

# Keddy Mill Superfund Site Reuse Assessment (FINAL)

## Windham, Maine



## Introduction

As a part of the EPA Superfund Redevelopment Initiative, EPA Region 1 has developed this reuse assessment for the Keddy Mill Superfund site in Windham, Maine. The 7-acre property is located on the banks of the Presumpscot River in the village of South Windham. EPA is evaluating environmental conditions at the site to investigate the nature and extent of contamination and the potential risks posed to human health and the environment. EPA considers reasonably anticipated future land uses and reuse opportunities as part of the remedial process at Superfund sites. The purpose of this reuse assessment is to help identify potential future uses for the site that can inform EPA's cleanup process and to support local government and property owners in coordinating reuse plans with the cleanup activities.

This reuse assessment summarizes preliminary reuse considerations based on cleanup status to date, site description, property ownership, land use, zoning and stakeholder goals. Further discussion among property

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owners, local government representatives and regional partners will be needed to establish detailed future use and development plans for the site and surrounding area.

## Site History and Cleanup Status

Keddy Mill was originally a sawmill, established in the late 1700s. In the late 1800s, it was converted into a wood pulp processing mill. In the mid-1900s, a steel manufacturing facility replaced the mill and operated until 1975. The steel manufacturing facility produced heavy equipment buckets, fire suppression materials and reinforcing bars.

EPA placed the Keddy Mill site on the National Priorities List (NPL) in 2014. Prior to the site's listing on the NPL, the Maine Department of Environmental Protection (MDEP), Town of Windham and property owners were involved in stabilization, preliminary site assessments and investigation activities. Following the site's NPL listing, EPA developed a draft conceptual site model to guide the remedial investigation activities. EPA is currently conducting a Remedial Investigation to fully characterize the nature and extent of site contamination in an effort to determine potential remedial activities. EPA has identified PCBs, VOCs, SVOCs asbestos and metals in site media such as building materials, soil, river sediments, and groundwater. Following the Remedial Investigation, EPA will evaluate cleanup options either as part of a Feasibility Study.

## Site Description

This section describes the site's regional context, location and access, site features and infrastructure.

### Regional Context

The Keddy Mill site is part of South Windham within the Town of Windham and immediately adjacent to and across the Presumpscot River from Little Falls Village in the neighboring town of Gorham. The Town of Windham is located on the northwestern side of the Portland metropolitan area and extends from the Maine Turnpike (I-95) on the east, to Sebago Lake on the west.

South Windham is a small village situated between the Presumpscot River and intersection of Route 202 and River Road. South Windham is sparsely populated. Based on 2015 American Community Survey demographics, 633 people live within ½ mile of the Keddy Mill site; and within 10 miles, the population is over 151,112. South Windham's proximity to population and job centers combined with its small village setting and rural surrounding has made it one of the region's future growth centers. It is 10 miles from Portland - the state's largest employment center - and 7 miles from I-95 and growing regional commerce and transportation hubs around Maine Mall and Portland Jetport.

