

## Cleanup crew

Thanks to a jump in government funding, environmental remediation companies like Portland-based Credere Associates are keeping busy

BY MINDY FAVREAU

**W**ith its picturesque Victorian white bell tower and its prime location in the heart of the village, the North Berwick Woolen Mill in its heyday was an economic and community hub. Built in 1862 on the Great Works River, the three-story mill employed about 80 people who churned out 1,500 yards of flannel a day, supplying blankets for troops in the Civil War.

Since the woolen mill closed in 1955, the 53,000-square-foot brick building has been home to a handful of light industry tenants, including a shoe factory, a furniture painter and an exhibit display manufacturer. But it had remained largely vacant from the early 1990s until May 2005, when Portland environmental consulting firm Credere Associates stepped foot on the four-acre property to perform an environmental assessment.

The group of engineers and scientists found the ancient boiler house had leached lead and petroleum into the soil, and two charred sheds harbored left-over painting chemicals. Inside, asbestos lined the pipes and windows, and a pile of steel drums that had once held varnishes and lacquers cluttered the basement.

But peering through the layers of dust that coated the wood floors, Rip Patten, vice president of Credere Associates, glimpsed an opportunity. "It was a beautiful building, if you can envision it being redeveloped, even though it looked like hell," he says.

But where Patten has seen potential, developers considering revamping former industrial sites like the North Berwick mill have seen unnecessary risk. Environmental assessments can cost anywhere from \$10,000 to \$350,000, and can



PHOTO/DAVID A. RODGERS

*Rip Patten of Credere Associates at the North Berwick Woolen Mill*

reveal problems that could be significantly more expensive to fix. In some cases, environmental issues can stall a project altogether. "Most business people don't have \$50,000 to spend to learn a site isn't viable," says Patten.

To restore these red brick buildings to their former glory, the company has been working to remove the financial barriers and the stigma that deter developers. In 2004, Patten — then working for Connecticut-based Aquarion Corp. — teamed up with the Southern Maine Regional Planning Commission to identify derelict and potentially contaminated sites in southern Maine. The goals: To find sites that could be redeveloped and to secure the funding to perform environmental assessments and remediation.

Out of more than 200 sites, the team picked 24 with the highest potential for successful reuse — sites that were centrally located, in a mixed-use zoning area and fit into the smart growth philosophy, says Patten, who owns Credere with his wife, Theresa. The North Berwick mill, with its location across from a town green and its attractive façade — the mill's exterior was featured in the 1995 film "Jumanji" — floated to the top of the list.

Credere and SMRPC are finally witnessing the fruits of their labor. After SMRPC awarded the North Berwick mill project \$260,000 in assessment and remediation grants, the mill early this year attracted a developer, The Caleb Foundation in Swampscott, Mass., and is slated by next fall to become a 40-unit affordable housing development for elderly resi-



*The first stage: Rip Patten, shown here climbing to the bell tower of the North Berwick Woolen Mill, checks for asbestos and other contaminants at former industrial sites before they can be redeveloped*

dents. The program also has helped spur redevelopment at the Riverdam Mill and North Dam Mill, both on the Saco River in Biddeford and both being developed for mixed use.

These early successes have helped solidify the company's place in the niche field of mill remediation, and are showing developers that taking on a former industrial site doesn't spell financial ruin. "A lot of them 10 years ago had a bad experience with an environmental site, and it cost a lot of money," Patten says. "But now we're talking to them, getting them on board, and they're feeling comfortable."

### Funding from the feds

Patten got his first taste of brownfields redevelopment as an environmental engineer at Portland firm Environmental Engineering and Remediation Inc., when he turned the site of a former jean manufacturer in South Portland into a Budweiser distribution facility in 1998. Since then, he's worked on 29 brownfields projects with a variety of companies.

He and his wife, Theresa, opened Credere Associates in 2007 after the company Patten worked for, Edwards and Kelcey, was purchased by California-based Jacobs Engineering Group, which soon after decided to close the Portland office. The Pattens instead bought out the Portland office, allowing him to keep Jacobs' 13 clients

in Maine, including the former Eastern Fine Paper mill in Brewer that Pittsfield-based Cianbro is remaking into a large-scale industrial facility.

Credere is the acronym for "community revitalization, economic development, environmental remediation and engineering," a reflection of the Pattens' belief that good development is a combination of these factors. And brownfields development, with its smart growth and urban revitalization potential, offers that ideal mix, they say.

The driving force behind Credere's growing mill remediation work is a new wealth of funding from the U.S. Environmental Protection Agency. In 2002, Congress passed the "Small Business Liability Relief and Brownfields Revitalization Act," which eased liability rules for companies developing brownfields sites and established grant and loan programs for municipalities, nonprofits and planning organizations to perform site assessments and clean-up.

Since the funding became active in 2003, the Maine Department of Environmental Protection has received about \$1.7 million to fund assessment and remediation at 40 of the state's more than 2,000 brownfield sites, according to Jean Firth, the DEP's brownfields program coordinator. Another big recipient has been the city of Brewer, which received a \$350,000 federal grant for environmental assessment, as well as \$1 million in a revolving loan fund and \$600,000 in remediation

grants to redevelop the Eastern Fine Paper Co. mill into Cianbro Corp.'s new Eastern Manufacturing Facility. Credere was tapped at the end of 2005 to lead that environmental assessment project.

