

**Town of Edgecomb Select Board
Minutes
January 14 2019; 6:00pm**

Special Town Meeting at 6pm followed by Selectboard meeting

Present: Jack Sarmanian, Ted Hugger, Mike Smith, Jon Pottle (Attorney), Katie Wurtzell (recording secretary), Roy Potter, Bill Witzell

1. Pledge of Allegiance
2. Public Hearing - Attorney Jonathan Pottle, Eaton Peabody
 - a. See separate below
3. Special Town Hearing
 - a. Article 1 - To choose a moderator by written ballot to preside said meeting
 - i. Carl R. Griffin III - 4 votes, elected
 - b. Article 2 - To see if the Town will vote to amend an existing municipal tax increment financing district and associated development plan known as the "Davis Island Environmental Protection and Development District and Tax Increment Financing District" (the "Original David Island TIF District") by adopting the "Second Amendment to the Davis Island Environmental Protection and Development District and Tax Increment Financing District" as on file in the Town Office and made available at the public hearing held by the Town on January 14, 2019. ("Second Amendment to the Davis Island TIF District or "Second Amendment", pursuant to the following findings, terms, and provisions:

Whereas, the Town is authorized, pursuant to Chapter 207 of Title 30-A of the Maine Revised Statutes, as amended, to designate a specified area within the Town as a municipal development and tax increment financing district and to adopt a development program for such districts; and

Whereas, in 2005 the Town establish the Original David Island TIF District, as approved by the Maine Department of Economic and Community Development ("DECD"); and

Whereas, in 2011, the town adopted an amendment to the Original Davis Island TIF District ("First Amendment to the Davis Island TIF District" as approve dby DECD; and

Whereas, there is a need to provide new and continuing employment opportunities for the citizens of the Town and the surrounding region, to improve and broaden the tax base of the Town, and To improve the general economy of the Town, the surrounding region and the State of Maine; and

Whereas, there is a need to encourage the establishment, expansion, improvement, and continuation of commercial and other facilities through municipal development and tax increment financing districts in accordance with the provisions of Chapter 207 of Title 30-A; and

Whereas, due to changing economic dynamics and the needs of the Town, the Town desires to further amend the Original Davis Island TIF district by restating its Development Program for clarification, amending the Development program to add eligible municipal investment projects, updating allocate dTown TIF Revenues, and establishing a 30 year term for this TIF District and Development Program, all of which is detailed in the Second Amendment on file at the Town Office; and

Whereas, the Town has held a public hearing on the question of amending the Original Davis Island TIF District as set forth in Second Amendment to the David Island TIF District as on file and made available at Town Hall in accordance with the requirements of 30 A.M.R.S 5223 and 5226 upon at least 10 days prior notice published in a newspaper or general circulation in the Town; and

Whereas, it is expected that approval will be sought and obtained from DECD approving the afore described Second Amendment.

Now, therefore, be it voted by the Town of Edgecomb:

Section 1: The town adopts the above recitals and further finds and determines that:

- a) At least 25% by area of the real property within the District continues to be suitable for commercial/industrial sites as defined in 30 A.M.R.S. 5223; and
- b) The total area of the District as amended by the Second Amendment does not exceed 2% of the total acreage of the Town, and the total area of all development districts within the Town does not exceed 5% of the total acreage of the Town; and
- c) The aggregate value of equalized taxable property of the District as amended by the Second Amendment as of April 1, 2016.
- d) The District and the Development Program as amended by the Second Amendment will generate substantial economic benefits for the Town and its residents, including employment opportunities, broadened and improved tax base, and economic stimulus, and therefore constitutes a good and valid public purpose.

Section 2: Pursuant to the Chapter 207 of Title 30-A of the Maine Revised Statutes, as amended, the Town hereby amends the Original David Island TIF District as stated in the Second Amendment as presented at the public hearing and in the form as on file at the Town Office, and by doing so the Town hereby designates and adopts the afore described District and Development Program as amended by the Second Amendment.

Section 3: Pursuant to the provisions of 30 A.M.R.S. 5224, the percentage of captured assessed value to be retained in accordance with the Development Program is hereby established as set forth in the Development Program as amended in the Second Amendment

Section 4: The Town has considered all evidence, if any, presented to it with respect to any adverse economic effect on or detriment to any existing business and has found and determined that such adverse economic effect on or detriment to any existing businesses, if any, is outweighed by the contribution expected to be made through the district and the Development Program as amended in the Second Amendment.