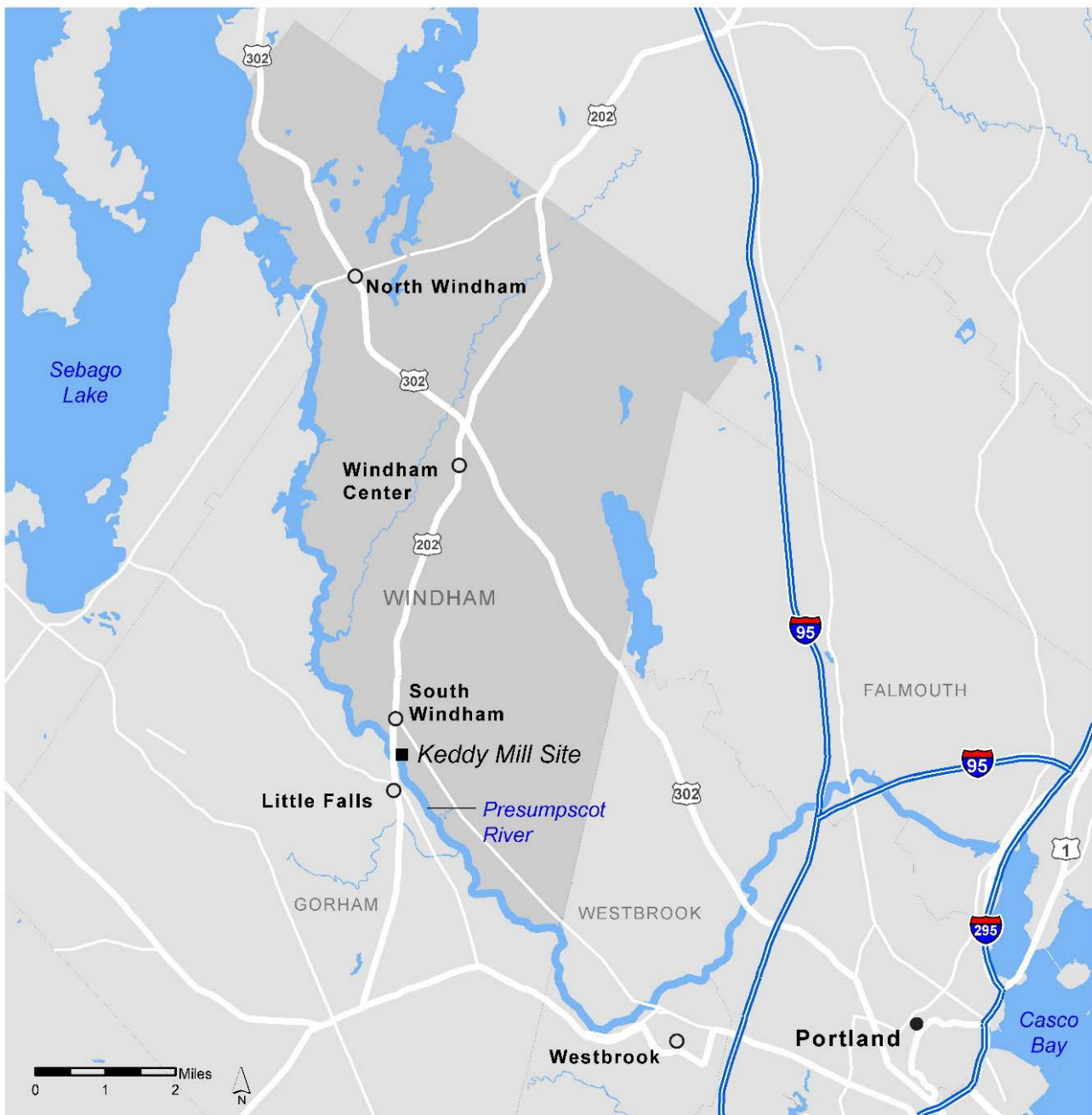


Figure 1. Regional Context

### Location and Access

The site is bordered by Depot Street (north), a vacant rail line (east), the Presumpscot River (south), a residential apartment complex, a hydroelectric dam and Route 202 (west). The two main roadways in the site's vicinity are Depot Street and Route 202. Route 202 is South Windham's primary commercial corridor and connects the community to Little Falls in Gorham, while Depot Street, a local road, serves as cut through between River Road and Route 202. The site has significant frontage along the Mountain Division Trail, a former railroad spur and regional walking and bike trail which offers river frontage along the Presumpscot River downstream of the dam.

The site property is currently fenced and inaccessible from Depot Street or the railroad tracks. However, it is highly visible from the Route 202 bridge at Little Falls Dam. While there is a parking lot at the hydroelectric facility



adjacent to the site property, this is private property for which there is no legal access. The former facility building is situated at a bend in the river and abuts the hydroelectric dam. The configuration and use of the current site building or future structures will influence river access and potentially access to the dam structure.



Figure 2. Site Location and Access

## Site Features

The site's key features include a former manufacturing building, river shoreline, concrete slabs and sparsely vegetated areas. The following section briefly describes the topography, building and preliminary reuse considerations.



Figure 3. Site Features

## Grades and Elevations

The building is surrounded by gravel, concrete slabs and vegetated areas. Topography generally slopes from Depot Street (north) to the Presumpscot River (south and southeast). Elevations change abruptly, dropping approximately 12 feet from the adjoining hydroelectric dam property (west), toward downstream areas (east). The building occupies approximately one acre of the site and bridges the significant grade change from the dam to downstream areas.



## Structures

The site's most significant feature is an approximately 60,000 s.f. former manufacturing building that occupies most the property's river frontage. The former manufacturing facility follows the north and eastern shore of the river and includes multiple wings as listed below and shown in Figure 3.



*Views of former Keddy Mill structures from the Presumpscot River; West Wing (left) and Press Hall (right).*

### Existing Structures:

- A. West Wing – Brick three-story structure, approximately 16,000 s.f.
- B. Press Hall – Brick and concrete two-story structure, approximately 20,000 s.f.
- C. East Wing North – Brick and concrete two-story structure, approximately 14,500 s.f.
- D. East Wing South – Steel clear span building, approximately 6,500 s.f.



