

1964

Bangor Urban Renewal Authority Annual Report 1964

Bangor Urban Renewal Authority

1964 ANNUAL REPORT



BUILDING A BETTER BANGOR

BANGOR • URBAN • RENEWAL • AUTHORITY

February 4, 1965

Mr. Francis A. Finnegan, Chairman
Bangor Urban Renewal Authority
City Hall
Bangor, Maine

ANNUAL REPORT

Dear Sir:

OF THE

I am pleased to submit the Annual Report of the Bangor
Urban Renewal Authority for the year ending December 31, 1964.

The Report describes the year's activities and accom-
plishments which were aimed at promoting economic growth and
stability, and to improve living standards in the City of
Bangor.

December 31, 1964

I wish to express my appreciation to the members of the
Authority, and to the Bangor Municipal Government, for their complete
cooperation and assistance during the past year.

KENDUSKEAG STREAM PROJECT ME. R-7

STILLWATER PARK PROJECT ME. R-4

BANGOR, MAINE

HAROLD L. THURLOW
Executive Director and Secretary

BANGOR
PUBLIC
LIBRARY
BANGOR ME.

BANGOR URBAN RENEWAL AUTHORITY

COMMISSIONERS

Francis A. Finnegan
Mrs. Richard Madenworth
John E. Conry, Sr.
Max S. Kozlowsky
Joseph E. Connelley, Jr.

Chairman
February 1, 1965
Treasurer
Assistant Treasurer
Member

Mr. Francis A. Finnegan, Chairman
Bangor Urban Renewal Authority
City Hall
Bangor, Maine

Executive Director & Secretary
Assistant Executive Director
Recreation Specialist
Rehabilitation Specialist

Dear Sir:

I am pleased to submit the Annual Report of the Bangor Urban Renewal Authority for the year ending December 31, 1964.

The Report describes the year's activities and accomplishments which were designed to promote economic growth and stability, and to improve living standards in the City of Bangor.

I wish to express my appreciation to the members of the Authority, to the various departments of the Bangor Municipal Government, and to the members of the staff for their complete cooperation and assistance during the past year.

Respectfully submitted,

Harold L. Thurlow

HAROLD L. THURLOW
Executive Director and Secretary

Planners
Appraisers
Appraiser & Market
Consultants
Appraisers
Appraisers
Appraisal Review
Appraisers

The P.
Survey & Boundary Company
M. B. Ballard Company
Frederick C. Ashin
Vesley O. Taylor
Wrentham & Kirch
Bracke & Carter

Mass.
Portland, Maine
Boston, Mass.
Lowell, Mass.
Augusta, Maine
New York, N.Y.
Bangor, Maine

BANGOR URBAN RENEWAL AUTHORITY

COMMISSIONERS

Francis A. Finnegan
Mrs. Richard Wadsworth
John E. Coney, Sr.
Max S. Kominsky
Joseph R. Coupal, Jr.

Chairman
Vice-Chairman
Treasurer
Assistant Treasurer
Member

STAFF

Harold L. Thurlow
Lowell T. Sherwood
Dana A. Giggey
Wesley L. Wright
Herbert L. Fowle, Jr.

Executive Director & Secretary
Assistant Executive Director
Relocation Specialist
Rehabilitation Specialist
Administrative Assistant

COUNSEL

Everett W. Gray
Thomas E. Needham

Legal Counsel - Stillwater
Project
Legal Counsel - Kenduskeag
Park Project

BOND COUNSEL

Ropes & Gray

Boston, Massachusetts

ENGINEER

John Frawley

City Engineer

CONSULTANTS

Planners
Appraiser
Appraiser & Market
Consultant
Appraiser
Appraiser
Appraisal Review
Accountant

The Planning Services Group
Sawyer & Hennessy Company
W. H. Ballard Company
Frederick C. Achin
Wesley O. Taylor
Warsawer & Kirch
Brooks & Carter

Cambridge, Mass.
Portland, Maine
Boston, Mass.
Lowell, Mass.
Augusta, Maine
New York, N.Y.
Bangor, Maine

GENERAL

Progress in the Stillwater Park project has been steady during 1964 despite a multitude of time-consuming problems requiring additional engineering and legal decisions, as well as new and amended appraisals of many acquisition parcels.

ACQUISITIONS

All appraisals have been completed for the acquisition of 205 parcels. Price approval has been requested, and received, on all but eight of these parcels. These eight are being reviewed because of description or status changes created, in part, by engineers' findings or improvement of part of the original proposed taking, necessitating a change in the plan.

