

Project backers stay in background

By BEATRICE MAROVICH
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SACO — The hours before Monday's long-awaited vote — to decide whether the city will support a tax-increment financing district on Saco Island — are ticking away.

But one thing has already been made clear: Saco Island LLC, the company that's proposed a multi-million dollar mill redevelopment project sup-

Saco Island investors prefer privacy

ported substantially by city revenue via the TIF, will not be disclosing the identities of all financial interests involved.

"Besides the four principals, the other investors just don't want to be in the public spotlight," said Sam Spencer, a spokesman for Saco Island LLC and director of development for

its affiliate corporation, Harper's Development LLC.

The four principals he's referring to are the development directors for Harper's Development LLC, whose biographies are detailed on the Harper's Development Web site.

■ Kevin Mattson, the presi-

dent, oversees the day-to-day management of the company.

■ Severin Beliveau is a founding and senior member of the law firm Preti Flaherty Beliveau Pachois & Haley. He's also a former state senator, state representative, and chairman of the Democratic Party.

■ John Orestis is president

See Investors
Page A3

Investors From Page A1

of North Country Associates, a nursing home operator in Maine. He's the former mayor of Lewiston, and a former state representative.

■ Chris Harte is a private investor who is the director of three public companies: Harte-Hanks, Geokinetics, and Crown Resources, as well as other private companies. He's the director of several non-profit organizations, including the National Audubon Society and the Jackson Laboratory. He moved to Maine in 1992, as president of the Portland Press Herald and Maine Sunday Telegram, after serving as president and publisher of two Knight-Ridder newspapers.

When it comes to the others, Spencer said their names will remain off the public record.

"It's just a distraction.

They're focused on running their businesses, and not being in the newspaper," he said. "Some people want to conduct their business outside of the public sphere."

The issue of the financial investors' identities came up at a Monday night council workshop.

City Attorney Ken Cole had asked Saco Island LLC for a "comfort letter," documenting the financial backers of the project. Spencer did provide the council with three letters, one of which was a bank note from Machias Savings Bank, vouch-

ing for the corporation.

But, he's continued to emphasize, there are certain backers who they will not identify. This was a concern for some councilors on Monday night.

"We're concerned, Mr. Spencer, because we're supposed to be partners, and we want to know who we're dealing with," Councilor Arthur Tardiff said that night.

Spencer proposed, at the meeting, that if councilors wanted to discuss the financial backers in specific terms, they were welcome to join him for a cup of coffee.

He confirmed, this afternoon, that his intention was to share their names with councilors off the public record.

"I'm allowed to have private conversations with the councilors," he said, adding that none of the councilors had, as of yet, taken him up on this offer.

Councilor Eric Cote is not preoccupied with their identities. Additionally, he said, he would feel obligated to share the information with the public. As far as verification of financial backing, he believes that the letter from Machias Savings Bank suffices.

City Administrator Rick Michaud and Finance Director Lisa Parker both cited Harper's Development LLC's strong track record.

In spite of the fact that Saco Island LLC is a separate umbrella organization — limiting the parent company's liability —

it can take some credit for Harper's Development achievements such as the Central Maine Commerce Center in Augusta — a 311,000-square-foot building renovation that was able to fill about 2/3 capacity in a short time period.

"They're not con-men, they've proven that they can build things," said Cote. "That they have a secret investor out there, that doesn't matter to us."

His concern, he maintains, is that he's not sure that the LLC needs the city's support — in the form of a TIF.

"I don't think they've demonstrated that they have a need from this community," he said.

As of Friday afternoon, Cote was uncertain as to how he plans to vote.

Mayor Mark Johnston, who would like to see the TIF passed, said that the vote prom-

ises to be close. One of the elements of uncertainty is the fact that the Ward 7 seat, vacated by Councilor Jesse McDougal, is still open. With an even number of councilors, the mayor may have to break the vote — but he'll need at least three votes in favor of the TIF to do that.

Johnston is optimistic that the majority of the council will see this as the best thing for the city. As of Friday afternoon, for those who still don't, he said, "You never know what can happen in 72 hours."

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