

# Loring Commerce Centre HAPPENINGS

*A quarterly newsletter about the Loring Commerce Centre showcasing the facility's assets, news and on-going activities.*

## BUSINESS NEWS

The LDA is excited to announce two major business deals that are projected to have a profound impact on the northern Maine regional economy; DG Fuels and Green 4 Maine.

### DG Fuels:

A company that plans to make synthetic aviation fuel has signed an agreement with the LDA to build a bio-fuel production facility that could employ up to 650 people.

DG Fuels LLC, which is based in Washington, D.C., signed an agreement with the Loring Development Authority for a long-term lease of 1,240 acres at the Loring Commerce Centre.

Plans call for breaking ground in summer 2024, pending the company lining up financing in time. The site could open as soon as 2027. In addition to the permanent jobs, DG Fuels said construction of a production site would create 2,300 jobs.

"This exciting project will support efforts by the Mills Administration to revitalize the former Loring Air Force Base and bring new good-paying job opportunities to Aroostook County. We look forward to working closely with DG Fuels as this project continues to take shape," said Heather Johnson, commissioner of the Maine Department of Economic & Community Development.

DG Fuels is creating a production site for synthetic jet fuel, which it sees as a more sustainable long-term option for commercial airlines than petroleum-based fuel. The company

## ABOUT THE LORING COMMERCE CENTRE

The Loring Commerce Centre, the former Loring Air Force Base, has evolved into a busy commercial, industrial and aviation park that is currently home to over twenty-five business entities, collectively employing over 750 highly-qualified personnel. The Loring Commerce Center is managed by the Loring Development Authority of Maine (LDA), a quasi-state agency.

Loring possesses some of the most significant "open the door ready" economic development assets in northern Maine. With over 3,800 acres of developed area and over 900,000 square feet of existing unoccupied or underutilized modern and practical buildings and developable sites, all supported by high-capacity municipal utility infrastructure and a newly constructed dark fiber network, Loring has the capacity to support substantial new business development activity. Furthermore, in addition to supporting local and national markets, Loring's facilities also can support international markets, due to its proximity to Canada and northern Europe. Please refer to [Loringcommercecentre.com](https://loringcommercecentre.com) for a comprehensive listing and descriptions of these superb assets.



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describes itself as an “emerging leader in drop-in sustainable aviation fuel” and says the Aroostook site would create up to 175 million gallons per year.

“This kind of investment is key to the Loring Development Authority's strategy to innovate and promote economic development of Loring as a green energy hub for Maine as well as develop the airport for renewed operations,” said Carl W. Flora, president and CEO, Loring Development Authority of Maine.

The company said northern Maine provides “key logistical and environmental advantages,” with availability of stranded hydroelectric power, regional timber and agricultural waste.

“DG Fuels' base line process differs from other systems by having little or no environmental emissions either to the atmosphere or waters while at the same time providing a customer for all forms of agricultural waste to the region's agricultural community alongside waste from the timber industry,” said Michael C. Darcy, CEO of DG Fuels.

#### **Green 4 Maine:**

We are happy to announce that Green 4 Maine has closed on the acquisition of approximately 390 acres of land, consisting of over a million square feet of prime office, manufacturing, and warehouse space from the LDA at the Loring Commerce Centre, creating the

Green 4 Maine Campus. This deal consummates the first phase of an intended long-term acquisition plan of Commerce Centre properties for Green 4 Maine.

The Green 4 Maine mission will be interwoven into the Loring Commerce Centre strategic plan and fabric of the Communities of Aroostook County to provide future jobs and economic stimulus for the entire region. Green 4 Maine will be working with the LDA in a strategic alliance to pursue a vision for the redevelopment of the properties at the Commerce Centre. The first phase of this effort is projected to create many thousands of jobs over the next ten years. These efforts will kick off with the renovation of over 600 apartment housing units that once were military housing on the base.

The Green 4 Maine Campus at Loring is envisioned to include multiple key foundational **economic growth pillars**:

- Technology Incubator
- Centers of Excellence in Advanced Applied AI Technology Initiatives
- Agricultural Farming Hub
- Renewable Green NEW Energy Development and Manufacturing Assembly
- Affordable Workforce Housing: “The GREEN Villages”

- Advanced Precision, Additive Manufacturing and LSAM (Large Scale Additive Manufacturing)
- Aerospace Initiatives promoting an Air Cargo Distribution Hub Presence
- Integrated alignment supporting a National Space Center Complex
- University Educational Hub
- Promoted Year-Round Entertainment, Conventions, Socially Distanced Outdoor Recreational Events and Activity Offerings

Please go to **Green4Maine.com** for more details and for future announcements.

## **INFRASTRUCTURE PROJECTS UNDERWAY**

Upgrades to infrastructure including water, sewer, and roadways are necessary to support new and existing economic activity at the Commerce Centre. Roadway improvements will assist the movement of employees, goods, services and facilitate commercial activity. Loring has several pending wastewater collection system and road improvements in the works. The LDA has been awarded over \$4 million in Congressionally Directed Spending (CDS) grants for this work, which will commence this spring.