All title searches are complete for parcels being acquired, and title clearance will continue until the final taking.

Option negotiations were exhausted in 1964, with a cumulative total of 141 out of a possible 205. This figure is considered extremely high for voluntary negotiations, and reflects a reasonable satisfaction on the part of most affected property owners.

The first condemnation, for a total of 32 parcels, was filed on July 30, and consisted mainly of priority parcels, located in the way of street construction, which could not be cleared, short of court action. From this condemnation, we received only five appeals. One of these was settled prior to judgment, and four are still pending. A total of 12 parcels have been settled from this filing, and 20 still remain in escrow for further legal action.

As of the year end, the Authority held title to 143 parcels. Necessary documentation is being prepared for a final taking of 62 parcels, plus street reversions, and public lands, which will clear all acquisition problems, except for final settlements. It is expected that this condemnation will be filed for court action in February of 1965.

Acquisition expenditures to the year end total \$311,695.96 -- which is well within the approved budgetary item.

DEMOLITION

Originally, 88 structures existed on the lots to be acquired. All but 17 of these buildings have been demolished by private contractors at a total cost of \$24,726. The remaining structures will be demolished under one contract in the spring of 1965.

PROJECT IMPROVEMENT

All project improvement work during 1964 was accomplished by the Public Works Department under the supervision of the City Engineer. The work was sub-divided into three phases of construction. Phase A included the

reconstruction of six existing streets at an estimated cost of \$190,000. Phase B included the construction of nine new roadways blending into Phase A streets at an estimated cost of \$360,000. Phase C will consist of the construction of three streets, a park, and the final completion of the entire project at an estimated cost of \$140,000. Phase A construction was 91 percent complete as of the end of the year, while Phase B was 31 percent complete. Plans and specifications for Phase C are in the process of completion. It is anticipated that this work will commence in the spring of 1965; however, there has been no final determination as to whether an outside contractor will be used or if the City Public Works Department will continue as in Phases A and B.

The latest approved budgetary amount for Project Improvement is \$644,781. It is expected that most of the "Contingency" budgetary authorization will be transferred to "Project Improvements" in order to complete the necessary work.

The status of major construction items follows:

<u>Item</u>	<u>Unit</u>	<u>Project Total</u>	<u>Amount Completed *</u>	<u>Percent Completed</u>
Street	Square yards	75,391	35,062	47%
Sidewalk	Square yards	19,103	4,710	29%
Sanitary Sewer	Linear feet	12,796	6,034	47%
Storm Sewer	Linear feet	14,223	8,747	62%

* Not necessarily surface completion in the case of streets and sidewalks because of excavation and gravel fill making up a large portion of the work.

NON-CASH LOCAL GRANTS-IN-AID

Several items are approved by HHFA as non-cash local grants-in-aid. Their status as of December 31, 1964 follows:

Land Donations. Sixteen parcels of project land owned by the City are to be donated to the Authority and will constitute \$11,600 toward the City's share of project cost. Title work has not been completed as yet and transfer of ownership has not been effected.

Project Improvements. A new sidewalk on the project side of Mt. Hope Avenue will be completed during the 1965 construction season.

Supporting Facilities. A storm drain east of the project boundary but serving the project area was completed in August 1963 at a total cost of \$7,158.15. This project has now been certified to the Authority by the City and necessary forms sent to HHFA.

A second storm drain previously approved as the Stillwater Avenue storm drain was deleted during the year as a result of revised engineering studies. The approved price of this project was \$10,710.

REHABILITATION

Rehabilitation of properties remaining in the project area has progressed on a voluntary basis during 1964. It is estimated that work has begun on 30 to 40 percent of the dwellings scheduled for rehabilitation. The formal program is expected to be accelerated in early 1965 as the result of filling a staff vacancy for a Rehabilitation Officer.

RELOCATION

Sixty-five of 68 families in the Stillwater Park Project have been successfully relocated. Twenty-two families moved to standard private rentals and 25 families obtained standard sales housing. Eighteen of the 65 families were self-relocated and did not use Authority assistance. They were either hostile to the program or owned other properties into which they could move.

The Authority has had title problems in acquiring the properties of the remaining three relocatees. As soon as these problems are resolved, relocation benefits will become available.

It has cost \$7,529 to relocate the 65 families, or approximately \$115.80 per move.

Two of the three business firms have been relocated from the area, and the third is in the process of moving. The cost of business relocation has been \$12,199.

It is felt that the objectives of relocation, i.e., the opportunity to occupy decent, safe, and sanitary housing within the financial means of the family with minimum of hardship, have been accomplished.