*View of the West Wing structure from Route 202; the Little Falls Dam private access road is visible in the foreground.*

The main wings connect to form a single L-shaped building but are functionally separate structures with independent foundations and concrete slabs. The West Wing building shares a structural foundation wall with the dam. The structures are all in poor condition and unsafe for occupancy and use. A structural assessment performed in 2016 identifies significant structural issues in the foundations of the West Wing and Press Hall. Reuse of any wing of the former manufacturing building would require structural repairs, as well as PCB and asbestos remediation. EPA investigations have identified asbestos containing materials (ACM) and poly chlorinated biphenyls (PCBs) in the site structures. Options to address these contaminated materials is currently being evaluated.

The site's former manufacturing building and adjacent hydroelectric dam are most likely to affect uses at the site. As EPA considers remedial alternatives for cleanup, the viability of building demolition, partial or complete, or potential for adaptive reuse of all or parts of the building will be the most significant factors affecting redevelopment potential.



*Little Falls Dam and the Presumpscot River Route 202.*

## Utility Infrastructure

Public water, electricity and sewer connections are available next to the site on Depot Street and Route 202. The Little Falls hydroelectric dam has a generation capacity of approximately 1,000 kW. Sappi Paper owns and uses the power it generates from the Little Falls Dam at its Cumberland Mills plant. While the dam offers a potential renewable source of energy, its capacity to supply nearby uses is not known. In the future, the Town of Windham anticipates maintaining or expanding capacity of utilities in South Windham, to support new growth and development.

## Property Ownership

The former Keddy Mill parcel covers 6.93 acres (Town of Windham tax parcel ID # 038007000000). Keddy Mill, LLC has owned the site property since acquiring it in 2011 during a stalled housing development project.

Access to the site for EPA's Remedial Investigation has been provided by the current property owner, Keddy Mill Enterprises, LLC, who has been identified a potentially responsible party at the site. In July 2017, the Town of Windham designated the Keddy Mill parcel as tax delinquent and placed a lien on the property for unpaid taxes and accrued interest.

## Land Use

The site's current land use is vacant industrial land. Adjoining properties include the Little Falls Landing multi-family residential development, an active hydroelectric dam and an inactive rail line. Additional surrounding uses to the north and west include: residential, small scale commercial uses, inactive or vacant light industrial uses and former freight rail corridors.

## Residential Uses

A multi-unit housing development is located northwest of the site. The South Windham Housing Corporation owns the development, which primarily houses elderly residents. Additional multi-and single-family housing is located further east on Depot Street and west along Route 202. housing units.

## Commercial, Industrial and Vacant Uses

The Sappi Paper company (a subsidiary of S.D. Warren Company) owns abutting property south and southeast of the site, Little Falls Dam property and shoreline property downstream from the dam. An active hydroelectric dam operated by the Sappi Paper company is located immediately north of the site. The dam spans the Presumpscot River channel and includes a small powerhouse structure located along the Keddy Mill site property line.

To the north of Depot Street, several small warehouses, storage facilities and underutilized light industrial/commercial properties are clustered around an inactive rail spur. Further north, a small commerce park accessible from Route 202 supports several small businesses and a local fire and rescue station. The area appears underutilized with several vacant parcels and opportunities for revitalization or new infill development, such as medium density housing, or mixed-use development combining commercial and residential uses.<sup>1</sup>

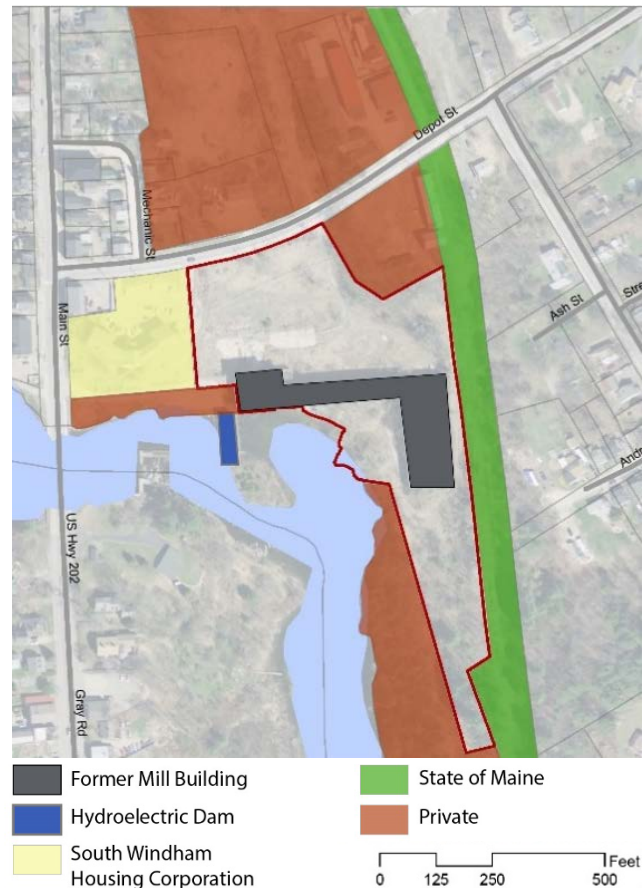


Figure 4. Property Ownership

<sup>1</sup> For additional information and examples of infill development, see Northern New England Chapter, American Planning Association's infill development online resources: <http://nnecapa.org/blog/toolkit/location/new-hampshire/infill-development/>

Restoration of freight and passenger service along the former Mountain Division Line, as envisioned by a regional coalition, could also drive the need for new supporting uses or amenities in this area. Route 202, east of the site, is the principal commercial corridor for South Windham and connects to the town's larger communities of Windham Center and North Windham. Nearby uses along the Route 202 corridor include a combination of single and multi-family residential uses and small businesses, and an inactive fire station.

