



2006 Annual Report



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Message from Co-Chairs

2006 has literally been a ground-breaking year for the Capital Riverfront Improvement District. With financial assistance from the state of Maine, the city of Augusta, and the federal Land & Water Conservation grant program, we were able to implement Phase I of the Mill Park redevelopment.

The effort to revitalize the old Edwards Mill site has been a priority for the city of Augusta and the state of Maine since the removal of the Kennebec Dam in 1999. This site is steeped in history for both the city and the state, and we are pleased that there will be a beautiful riverfront park for future generations to enjoy.

Other important milestones in the Capital District in 2006 include the sale option agreement of the historic Kennebec Arsenal by the state of Maine to Niemann Capital, a private developer. The sale was made possible by the state through amendments to the state's historic tax credit program, and by the city through the creation of a tax increment finance district. The redevelopment efforts will retain the historic character of the site, and will include offices, restaurants, and housing opportunities.

After several years of planning, fundraising, and construction, the new Augusta YMCA opened to rave reviews, and with its link to the Rail Trail provides area residents with first-rate recreational opportunities. And, the downtown façade program—another partnership between the city and state—has enabled many downtown building owners to make significant improvements to their buildings.

All of us at the Capital Riverfront Improvement District believe Maine's capital city is undergoing a renaissance, and that our collective efforts are making meaningful, significant improvements to Augusta. We remain proud of the unique city-state partnership that CRID provides, and are grateful for your continued support.

Sincerely,

Bill Bridgeo
City of Augusta
City Manager

Dale McCormick
Maine State
Housing Authority



History

The Capital Riverfront Improvement District (CRID) was created in 1999 by the Maine State Legislature (L.D. 2136), with the purpose of:

Protecting the scenic character of the Kennebec River corridor while providing continued public access and an opportunity for community and economic development, and protecting the historic, archeological, recreational and ecological resources identified within the district and the constructed and natural environment of the district.



CRID is governed by a 16-member board comprised of ex-officio state agency representation, appointments by the Augusta City Council, and appointments by the Governor. The Governing board meets bi-monthly in January, March, May, July, September, and November on the third Tuesday of the month. The Executive Committee meets monthly on the first Tuesday of the month. All meetings are held at Augusta City Center and are open to the public.

The genesis of CRID began with the removal of the Edwards Mill Dam on the Kennebec River at the head-of-tide, just north of Augusta's downtown. In 1997, the Federal Energy Regulatory Commission made the unprecedented decision to deny the dam's license renewal and ordered the removal of the dam. The dam was removed in 1999, resulting in a free flowing Kennebec River for the first time since 1837. The dam removal opened up 17 miles of prime spawning habitat for anadromous fish (such as salmon, alewives, and striped bass).

The dramatic removal of the dam presented a unique opportunity for the City of Augusta and the State of Maine to work in a cooperative partnership to revitalize the heart of Augusta.

The goals of CRID are:

- ◇ Enhance the Kennebec River and its natural environment;
- ◇ Make the District the economic and cultural heart of the region;
- ◇ Improve the image of the District and invest in high-quality public improvements;
- ◇ Promote a modern, efficient infrastructure system;
- ◇ Improve new housing opportunities while enhancing existing neighborhoods.

Current Projects

Our key projects for 2006 have been the Phase I development of the former Edwards Mill site in downtown Augusta as a public recreational facility, and supporting the redevelopment of the historic Kennebec Arsenal facility.

Mill Park



Mill Park groundbreaking ceremony; l-to-r Augusta City Councilor Sylvia Lund, City Manager Bill Bridgeo, Senator Beverly Daggett, Mayor William Dowling, CRID Co-Chair Dale McCormick, Senator Libby Mitchell.

Located at the north end of downtown Augusta and along the Kennebec River, this former mill site provides spectacular views of the Kennebec and

downtown Augusta. It is prime space for a public recreational facility that will not only serve as a community resource, but also statewide attraction for Maine residents and tourists, and will support ongoing efforts to revitalize downtown Augusta.

In 2003, CRID developed a Master Plan for the park, which included a number of amenities including access to the river, an amphitheater, increased parking, cultural and historic interpretive elements, and the renovation of the old sawmill, the only remaining building on the property. Because of the projected scope and cost of the project, it was deemed necessary to proceed in phases.