PROPERTY MANAGEMENT

Management of properties acquired by the Authority is one of the responsibilities of the staff. Property management includes all actions necessary to protect the interests of the Authority, including the rental of acquired property, care of acquired property and attendant record keeping. Prior to 1964, all properties were vacated by the owners or tenants prior to or upon acquisition; thus formal property management was minimal. However, in 1964, there were several instances of owners and tenants remaining in acquired property after acquisition and pending relocation. As a result, formal tenant accounting was established and a Property Management Program was adopted by the Authority. As of the end of the year, there were two tenants occupying Authority property. Efforts to relocate these individuals are underway, and it is expected that the premises will be vacated before the 1965 construction season.

FINANCIAL

There were two revisions to the Project Expenditures Budget approved in 1964, one dated February 26, 1964, and the latest dated December 2, 1964. Total authorized expenditures remained the same as originally approved (\$1,542,459); however, internal distribution among the various accounts

was changed to reflect latest cost data. Another revision will be needed in early 1965 to reflect increased costs in project improvements and in relocation payments.

The project was financed during the year by the sale of Series 2A bonds in the amount of \$450,000 and by receipt of Capital Grant and Relocation Grants totaling \$376,947. A small amount of income was also received from investments of temporary cash excesses and rental of Authority owned property. Series 1A bonds issued in 1963 were retired in the amount of \$304,000 plus interest from the proceeds of Series 2A bonds.

Current Assets:

Cash	\$112,326.89
Accounts Receivable (Tenants)	150.00
Accounts Receivable (Resolving Fund)	3,000.00
Accounts Receivable (Other)	1,209.00
Investments Held	59,421.60
Project Cost Control	376,307.94
Relocation Payments	<u>19,727.75</u>

Total Assets

\$1,077,163.20

LIABILITIES & CAPITAL

Liabilities:

Accounts Payable	24,769.94
Accounts Payable (Settlement on Contracts)	28,941.72
Accounts Payable (Resolving Fund)	2,174.39
Other Notes & Loans Payable	430,000.00
Acc. Interest Temp. Loans Payable	<u>3,896.15</u>

Total Liabilities

\$511,384.20

Capital:

Cash Local Grants-in-Aid	186,812.00
Project Capital Grant	369,691.00
Relocation Grant	<u>7,244.00</u>

Total Liabilities and Capital

\$1,077,163.20

BANGOR URBAN RENEWAL AUTHORITY

Project No. Me. R-4
(Stillwater Park)

Balance Sheet as of
December 31, 1964

ASSETS

Current Assets:

Cash	\$112,326.89
Accounts Receivable (Tenants)	150.00
Accounts Receivable (Revolving Fund)	8,000.00
Accounts Receivable (Other)	1,209.00
Investments Held	59,421.60
Project Cost Control	876,307.96
Relocation Payments	<u>19,727.75</u>

Total Assets

\$1,077,143.20

LIABILITIES & CAPITAL

Liabilities:

Accounts Payable	24,769.94
Accounts Payable (Retainage on Contracts)	28,941.72
Accounts Payable (Revolving Fund)	2,176.39
Other Notes & Loans Payable	450,000.00
Acc. Interest Temp. Loans Payable	<u>5,496.15</u>

Total Liabilities

\$511,384.20

Capital:

Cash Local Grants-in-Aid	188,812.00
Project Capital Grant	369,693.00
Relocation Grant	<u>7,254.00</u>

Total Liabilities and Capital

\$1,077,143.20

BANGOR URBAN RENEWAL AUTHORITY

Project No. Me. R-4
(Stillwater Park)