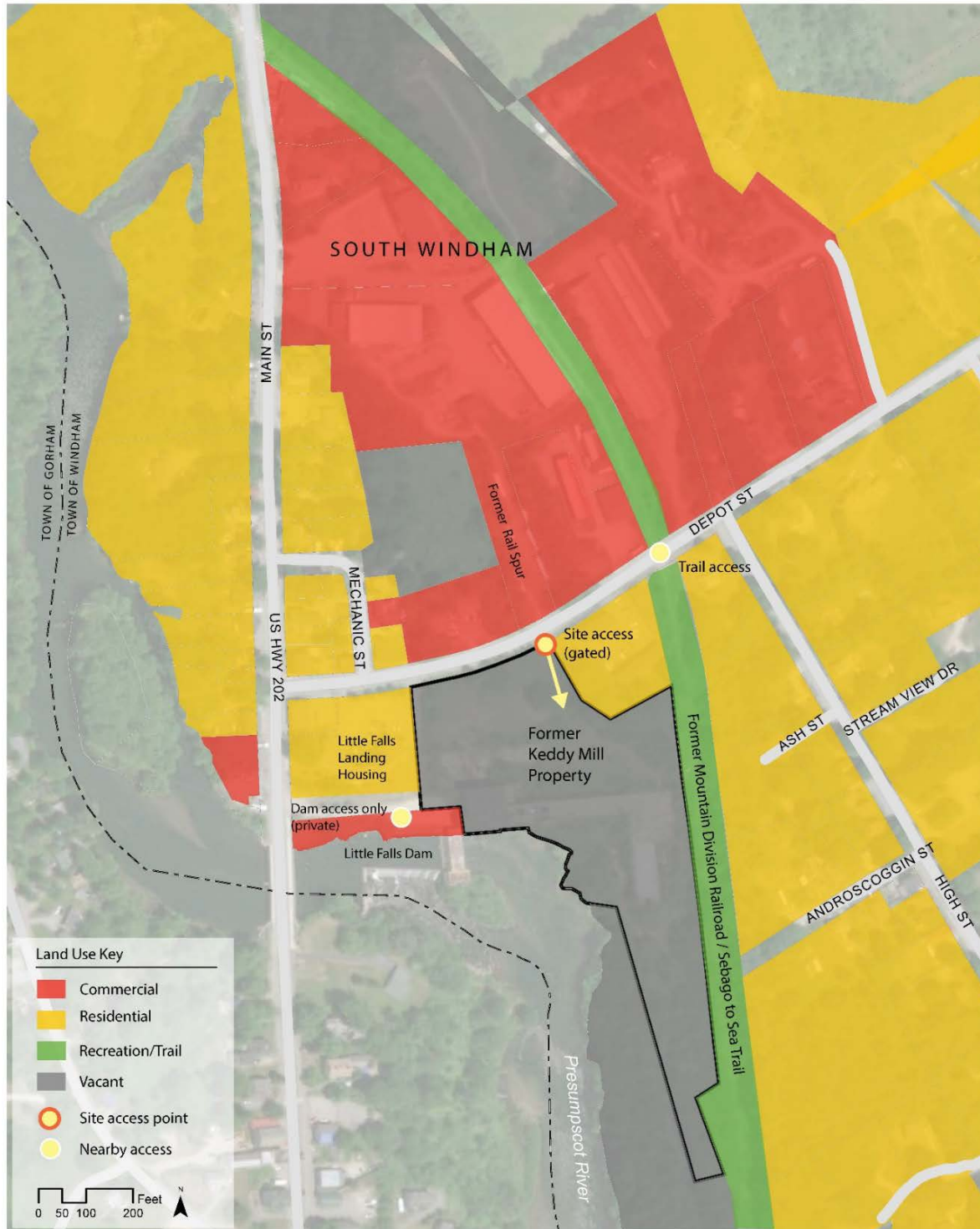


Figure 5. Surrounding Land Uses



## Rail

The Maine Department of Transportation owns the Mountain Division Line property east of the site. The Sebago-to-Sea greenway trail is managed and maintained by Presumpscot Regional Land Trust. The Sebago to Sea Trail connects Sebago Lake to the Casco Bay through the communities of Standish, Windham, Gorham, Westbrook, Portland and Falmouth. The adjacent section of the rail trail is unpaved; further north, the trail becomes a paved bikeway alongside train tracks. Plans are in place to improve portions of the trail adjacent to the site. The Sebago to Sea regional greenway trail follows the Presumpscot River across 12 towns from Sebago Lake in Standish to Casco Bay in Falmouth. An active gravel portion of the trail located adjacent to the site is envisioned as a paved multi-use trail. This trail serves as a valuable recreational amenity and connection across the greater Portland region and could serve as an attraction for nearby residents, the community of South Windham and visitors.