Mill Park landscaping improvements

In the fall of 2004, Governor Baldacci and Senator Beverly Daggett of Augusta announced the potential of over \$300,000 in state grant funds that could be accessed by CRID and the City of Augusta to jumpstart Phase I of the Mill Park development. In addition to these funds, a \$50,000 grant was secured from the federal Land & Water Conservation Fund. Due to the excellent work of Augusta's engineering and public works crews, this \$1,000,000 project was done at a cost of \$500,000.





New Kennebec River boat launch entrance

In addition to infrastructure improvements, the Mill Park is being used for events and festivals. In 2006, the Spring Running, an annual event commemorating the return of fish passage to the Kennebec River, was held at the Mill Park site. Future events include the 2007 Native American Veterans Pow-Wow.



Spring Running photo, courtesy Dana Morse

The CRID Governing Board is finalizing Phase II of the park for 2007-2008, and will be actively seeking funding to complete the build-out. Included in Phase II is the creation of a pavilion to be used as a Farmer's Market as well as for concerts and other events, playground equipment, picnic and game tables, and a natural ice skating rink.

The CRID Governing Board is also exploring the future of the Statler Tissue Mill site, located on the east side of the Kennebec River directly across from the Mill Park Site. The Environmental Protection Agency (EPA) is investing over \$1 million to remove hazardous waste from the site, working in

conjunction with the Maine Department of Environmental Protection. A recent fire at the site increased safety concerns, and ultimately the mill may have to be demolished. CRID hopes to assist the city of Augusta and state of Maine in determining the best option for the site.



Statler Mill, across from Mill Park

Kennebec Arsenal

The historic Kennebec Arsenal property is located on the East side, directly along the Kennebec River and adjacent to both the Maine General Hospital and the former AMHI complex. Listed on the National Register of Historic Places, this grand cluster of eight granite buildings, built between 1828-1838, has played an important role in Augusta's history and the development of its riverfront. The Arsenal is the most intact early nineteenth century munitions depot in the United States. The size of this facility was directly related to the Northeast Boundary Controversy, a border dispute which lasted from 1820-1842 and almost led to a third war with Great Britain. The property is also nationally significant as the best surviving example of an early nineteenth century military complex of this type.

Redevelopment of this site has been a major priority for CRID over the past few years. In 2006 the Arsenal property was optioned for sale by the State of Maine to Niemann Capital, a private developer, for \$750,000. The site will be redeveloped into a mixed-use campus and is expected to generate \$10-\$20 million in direct private investment into the city of Augusta. The sale included historic preservation covenants to ensure that the site will retain its historic

character, and the Maine Historic Preservation Commission will have approval rights on the site.

Other Major District Projects

New YMCA Building Opens

In September the Kennebec Valley YMCA's Augusta branch moved into its new, \$9.9 million facility located in the heart of Augusta. Situated a short walk away from the Capital and state office buildings, and adjacent to the Kennebec Rail Trail, this state-of-the-art facility provides members with improved pools, exercise equipment, basketball and racquetball courts, and a child-care area.



The location of the new facility was made possible by the city of Augusta's donation of 6 acres of Capital Park. The old YMCA building on State Street was recently purchased by a private developer, but no redevelopment plans have been made public at this time.

Downtown Redevelopment Efforts

In partnership with the Maine State Housing Authority, a private developer is creating new housing in downtown Augusta at the former CMP building on lower Water Street. This \$2.9 million renovation project will provide 24 new units of housing, complimenting other efforts to revitalize downtown Augusta.

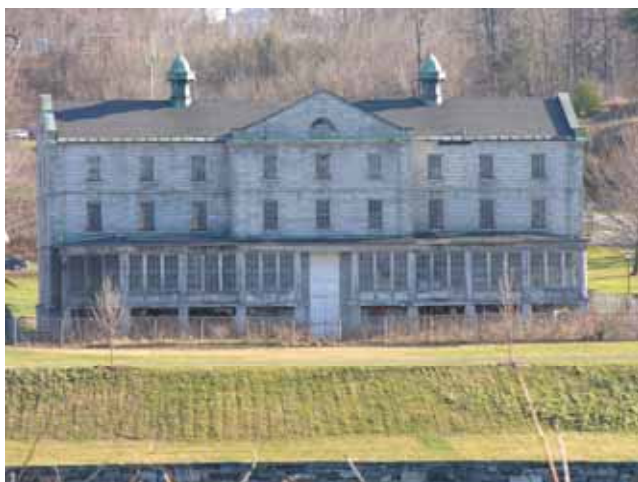
Additionally, efforts are underway to rehabilitate the historic Colonial Theater as a performing arts facility.