SMRPC has been the state's second major recipient of the EPA's funding. The commission has received \$1 million in assessment grant funds, and another \$1 million in a revolving loan fund for remediation work, 20% of which can be used as grants for non-profit or municipal organizations, according to Executive Director Paul Schumacher. So far, the grant has funded about 20 remediation projects in York County, at sites including the Robinson Mill in Parsonsfield and the Stenton Trust Mill in Sanford. Meanwhile, the revolving loan fund has supported three projects at the North Berwick Woolen Mill, and the Riverdam Mill and North Dam Mill in Biddeford.

Once SMRPC received its first round of funding in 2004, both the organization and Credere were eager to get the word out and started cold-calling owners of undeveloped mills. However, Patten says they found that "everyone was hesitant to be the first person through it."

results of the assessment allowed Credere to put together a detailed reuse action plan that laid out what remediation would be necessary for various redevelopment scenarios and the costs for each one. The Caleb Foundation needed that plan before it could move forward with the project. "We're a small nonprofit, so we're not in the business of taking speculative risks," says Rob Bernardin Jr., Caleb's director of acquisitions. "There's quite a bit of concern about stepping into something blindly."

The Caleb Foundation bought the mill in March for \$960,000. Once the deal was complete, SMRPC was able to offer the nonprofit a \$200,000 remediation grant toward the approximately \$300,000 clean-up cost. That grant, combined with a variety of other funding sources — from affordable housing tax credits and tax-exempt bonds through MaineHousing to a tax-increment financing program from the town — allowed the foundation to

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#### **Credere Associates LLC**

222 St. John St., Portland

**Owners:** Rip and Theresa Patten

**Founded:** October 2007

**Employees:** Nine

**Services:** Environmental consulting and permitting, geotechnical engineering, and brownfields assessment and redevelopment

**Project annual revenue, 2008:** \$1 million

**Contact:** 828-1272

[www.credereassociatesllc.com](http://www.credereassociatesllc.com)

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# Remaking the North Berwick Woolen Mill

PHOTOS/DAVID A. RODGERS



- 1** On the southern side of the North Berwick Woolen Mill, Credere Associates tore down a boiler house that was leaching lead into the soil and a shed that housed chemicals.
- 2** Credere erected black plastic fencing for sedimentation and erosion control to protect the nearby Great Works River.
- 3** Demolition work starts at the mill as the redevelopment process continues.

reduce its up-front costs and ensure it could keep its rents low, says Bernardin.

Developer Doug Sanford, president of Eastland Development in Biddeford, has been rehabilitating old construction in the Biddeford area since the early 1980s, but had never been able to tackle a brownfields site because the liability kept banks from offering loans to finance the projects. But in 2004, he purchased the North Dam Mill, a three-building complex in Biddeford, for \$312,500, and a \$175,000 remediation loan from SMRPC and historic tax credits have helped him finance the redevelopment project, which has completed its first phase and already houses 40 commercial tenants. "All those incentives are the only way to make a project viable," he says.

## A development catalyst

A growing number of communities are embracing former mill sites as ideal locales for downtown development, and with a law passed this April that gives tax credits of as much as 30% to developers rehabilitating historic properties, more Maine mills could find new life, says Donovan Rypkema, principal of development consulting firm PlaceEconomics in Washington, D.C., and author of *The Economics of Historic Preservation*. Rypkema predicts "significant activity in Maine in the next year or two," as expertise in the

field of mill remediation grows. "They'll be doing exactly what they know how to do, these niche players," he says.

But as the brownfields remediation industry has grown, so has the number of companies looking to get in on its success. "There's been some increase in additional firms seeking opportunity in brownfields work," says Michael Deyling, president of Summit Environmental Consultants Inc. in Lewiston, which has worked on about a dozen brownfields projects, including the Bates Mill remediation in Lewiston. "I think the additional funding is drawing additional competition."

The Pattens hope to set themselves apart from the competition by continuing to expand outside of Maine. But the brownfields redevelopment industry is heavily dependent on public funding, which recently has been tapped dry in Maine and elsewhere. The mounting interest in brownfields funding forced the Maine DEP, which so far has been able to fund every project that applies for money, this year to turn away applicants, according to Jean Firth. Similarly, SMRPC's grant funding has been depleted this year. The \$400,000 it was awarded in April by the EPA won't come until October, and people already are lined up to use it, says Paul Schumacher. "We're going to start prioritizing projects," he says.

This type of funding crunch forced Credere and SMRPC to put work at the

Riverdam Mill and the Stenton Trust Mill on hold until more money was available. And two projects Credere was working on in New Hampshire failed to receive the funding it was counting on, meaning that the company will have "no new work in New Hampshire for the next 12 to 18 months," says Theresa Patten. "It takes a while for funding to trickle down."

"It's a good thing and a bad thing being this focused," says Rip Patten. "We know the market better than anyone else, but we live and die by this market more so than other diverse firms."

But watching the progress of sites like the North Berwick Woolen Mill helps restore the couple's faith — "credere" also means "to believe" in Italian — that the benefits of mill redevelopment will win out over market conditions. "When you're working with an industry, you're seen as a liability," says Patten. "But with brownfields, you're working as an asset. You're a catalyst for revitalization."

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