Expenditures Statement
1964

December 31, 1964

ITEM	SPENT TO DATE	BUDGET	UNEXPENDED (OVEREXPENDED)
Survey & Planning	\$ 80,139.80	\$ 80,140.00	\$.20
Non-Tech. Salaries & Wages	33,484.53	53,358.00	24,893.47
Retirement Contributions	2,306.91	4,255.00	1,948.09
Publications	110.31	1,500.00	1,389.69
Sundry Overhead	9,391.37	12,030.00	2,638.63
Administrative Service			
Fees & Expenses	1,675.00	2,500.00	825.00
Travel	4,373.63	6,300.00	1,926.37
Office Furn. & Equipment	2,648.44	3,147.00	498.56
Legal Fees & Expenses	9,064.70	18,700.00	9,635.30
Appraisals for Acquisition	18,140.00	21,400.00	3,260.00
Title Information	8,800.00	10,600.00	1,800.00
Sundry Acq. Cost -			
Direct Purchase	317.00	5,000.00	4,683.00
Sundry Acq. Cost -			
Condemnation	1,937.16	1,800.00	(137.16)
Management	1,828.64	6,240.00	4,411.36
Operation of Acq. Property	4,065.58	1,080.00	(2,985.58)
Relocation Tech. Sal. & Wages	6,481.30	8,095.00	1,613.70
Site Clearance	24,667.54	47,628.00	22,960.46
Project Improvements	328,422.33	644,781.00	316,358.67
Disposal, Lease, Retention	4,400.00	13,000.00	8,600.00
Rehabilitation Tech. Sal.			
& Wages	3,727.90	6,240.00	2,512.10
Rehabilitation Contract			
for Adm.	1,500.00	10,000.00	8,500.00
Interest Expense	11,248.58	19,761.00	8,512.42
Real Estate Purchases	311,695.96	427,570.00	115,874.04
Project Inspection	11,041.00	11,041.00	-0-
Contingencies	-0-	122,273.00	122,273.00
Total Expenditures	881,467.68	1,543,459.00	661,991.32
Less Interest on 90-day notes	(5,159.72)	(1,000.00)	4,159.72
Total Costs	<u>\$876,307.96</u>	<u>\$1,542,459.00</u>	<u>\$666,151.04</u>

GENERAL

The year 1964 ran the gamut of local and federal approvals of the downtown project, from the filing of Part I of the Application for Loan and Grant in January to the execution of a Loan and Grant Contract in December.

The Kenduskeag Stream project embraces 50.7 acres situated in the central business district. The plan provides for the acquisition of 135 buildings, while retaining 63 for conservation and rehabilitation. The assessed valuation of real estate that would be acquired is \$4,200,000.

The principal objectives of the Kenduskeag Stream Urban Renewal Project are to preserve the economic vitality of the central business district as a retail center and wholesale market, to meet the demands for new retail floor space forecast in the Marketability Survey, to provide downtown sites for the relocation of existing wholesale uses, to develop new off-street parking areas which adequately support existing and new retail space, and to provide a circulation system which separates automotive from truck traffic and intercity from intracity traffic.

These objectives are to be achieved by clearing substandard and obsolete structures, assembling suitable parcels of land for new and expanded general business uses, rehabilitating suitable commercial buildings, widening streets, providing for off-street parking and loading areas, providing new utilities, constructing new streets and pedestrian ways, and by establishing land use controls to protect new development.

Many obstacles appeared during the formulation of the plan, but most were dispelled between the coordinated efforts of the Authority, the Planning Consultants, and HHFA. Among the major obstacles to be resolved are: (1) the inclusion in the project budget of costs for installing utilities underground, (2) acceptance of the realignment of Oak Street as a supporting facility, and (3) the approval of modified plans to permit expanded acquisitions of properties and an expansion of the budget relating to project improvements.

The high points chronologically for the project in 1964 were:

January 13 - Resolution passed authorizing the filing of an Application for Loan and Grant (Part I).

February 7 - Annual meeting of the Authority. Updated Land Use and Marketability Report incorporating expanded project area submitted.

February 7 - Opponents of the project organize to form a Citizens Information Committee.

March 9 - Contract entered into with Wesley O. Taylor for second acquisition appraisal of downtown properties.

March 19 - Proponents of the project organize to form a steering committee representing several civic bodies and individuals.

April - Minor adjustments to the plan and documentation of Part I data prepared in response to HHFA review.

May 20 - Resolution passed approving the Kenduskeag Stream Urban Renewal Plan.

May 21 - HHFA approves the Application for Loan and Grant (Part I) and extends the Capital Grant reservation of \$5.4 million dollars.

May 21 - City Council tables action on the plan and sets date of June 1 for public hearing.

June 1 - Public hearing by City Council on the plan. Order passed submitting proposal to the voters at a referendum on June 15.

June 15 - Voters of Bangor approve urban renewal plan at a referendum by a 4,044 to 3,568 vote margin.

July 14 - Cooperation agreement between the City of Bangor and the Urban Renewal Authority executed outlining the obligations of the City in the execution of the project.

August 11 - Resolution passed approving the filing of the Part II of the Application for Loan and Grant with HHFA.

August 25 - Three minor amendments to the plan passed by resolution of the Authority as required by HHFA.

October 22 - Urban Renewal Commissioner announces final federal approval of the project. \$6,494,008 allocated as a loan and \$5,254,808 as a Capital Grant.