Arsenal Complex. Site improvements to the bank, stone wall and boat landing were possible through funding from the Save America's Treasures grant program, which was matched with a \$90,000 contribution from CRID.

To further protect the public interest, the State has reserved the right to buy back the property in the future under certain circumstances. The grounds of the property will remain available to the public.

The sale of this property was made possible by an amendment to the state historic preservation tax credit, providing \$2 million in benefits. The city of Augusta also provided a 100% tax increment finance (TIF) to the project. The site will be developed in two phases, and will eventually include a mix of office space, restaurants and retail, and housing.



Central Burleigh Building

Board Members

Roger Pomerleau	Augusta Chamber of Commerce/Resident
Sylvia Lund	Augusta City Council
Gregory Scott	Augusta Planning Board
Michael Seitzinger	Augusta resident
F. Allen (Al) Wiley	Augusta resident, West Side
Chip Gavin	Bureau of General Services, DAFS
Bill Bridgeo	City Manager (Co-Chair)
Duane Scott	Maine Department of Transportation
Earle Shettleworth, Jr.	Director, Maine Historic Preservation Commission
Dale McCormick	Director, Maine State Housing Authority (Co-Chair)
Frank Hample	State Planning Office
Greg Ponte	Environmental Representative
Marc LaCasse	Heart of Augusta Team, Inc.
Libby Mitchell	State Senator
Beverly Daggett	Augusta resident, East Side

2007 CRID Meetings

Executive Committee Meetings

11:30 am, Augusta City Center

Full Governing Board Meetings

12:00 pm, Augusta City Center

Wednesday, January 3rd	Tuesday, July 3rd	Tuesday, January 16th
Tuesday, February 6th	Tuesday, August 7th	Tuesday, March 20th
Tuesday, March 6th	Tuesday, September 4th	Tuesday, May 15th
Tuesday, April 3rd	Tuesday, October 2nd	Tuesday, July 17th
Tuesday, May 1st	Wednesday, November 7th	Tuesday, September 18th
Tuesday, June 5th	Tuesday, December 4th	Tuesday, November 20th

Capital Riverfront Improvement District - Fiscal Year 2006

Revenue and Expense Statement (Period Ending 06/30/06)

	FY 2006 Budget	Actuals (FYTD) (7/1/05 - 06/30/06)	Balance (Budget-Actuals)
<u>Revenues</u>			
City of Augusta	\$0	\$0	\$0
Interest Income	\$5,000	\$6,254	\$1,254
State Appropriation	\$0	\$0	\$0
Other (MCF Grant)	\$5,100	\$5,100	\$0
Total Revenues	\$10,100	\$11,354	\$1,254
<u>Expenses</u>			
Meeting Expense	\$800	\$435	\$365
Consulting Services	\$60,000	\$60,000	\$0
Insurance	\$1,700	\$1,474	\$226
Legal Notices	\$200	\$236	(\$36)
Mailings	\$0	\$0	\$0
Misc. Expenses	\$5,000	\$298	\$4,702
Office Equipment	\$0	\$0	\$0
Printing Services	\$300	\$59	\$241
Collateral Materials	\$6,500	\$0	\$6,500
Staff Services	\$0	\$0	\$0
Office Relocation	\$0	\$0	\$0
MCF Grant Program Expenses	\$5,100	\$0	\$5,100
LWCF Grant	\$0	\$50,000	(\$50,000)
Kennebec Arsenal Sitework	\$0	\$95,000	(\$95,000)
Legal	\$0	\$1,475	(\$1,475)
Rent	\$0	\$0	\$0
Total Expense	\$79,600	\$208,977	(\$129,377)
Total Revenues Less Expenses	(\$69,500)	(\$197,623)	\$128,123

Balance Sheet (Period Ending 06/30/06)

	FY 2005 (6/30/05)	FY 2005 (06/30/06)	Change (06/30/06-6/30/05)
<u>Assets</u>			
Checking Account	\$11,698	\$12,820	\$1,122
Arsenal Account	\$103,344	\$10,141	(\$93,203)
Reserve Account	\$169,562	\$64,019	(\$105,543)
Total Assets	\$284,603	\$86,980	(\$197,623)
<u>Liabilities & Equity</u>			
Liabilities	\$0	\$0	\$0
Equity	\$284,603	\$86,980	(\$197,623)
Total Liabilities & Equity	\$284,603	\$86,980	(\$197,623)

7 Notes:

Checking account balance as of 6/30/06 to reflect the transfer to pay LWCF Grant

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