

# KESTREL BRUNSWICK CORPORATION

Brunswick, Maine

In November 2005, the Federal government slated the Brunswick Naval Station (BNAS) for closure as part of its Base Realignment and Closure (BRAC) process. By the time of official base closure in May 2011, an estimated 6,000+ jobs will be lost to the community by military and civilian personnel with an attendant a loss of \$140 million of direct annual income.

The local community and government have dedicated themselves to the process of recovering lost jobs and rebuilding the base into Brunswick Landing: a vibrant live, work, learn, and play community with a variety of corporate, business, academic, recreational, and community services. These efforts are spearheaded by the Midcoast Regional Redevelopment Authority (MRRA), a public municipal corporation established by the Maine State Legislature.

A key part of the redevelopment plan is to utilize the existing aviation-related infrastructure, including two existing 8,000-foot long runways, taxiways and adjacent buffer zones. Kestrel Brunswick Corporation (Kestrel) is an exciting start-up company that fulfills this need, in addition to jump-starting the development by being one of the first businesses to locate at the Landing.

Kestrel's business at Brunswick landing is two-fold: the development and commercialization of the Kestrel aircraft; as well as a maintenance, repair, and overhaul program (MRO) for light aircraft. The MRO business alone will support 25 to 30 jobs, with up to an additional 300 21st-century jobs should the plane be commercialized and the company go into full production.

CCML allocated \$20.7 Million in NMTC capacity to finance the project. Ohio national Life Insurance Company provided both debt and equity funding, while the Kestrel Aircraft Company provided the additional leveraged

**Qualifying Features** debt for the transaction, which closed April 20, 2011

- Military Redevelopment Pine Tree Zone
- Hot Zone

## Key Benefits

- Project helps fulfill key targeted industry sectors for MRRA to develop on the base.
- Kestrel will support local college's engineering programs with internships and mentoring, and provide potential job opportunities.
- Jobs will be well-paid with health care and 401 (k) benefits
- Project will grow the existing composite technology cluster in Midcoast Maine

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