## **Wastewater System Improvements:**

Over a decade ago, the Greater Limestone Wastewater Treatment Facility was completed and began for the first time to treat the combined wastewater of Limestone and Loring. Prior to that time, Limestone had completed, and LDA had started, projects to replace sewer lines to address “Infiltration and Inflow” (I & I) issues, which refers to water entering the sewer collection system either through roof or floor drains or from cracks in old sewer pipes that admit groundwater. I & I is not wastewater to begin with and would not have to be treated if it can be kept out of the system. To that end, sewer lines must be replaced, or sleeved, and drains must be disconnected from the system. Unused portions of the system can also be disconnected.

In 2006, LDA completed a flow monitoring study that recommended a ten-phase plan to replace sections of the sewer collection system to reduce I & I into the collection system and at the wastewater treatment plant. Over the past 15 years, LDA has completed the first four phases of work totaling over \$2.9 million. Now, Loring is preparing to complete the work. The new project is expected to be supported by various funding sources including a CDBG public infrastructure grant, a Maine DEP wastewater infrastructure grant together with funding from the

Clean Water State Revolving Loan Fund - with principal forgiveness; a grant through the Northern Border Regional Commission and a Congressionally Directed Spending (CDS) request. These funding sources will allow for the completion of the remaining six phases of work consisting of replacing nearly 20,000 feet of gravity sewer and manholes with PVC sewer and precast concrete manholes. Reducing flows to the treatment plant will reduce our costs for wastewater treatment services provided by the Limestone Water & Sewer District (LWSD). It will also help LWSD with achieving 85% removal of biological contaminants ("BOD") during wet weather events as required by regulation and will minimize the chance of discharging untreated wastewater to the environment. As in the past, the CDBG portion of the funding has been granted to the Town of Limestone; Limestone is a conduit to the CDBG funding for LDA. The CDS funds will be used to continue this work.

#### **Roads and Demolition:**

LDA's plan is to use the CDS funds for repairing and reconfiguring roads from 4 lanes to 2 lanes, and to complete demolition of several unusable structures. The justification we offered in support of the request was that Loring represents an existing taxpayer investment of hundreds of millions

since it was first constructed in the 1950's. It represents an opportunity to retain upwards of 700 existing jobs, and attract new jobs to replace former Air Force jobs from the 1990's, and former Maine Military Authority jobs lost over the past 8 years. Finally, existing facilities can support many additional jobs in new industries and businesses. Reduction of roadway width from 4 to 2 lanes in many places will reduce the cost of plowing and maintenance. Removal of substandard structures will address blighted conditions and make the park more attractive to new businesses. Again, thanks to the efforts of our Congressional delegation, this funding will help make Loring an attractive and functional business park for years to come.

#### **REGIONAL ECONOMIC DIVERSIFICATION STRATEGY - AIRPORT MASTER PLAN, ENERGY RESILIENCY STUDY AND A WORKFORCE SKILLS ASSESSMENT**

The LDA has submitted a \$740,664.00 application to the Department of Defense to secure funding to develop a Regional Economic Diversification Strategy, aimed at reducing the region's reliance on defense jobs by expanding the Region's employment base. This strategy will include broad-based regional workforce, aviation and energy assessments. As part of this overall strategic planning



effort, the LDA plans to conduct two planning efforts aimed at growing aerospace opportunities and securing energy resiliency at the Loring Commerce Centre, as well as gain a better understanding of the workforce skills at the DFAS facility.

The Airport Master Plan will build a business case for the civilian reuse of the former aviation complex and needed improvements for acceptance of the facility into the FAA national airspace system. It will also develop the business case of the facility as an FAA certified Unmanned Aerial Systems (UAS) test facility. The benefits anticipated from this effort will help diversify the regional economy by attracting “new-age” private and public sector investments into the Loring aviation complex and result in new job creation in the aerospace sectors.

The Energy Capacity/Needs Assessment and Resiliency Plan will forecast the future energy needs of the Loring Commerce Center campus and evaluate the level, capacity and improvements needed in this critical infrastructure to support growth. The Plan will also recommend needed improvements to allow for the Loring campus to enhance energy resiliency with a focus of long-term “behind the fence” sustainability, (e.g., becoming a self-sustaining energy island). The benefits anticipated for this project element will help set the stage for the creation of new investments on the campus and additional job

creation in the energy sector. An added benefit from these investments will provide for energy resiliency and long-term security for businesses at the Loring campus.

While a substantial amount of work has been done in recent years to understand the workforce dynamics of the region, the LDA, working with the Northern Maine Development Commission will conduct a deep dive into the actual skills of the 600 employees of DFAS. This effort will give a clear understanding of how these skills are transferrable to other existing and future industries in the region. In addition, this effort will better compliment and not duplicate existing State and regional efforts.

The work on these efforts is expected to commence by May 1. Stay tuned for the exciting roll-out and details of this exciting initiative, which will involve the collaboration of numerous entities in the Region.