November 17 - Merchants National Bank named depository of project funds during the execution period.

November 30 - Contract entered into with Warsawyer and Kirch of New York for review of acquisition appraisals and submission of recommended acquisition prices.

December 2 - Resolution passed authorizing the issuance of Project Temporary Loan Notes to be issued from time to time not to exceed \$6,494,008.

December 8 - Resolution passed authorizing the filing of an application for a direct federal loan in the amount of \$176,000 to finance the project for a three-month period until private financing can be secured.

December 10 - Contract entered into with W. H. Ballard of Boston for the second reuse appraisal.

December 23 - Contract executed with the HHFA for the Loan and Capital Grant.

At the year's end, it became apparent that the scope of the project would have to be enlarged. This was necessitated, in part, by the decision of several major wholesalers in the project to relocate outside of the project area. These businesses concluded that rehabilitation of their structures was unfeasible. Further, preliminary studies by a major redeveloper indicated that a more comprehensive redevelopment could be obtained by the elimination of these structures. In order to adequately serve this expanded area of redevelopment, it became evident that the project improvement budget would also have to be enlarged. Approval was given by HHFA to re-engage the planning consultants for a resubmission of Part I, permitting project expansion with reference to these items.

Meanwhile, project execution activities during 1965 will proceed with the major emphasis on acquisition and relocation of businesses and the selection of redevelopers for major portions of the project.

Accounts Receivable		
(Other)	20.24	
Project Cost Control	<u>130,405.19</u>	
Total Assets		<u>\$ 134,256.93</u>
<u>LIABILITIES & CAPITAL</u>		
Liabilities:		
Accounts Payable	1,200.00	
Accounts Payable		
(Revolving Fund)	6,000.00	
Advances Payable	<u>124,355.00</u>	
Accrued Interest		
Advances Payable	<u>7,577.12</u>	
Total Liabilities		<u>\$ 134,256.93</u>

BANGOR URBAN RENEWAL AUTHORITY

Project No. Me. R-7
(Kenduskeag Stream)

Balance Sheet as of
December 31, 1964

ASSETS			
Current Assets:			
Cash	\$	1,831.52	
Accounts Receivable			
(Revolving Fund)		2,000.00	
Accounts Receivable			
(Other)		20.24	
Project Cost Control		150,405.19	
Total Assets			\$ 154,256.95
LIABILITIES & CAPITAL			
Liabilities:			
Accounts Payable		1,200.00	
Accounts Payable			
(Revolving Fund)		6,834.83	
Advances Payable		138,345.00	
Accrued Interest			
Advances Payable		7,877.12	
Total Liabilities			\$ 154,256.95

BANGOR URBAN RENEWAL AUTHORITY

Project No. Me. R-7
(Kenduskeag Stream)

Expenditures Statement
1964

December 31, 1964

ITEM	SPENT TO DATE	BUDGET	UNEXPENDED (OVEREXPENDED)
Survey & Planning	\$ 144,472.22	\$ 150,000.00	\$ 5,527.78
Non-Tech. Salaries & Wages	2,952.00	114,220.00	111,268.00
Relocation Salaries & Wages		26,000.00	26,000.00
Legal Salaries & Wages	1,170.00	33,930.00	32,760.00
Rehabilitation Salaries & Wages		13,000.00	13,000.00
Travel	186.76	4,000.00	3,813.24
Retirement Contributions	175.20	7,700.00	7,524.80
Publications		3,000.00	3,000.00
Sundry Overhead	399.74	7,080.00	6,680.26
Legal Fees & Expenses		4,000.00	4,000.00
Admin. Services Fees and Expenses	100.00		(100.00)
Project Inspection		47,226.00	47,226.00
Interest on Advances (HHFA)	882.39	2,000.00	1,117.61
Interest to Others		69,000.00	69,000.00
Survey and Planning		5,000.00	5,000.00
Real Estate Purchases		4,660,890.00	4,660,890.00
Appraisals for Acq.		11,500.00	11,500.00
Sundry Acq. Cost			
Direct Purchase		3,500.00	3,500.00
Sundry Acq. Cost			
Condemnation		6,000.00	6,000.00
Operating Income		(17,500.00)	(17,500.00)
Site Clearance		410,650.00	410,650.00
Project Improvements		468,000.00	468,000.00
Office Furn. & Equipment	66.88	1,000.00	933.12
Contingencies		199,812.00	199,812.00
Total Expenditures	<u>\$ 150,405.19</u>	<u>\$ 6,230,008.00</u>	<u>\$ 6,079,602.81</u>