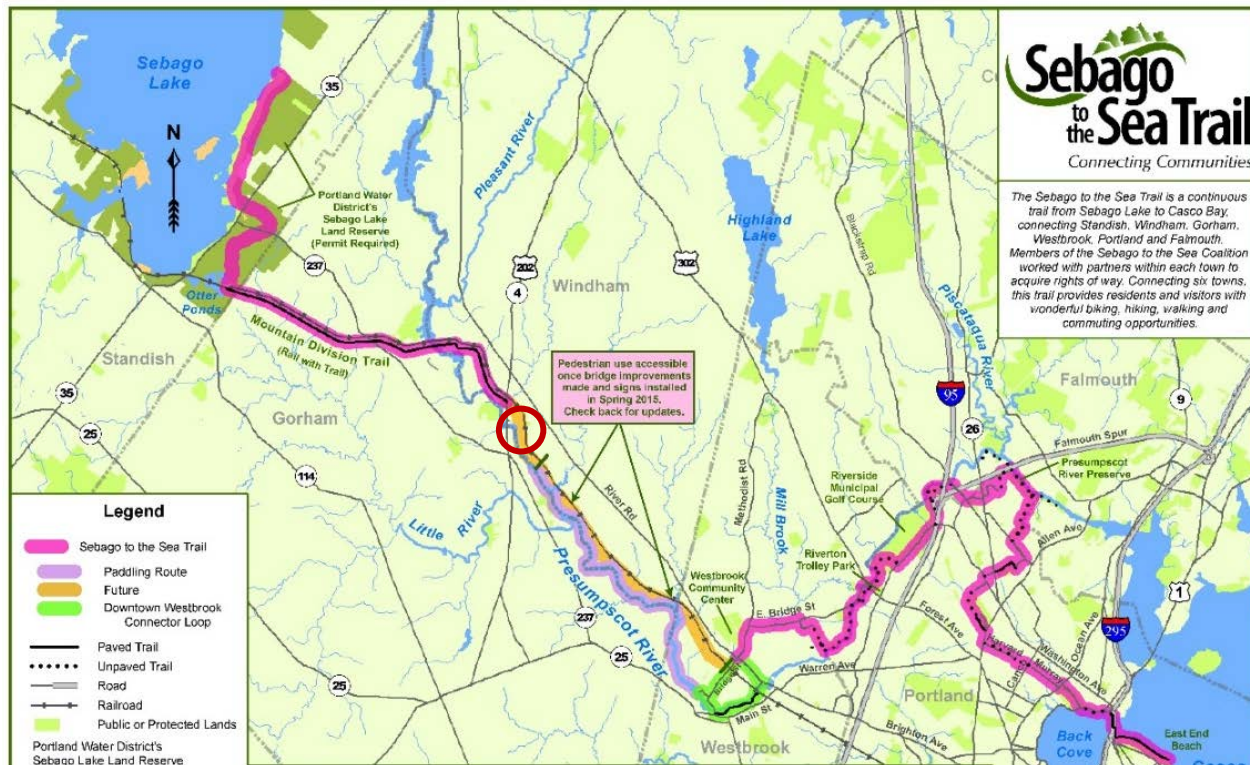


Figure 6. Sebago to Sea Trail

The railroad historically connected Portland to the New Hampshire's White Mountain region. In Windham, sections of the rail line from Route 202 north and west are maintained for future rail service; along the corridor between Route 202 in South Windham and the Westbrook tracks are no longer in place. The Maine Department of Transportation maintains tracks beginning ½ mile north of the site; and regional coalitions are working to restore freight and passenger service to along this line to New Hampshire.

## Natural Resources

The primary natural resource considerations for the Keddy Mill site property are related to the Presumpscot River. The river flows from Sebago Lake to Casco Bay in Falmouth approximately 20 miles. 12 dams have been built along this stretch of the river and over time have altered the flow and function of the river. River impacts, including water quality and fish passage, are significant policy and community issues.