### **MARKETING EFFORTS CONTINUE**

In 2022, the Maine State Legislature appropriated \$200,000 in Fiscal Years 2022 and 2023 to the Department of Economic and Community Development (DECD) to oversee a business development and marketing program with the primary objective to attract new business investment and to bring quality jobs and improved economic vitality to the Loring Commerce Centre and region and generate much needed new revenue for the LDA.

Following the State procurement process, SHL Enterprise Solutions (SHL), a Greenville-based economic development consulting firm, was identified as the winning bidder. SHL's principal is Steve Levesque, who most recently led the successful redevelopment of the former Brunswick Naval Air Station.

For this project, the SHL team is accompanied by Designlab, a full-service graphic design and marketing agency based in Millinocket and other specialists, as needed.

A two-year contract was awarded on June 1, 2022. Through increased brand awareness and implementation of a robust and focused national and international business marketing strategy, this work will focus on attracting the following primary business sectors: transportation equipment, agricultural products, wood products, aerospace industries and energy operations. These sectors were identified in the sustainability plan as likely to succeed in the area.

#### **Activities to Date:**

- Redesigned the Loring Commerce Centre website. The new website is: [loringcommercecentre.com](http://loringcommercecentre.com)
- Established and maintain active social media presence on Facebook and LinkedIn.
- Developed six target-sector "Pitch sheets" and other

presentation materials.

- Distributed "Pitch sheets" to 275+ UAS and commercial aircraft manufacturers, MRO and R&D companies, 225+ machine technology companies, 175 European companies and 75 agricultural and forestry equipment manufacturing companies.
- Attended the International Machine Technologies Show in Chicago and the BIG E (Agricultural) show in Springfield, MA, the FAA/UAS seminar in Brunswick, ME, and the UAS Summit in Grand Forks, ND.

#### **Future Focus:**

The major foci of SHL's marketing efforts in the near future will be to:

- Identify and attract supportive supply chain business that complement the DG Fuels project;
- Continue to aggressively market and promote the Loring aviation complex for aerospace industries, including large aircraft maintenance, repair and overhaul (MRO), research & development, unmanned aerial systems (UAS) development and operations, and spaceport operations;
- Work collaboratively with Green 4 Maine on their Parcel 1 marketing efforts; and

- Work collaboratively with the Maine Space Corporation to promote Loring as an integral element of the future Maine Spaceport Complex.

SHL is preparing to attend a number of trade events this spring to promote the Loring Commerce Centre, including: the MASSTimber conference in Portland Oregon, the MRO trade show in Atlanta, the Florida Aerospace Expo and the UAS Trade Show in Denver.

### **FOREIGN TRADE ZONE DESIGNATION**

The LDA is working with SHL and C3 Associates to prepare an application to the US Foreign Trade Zone Board to develop a new US Foreign Trade Zone (FTZ) at the Loring Commerce Centre. Given its strategic business location, it makes a great deal of sense for the Commerce Centre to have its own FTZ with a Grantee that aids in future business development efforts. FTZs are excellent resources that attract domestic and international distribution and manufacturing companies, supplying the benefits needed to make these companies competitive from the start.

Geographically, Limestone is far from any existing zone; additionally, there is no incentive for any other Foreign Trade Zone in Maine to promote growth in an area outside of their responsibility as an economic development organization.

### **AIR FORCE PFAS STUDY ONGOING**

The US Air Force is in the process of conducting further “remedial investigations” into the PFAS issue at Loring. Looking into the application of Aqueous Film Forming Foams, “AFFF”, and assessing the potential ecological and human health risks is the latest phase in the Air Force's investigation into PFAS contamination and will include multiple informational public meetings during the study period. AFFF was used at Loring to put out aircraft fires on the runway and conduct training.

In a recent Air Force presentation to the LDA Trustees, the initial site inspection was completed in 2018, confirming PFAS presence in eighteen areas, primarily where the firefighting foam was used and stored. This investigation concluded that groundwater at and around Loring does not exceed EPA health advisory guidelines. The level of contamination and the type of remediation needed will be determined in the remedial investigation, to be conducted this summer. The investigation includes a risk assessment report; the report is expected to be complete in June 2023.

Following this work, appropriate remedies will be accomplished by the Air Force to mitigate any public exposure. It's important to note that the US Government, through the Air Force is the primary liable party for

any preexisting contamination at Loring, and there is an indemnification statute in place for transferees and subsequent transferees of military properties.

PFAS is being investigated in many Maine communities and is becoming better known. The US Navy has been conducting similar studies at the former NAS Brunswick and the Midcoast Regional Redevelopment Authority has been working with the Navy, the DEP, and local developers to manage development and ensure public health is protected. This example, as well as others around the country, clearly demonstrate that this issue is manageable and that economic growth can occur at Loring.

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This newsletter is produced by SHL Enterprise Solutions, in collaboration with Designlab, Inc. Stay updated for current events by checking out the Loring Commerce Centre Facebook and LinkedIn pages and be sure to visit the new website linked below. Comments may be sent to: [Stevel@loringcommercecentre.com](mailto:Stevel@loringcommercecentre.com)

The logo features a dark blue, thick, curved line that arches over the text. The text "LORING COMMERCE CENTRE" is written in a bold, dark blue, sans-serif font, stacked in three lines.

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