

September 30, 2022

Joint Statement of the Harpswell Select Board and Running Tide, LLC With Respect to the Leasing of Parcel B at Mitchell Field

On December 14, 2018 the Town entered into a lease with Running Tide, LLC for Parcel A in the Mitchell Field Marine Business District. The lease is for five years with the option for three five-year renewals. Parcel A is located near the waterfront north of the Causeway. The lot includes more than an acre of land and was improved with a former U. S. Navy garage building. Running Tide substantially renovated the garage building to create an oyster hatchery.

The 2018 lease gives Running Tide the option to lease a second lot, Parcel B, with +/-3.85 acres to the east of Parcel A. The 2018 lease required that Running Tide provide notice to the Town of its desire to lease Parcel B. Running Tide provided the required notice and the Town and Running Tide embarked on developing an amendment to the 2018 lease to include Parcel B. The Select Board approved the proposed amendment to the lease on September 30, 2021. Due to business considerations, Running Tide has not executed the lease amendment.

Running Tide has requested that they be given a year to evaluate a number of business issues before deciding whether to agree to the lease amendment for Parcel B. The Harpswell Select Board is agreeable to this requested extension with the provision that Running Tide decides by September 30, 2023 whether to amend the lease to take possession of Parcel B. If the lease amendment is not agreed to by that date, Running Tides' option to lease Parcel B under the terms of the 2018 lease will terminate. This extension is made with the understanding by both parties that the terms of the amendment agreed to in 2021 will need to be updated if Running Tide goes forward with leasing Parcel B.

The 2018 lease also gives Running Tide the first option to lease the balance of the land in the Marine Business District (Parcel C). The Town is currently working on a proposal to remove the area behind and next to the Administration Building from the Marine Business District and to expand the district by the same amount to the east of Parcel B along the northern perimeter road. Running Tide is in agreement with the concept of reconfiguring the Marine Business District.