Fish passage requirements at the Little Falls Dam and 5 other dams owned by Sappi Paper will be an important consideration in the near future. In a 2003 relicensing agreement, the Federal Energy Regulatory Commission (FERC) authorized Sappi to continue operating the Little Falls hydroelectric dam, along with several hydroelectric projects on the Presumpscot River. FERC issued a 40-year relicensing agreement allowing Sappi to operate the Little Falls Dam as a 1,000 kW hydroelectric generating station. The dam is 300 feet long and creates an upstream 29-acre impoundment. Re-licensing conditions require the phased construction of fish passage structures to allow up-and-down-stream migration of American Shad, Blueback Herring and landlocked Atlantic Salmon species; fish passageway features include an initial fish ladder, followed by construction of a fish lift. Sappi has the option of removing the dam as an alternative. Detailed design and timelines are under development.

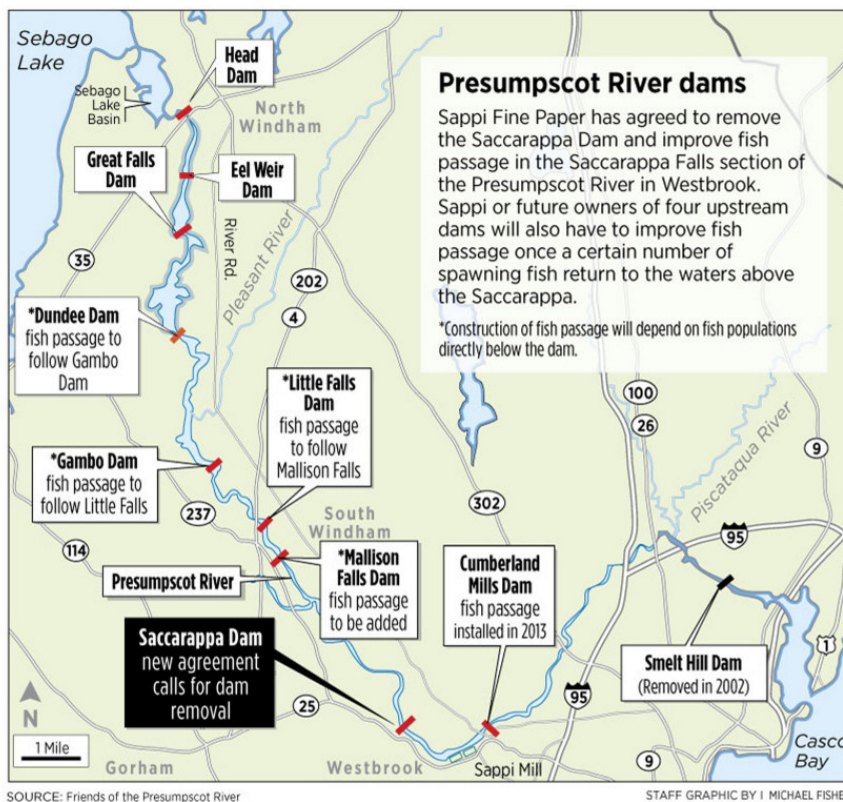


Figure 7. Presumpscot River Dams (source: Friends of the Presumpscot River)

upstream dams operated by Sappi. The timeline for fish passage design and implementation at the Little Falls Dam relies on the completion of downstream fish passage improvements at the Saccarappa Falls Dam, which commenced in 2017. A detailed implementation plan for Mallison Falls and Little Falls is required upon completion of the Saccarappa Falls project. Detailed implementation timelines for Mallison Falls and Little Falls Dams have not yet been released. For the Keddy Mill site, Sappi Paper's decisions regarding future fish passage construction or dam removal at the Little Falls Dam will have a significant impact on river access and potential use options for the site.

