes me optimistic that we can find a path to eventual redevelopment if we keep working at it.

I recommend the TCC Committee and Select Board take the following actions in the near term:

- **Review and authorize if necessary the HOP grant application submission before the March 4 deadline.**
- Receive the Phase 1 ESA report presentation from MCOG/Sevee & Maher when available.
- Discuss the historic preservation vs. demolition decision framework..
- Discuss and endorse the Village Partnership Initiative concept for use in grant applications.
- Establish a regular meeting cadence for project progress updates
- Discuss merits of establishing a specific Brownfield Cleanup working group with either more or less members than the present TCC Committee, or if that should fall under the purview of the TCC Committee as is.

The path forward requires continued patience, sustained effort across multiple parallel tracks, and confidence that the foundational work we are doing now will pay dividends when funding decisions are made and developers evaluate the opportunity. By following the roadmap outlined here, I believe the town can methodically address the complex challenges associated with this property while positioning itself to capture substantial external funding and attract qualified development partners.

Sincerely,



Dan DeBord, MCOG Regional Planner

*Cc: Todd Souza, Town of Union Town Manager
Mathew Eddy, MCOG Executive Director
Max Johnstone, MCOG Senior Planner*