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Developers present vision for Goodall Mill building in Sanford

SANFORD — Josh Benthien tapped the blueprint on the table in Town Manager Mark Green's office right where there one day will be a residential unit's window on the third floor of the Goodall Mill overlooking Number One Pond.

"The view of the pond is awesome," Benthien said. "I was up there last week when the river was running strong, and it was awesome."

Benthien is the director of acquisitions for Northland Enterprises, LLC, the Portland-based real estate development firm that is planning to transform the mill at 61 Washington Street into a mixed-use building with retail and commercial space on the first floor and 36 residential units on the top two. On Thursday, April 16, Benthien and Rex Bell, one of the principals of Northland Enterprises, met with local reporters to detail their company's plans for their corner of Sanford's historic mill yard.

Earlier that morning, the two men also shared their vision with the Sanford-Springvale Rotary Club during its regular meeting at the Knights of Columbus Hall on High Street. Rotarian Robert Hardison, of the town's planning board, hosted them.

The Sanford Town Council took the mill by eminent domain in September. Local developer Patrick Fagan had owned the building and had hoped to transform it into residential units and commercial space, including a brew pub, a health club and a spa on the ground level. Fagan began working on the building in January of 2007, but his project ultimately stalled due to difficulty with finances. The town paid Fagan \$150,000 for the property

Once the mill is cleaned — it is filled with rubble that's saturated with asbestos and lead paint and soaked from rain and snow that has fallen through the building's decrepit roof — the town will hand the property over to Northland Enterprises so it can begin its project.

The project is estimated to cost approximately \$12 million. The bulk of the project will be financed through state and federal historic preservation tax credits and new markets tax credits, which assist projects in areas of economic distress. The project also will be financed with the \$675,000 Riverfront Community Development Bond that the town received in December. Northland Enterprises will cover the remainder of the cost through debt and equity.

The cleanup is estimated to cost approximately \$1 million.

Last week, Sanford Economic Affairs Director Les Stevens learned that the Southern Maine Regional Planning Commission has approved a grant worth \$160,000 to go toward the effort. As well, the town has applied for \$200,000 from the Environmental Protection

Agency's Brownfields grant program to go toward the cleanup; Stevens said the town is expecting to hear any day now whether it will receive the funds. Stevens said the town hopes to secure the remaining \$640,000 through a low-cost loan on Northland Enterprises' behalf — but some of that remaining sum could come from grants as well, Stevens added.

According to Bell and Benthien, the first floor of the building offers 21,000 square feet of space for retail and commercial use. Acquiring a tenant for such space is one hurdle that, if cleared, would "accelerate things in a good way," Bell said. The firm is currently actively seeking a tenant.

Stevens said a call center would be "ideal" on the first floor.

"Sanford is very much ready for a call center," he said.

The firm is also searching for lenders for conventional loans for the project. To begin the project, Bell said that at least 75 percent of the bottom floor first needs to be committed through a signed lease from a tenant or a letter of intent.

On the second and third floors, Northland Enterprises intends to build 36 residential units to be leased at market price — around \$875 per month for a one-bedroom unit and \$975 for a two-bedroom. A one-bedroom unit would cover between 650 and 850 square feet, while a two-bedroom would encompass between 800 and 1,200 square feet. There would be 18 one-bedroom units and 18 two-bedroom ones.

Northland Enterprise has hired Benchmark Residential and Investment Real Estate, its longtime contractor in Portland, for the project. Bell and Benthien said that local subcontractors will be hired to benefit Sanford's economy.

Bell added that the architect for the project understands products and construction in terms of energy efficiency and will work on the mill accordingly.

"Green is very much on our minds," he said.

Once the cleanup is complete — say, in another six months or so — construction will take approximately one year to complete.

Both Bell and Benthien stated that their company's professional relationship with Sanford's town officials is one of the significant reasons why they're confident their project will be a success.

"We feel we're a part of the Sanford team," Bell said. "When a town wants you there and it's cooperative, it makes all of the difference in the world."

Stevens agreed, noting that he and other town officials are looking at the mill project as the first of many in Sanford with Northland Enterprises.

Bell stated that Northland Enterprises also would like to develop other properties in the downtown area.

Bell and Bobby Monks are the principals of Northland Enterprises, LLC. To learn more about the company and its other properties, visit www.northlandenterprisesllc.com.