## Zoning

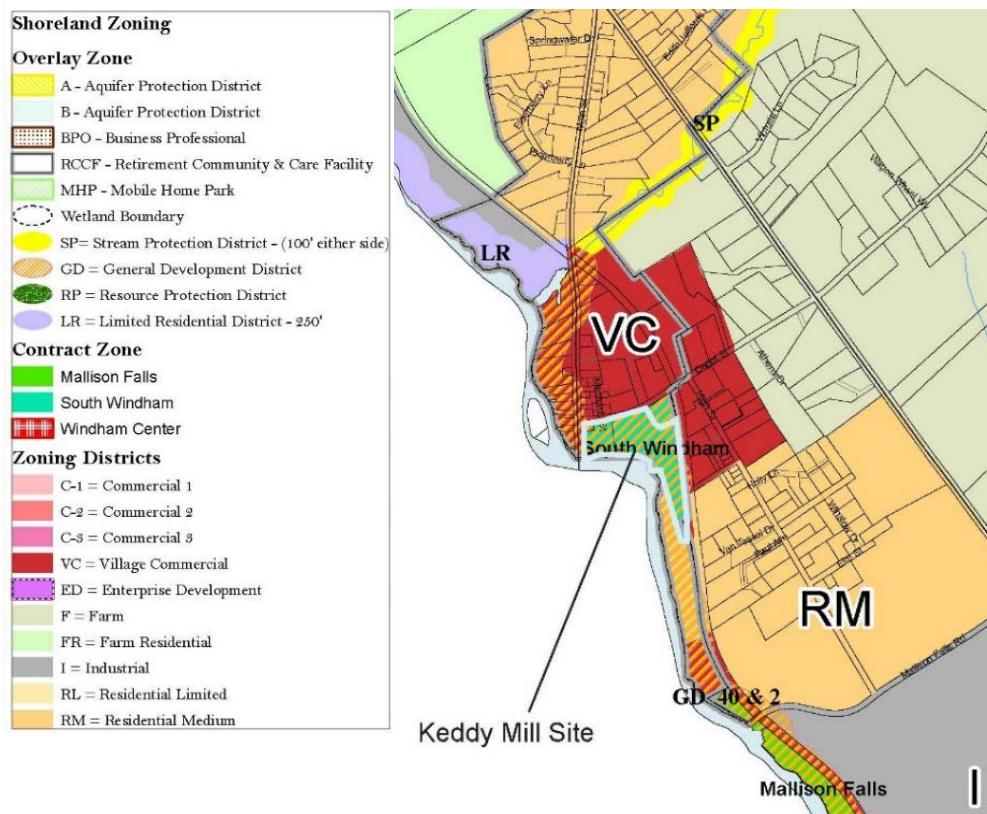
The site property is located in an area with multiple zoning designations, including an underlying Village Commercial District, a shoreland overlay district and a contract zoning designation for a previous planned unit development and re-zoning plans for the area. Surrounding areas of the site are part of the Town's Village Commercial and Medium-density Residential zoning districts.

Sappi uses electricity generated from the Little Falls and four other Presumpscot River hydroelectric dams at its Cumberland Mills paper facility in Westport. The dams included in the same re-licensing agreement are: Saccarappa Falls (Cumberland Mills/Westport), Mallison Falls (Windham), Little Falls (Windham/Gorham), Gambo (Windham/Gorham) and Dundee (Windham).

In November 2016, Sappi began re-design of its largest dam, Saccarappa Falls, in the Cumberland Falls section of Westbrook. The design addressed two dam structures - Saccarappa Falls Upper and Lower Dams – and included removal of the upper dam and installation of new fish passage structures at the lower dam.

Several river advocacy groups have called for the removal of three





**Village Commercial District:** The site and surrounding areas are zoned for Village Commercial, allowing the following by-right uses: mixed-use residential and commercial, commercial, single-family detached, two-family and multi-family dwellings.

**General Development Shoreline Overlay:** This overlay district maintains the underlying Village Commercial zoning regulations and was established to manage former industrial areas along the river.

Figure 8. Zoning Districts

**Contract Zone:** The site is also part of the Village at Little Falls Contract Zoning District, a 2005 planned unit development agreement that established land use and development regulations for mixed-income residential housing at the site and neighboring property. The Town of Windham entered into the agreement with two owners: Village at Little Falls Landing, LLC and South Windham Housing Corporation. The agreement allowed for development of up to 99 units, with 24 units in an age-restricted senior housing development and the remaining units to be developed on the former Keddy Mill property. This agreement led to the successful development of the 24-unit Little Falls Landing senior housing complex (restricted to residents 55 and over). This building is now owned and managed by the private South Windham Housing Corporation. Subsequent phases of the project envisioned demolition of the former Keddy Mill building and development of the remaining 75 housing units in various housing products generally configured into four-unit buildings. Village at Little Falls, LLC., though listed as an owner in the contract zone agreement, no longer owns property in the contract zone.

## Stakeholder Goals

The property owner Keddy Mill Enterprises, LLC and the Town of Windham identified the following future use goals for the site.

### Property Owner Goals

The current property owner Keddy Mill Enterprises, LLC provided input regarding the future use of the property via telephone interview in July 2017. Keddy Mill Enterprises anticipates reuse at the site will include residential housing similar to the contract zone agreement reached in 2003 between the Town and Village at Little Falls Landing, LLC. The property owner is not currently planning to advance these plans in the near-term, pending decisions regarding contamination and cleanup, along with real estate market conditions. Sappi Paper did not



respond to a request for an interview in July 2017 to discuss future use of the Little Falls dam and surrounding property.

### Town of Windham Goals

The town's goals are based on interviews conducted in July 2017 and publicly available information included in town-wide comprehensive planning documents.

**Comprehensive Plan Considerations:** The Town of Windham's 2015 Comprehensive Plan establishes town-wide land use priorities and policy recommendations to guide future growth. The plan designates South Windham as a future growth area, which includes the site and surrounding areas. Growth areas are targeted zones for future investment. The Plan anticipates that 75 percent of all new town infrastructure and facility investment will occur within the designated growth areas. The Plan states that additional higher density residential development is appropriate for South Windham, especially in the existing sewer system. Policy recommendations encourage local and village-scale commercial development for South Windham.

The Town plans to develop more detailed policies, zoning and capital improvement plans for South Windham as part of a master plan. The master plan for South Windham would likely address reuse of the former Keddy Mill site and would provide a public process to gather further community goals and input that could help to guide future use at the site and surrounding area.

**South Windham Growth Center Priorities:** During an interview with Town of Windham planning and economic development department representatives in July 2017, the town identified the following priorities:

- Town representatives see potential for mixed-use development that includes commercial retail spaces on a ground floor, with medium-density housing above.
- Due to the site's proximity to the South Windham village area, manufacturing and industrial uses would not be ideal or consistent with town planning initiatives.
- The Town is seeing demand for residential and mixed-use development in the area with potential for supporting residential services and amenities.
- There is interest in river recreation and public river access for activities such as fishing, kayaking, walking and hiking.
- The Town noted that Keddy Mill Enterprises, LLC has not paid taxes since 2012. The tax delinquent property is now eligible for tax foreclosure. The Town considers municipal tax foreclosure as an option in some situations but raised concerns about taking ownership of the former Keddy Mill property at this time.

### Reasonably Anticipated Future Land Uses

Based on the evaluation of the site description, property ownership, surrounding land use, zoning and stakeholder goals, future land uses at the site post cleanup could include medium-density residential, mixed-use commercial and recreational use with river access. Key considerations likely to influence future land use at the site are summarized below.

- **Assets:** The Keddy Mill site is strategically located within Windham and in close proximity to Portland and I-95. This location offers potential for new housing and supporting commercial services, conveniently located near major employment centers. The site provides access to two scenic and recreational amenities—the Presumpscot River, and the Sebago to Sea regional greenway trail.
- **Ownership:** Keddy Mill Enterprises, LLC maintains ownership of the property and indicates that the type of housing development envisioned in the Village at Little Falls contract zoning agreement may be a viable opportunity in the future. The outcomes of ongoing remedial investigation and feasibility study activities will

likely influence the current property owner's long-term plans and vision for the property. In the future, redevelopment at the site will require a viable ownership entity that can work with EPA, the town and neighboring property owners to advance reuse.

- **Town and Community Priorities:** The Town of Windham indicates that a detailed village master plan or small area plan is needed for South Windham. A town-led master planning process could potentially lead to a detailed community vision and conceptual master plan for the village that identifies potential land use scenarios for new development. The Keddy Mill site, Little Falls Dam, Mountain Division Rail line and vacant former commercial property north of Depot Street are likely significant opportunities for exploration in the village master planning process.
- **Site Conditions:** The site's vacant and deteriorating buildings require either significant restoration or demolition. Demolition and cleanup plans for debris, underlying soils and surrounding areas could be coordinated with the future redevelopment plans and the configuration of structures and type surface cover.
- **Surrounding Properties:** The Little Falls Dam and Sappi Paper's surrounding property will influence what can happen at the Keddy Mill site. Demolition of the Keddy Mill property structures will also require coordination with Sappi to avoid impacts to or interference with dam operation. The timing of Sappi Paper's required fish passage upgrades at the Little Falls Dam will also be a significant consideration. Sappi's decision to remove its Upper Saccharappa Dam structures further downstream has opened up opportunities for recreational uses along the river. As Sappi develops its design and implementation timeline for fish passage at Little Falls, there's an opportunity to coordinate EPA's remedial investigation and cleanup activities, as well as future town plans for river access at the site and in South Windham.

### Potential Next Steps

Based on current site status, the community planning context and fish passage requirements for the nearby dam, the site and community could benefit from a redevelopment planning process to evaluate future use options for the site. Future redevelopment planning could be coordinated with EPA's RI/FS process, and the town's anticipated village master planning process for South Windham. A second phase of reuse planning at the site could clarify reuse goals among stakeholders and develop set of reuse scenarios that align land use plans and cleanup options. Future use scenarios could explore variables like village access and transportation improvements, building demolition and adaptive reuse, and potential river access considering options for the Little Falls dam.

### CONTACT INFORMATION

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#### Site profile:

<https://cumulis.epa.gov/supercpad/cursites/csitinfo.cfm?id=0106078>

#### Superfund Site Reuse and Redevelopment:

EPA Superfund Redevelopment Initiative  
[www.epa.gov/superfund-redevelopment-initiative](http://www.epa.gov/superfund-redevelopment-initiative)

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