Section 5: The Board of Selectmen, or its duly authorized representative, is authorized, empowered and directed to submit the application to approve the afore described Second Amendment to DECD for review and approval pursuant to the requirements of 30 A.M.R.S. 5221 *et seq*, without any requirement of further action by the TOWN, Board of Selectmen, Town Meeting, or any other party.

Section 6: The Board of Selectmen, or its duly authorized representatives, is authorized and empowered, at his discretion, from time to time, to make such technical revisions to the Second Amendment and associated application as DECD deems reasonably necessary or convenient in order to facilitate the process for review and approval of the Second Amendment, so long as such revisions are not inconsistent with this article or the basic structure and intent of the Second Amendment.

Section 7: The foregoing designation and adoption of the Second Amendment shall automatically become final and shall take full force and effect upon receipt by the Town of approval of

adoption of the Second Amendment by DECD, without any requirement of further action by the Town, Board of Selectmen, Town Meeting, or any other party.

-Motion made by Selectboard to adopt the amendment as read 3-0.

-Unanimous approval by town.

-Special town meeting adjourn 6:43pm

4. Approval of Minutes
 - a. Dec 17 2018 - Approved 3-0
 - b. January 2 2019 - Approved 3-0
5. Budget Issues
 - a. Reports need to be in by the beginning of April 1st to be printed in time for Town Meeting.
6. Transfer Station Issues
 - a. Wednesday 1/16 meeting 6:30pm with the Transfer Station / Budget Committee. Will be important to get an update on the future of the transfer state with increased costs, plastic issues, and Fiberright issues. They proposed a 6% increase in operating budget year over year. Selectboard will invite the transfer station back to another selectboard meeting to discuss in more detail.
7. Old Business
 - a. Roof - No one has come by to complete final bit of project. Still withholding the final 10% of payment.
 - b. Lallis property
 - i. There have been no responses so far. Ted suggested that we table the issue of further marketing until Spring when purchasing will uptick.
 - c. Many places where there is water from springs in the road which is causing ice situations. Mike wrote to ask Sheriff Bracket about what they do here. He also asked if they place a camera in Town Hall parking lot if there are any best practices.
8. New Business
 - a. Budget committee member nomination. George Chase appointed as a member to the Budget Committee. Approved 3-0.
 - b. Jack French appointed to Ordinance Review Committee. Mike made a motion to appoint Jack French as a member to the Ordinance Review Committee. Approved 3-0.
 - c. Ted made a motion to authorize Jack to represent the selectboard to submit the Second Amendment of the Davis Island TIF working with Attorney Pottle. Approved 3-0.
 - d. Mike asked a company in Brunswick to do an engineering survey to replace Town Hall ramp.
9. Fire Department
 - a. There are ordinances in town to require people to clearly number houses. Roy wants a way to enforce this. There have been delayed responses to numerous calls. Mike suggested we put a blurb on the website. Jack asked the newspapers to mention.
 - b. Roy has been shopping around on pricing for equipment with good success.
 - c. There was an emergency at the Center for Teaching and Learning that was very well received, CTL wrote a letter thanking the fire department for their great response!
 - d. Bill Witzell, EMA Director, said that he is hopefully it will not be too long until reimbursement funding for last year's wind storm makes it to the town. He is working to make sure it is the correct amount.

- e. Roy will call the Central Lincoln County ambulance to make sure all is clear on repeater issue.
- 10. Warrants
 - a. General Warrant #15 \$94,879
 - b. Approved 3-0.
- 11. Public Comment
- 12. Adjourn - Adjourn 7:21pm

**Town of Edgecomb Select Board
Public Hearing Minutes
Proposed Second Amendment to the Davis Island TIF
January 14, 2019; 6:00 PM**

Present:

Board of Selectmen: Jack Sarmanian (Chair), Ted Hugger, and Mike Smith,

Other: Jon Pottle (Attorney), Katie Wurtzell (Recording Secretary)

Chair Sarmanian opened the public hearing at 6:00 PM and welcomed all in attendance. After conducting the Pledge of Allegiance, Chair Sarmanian stated the purpose of the public hearing was to discuss a proposed amendment to the Town's existing Davis Island TIF. Chair Sarmanian then introduced Attorney Jon Pottle, and requested that Pottle provide an overview of the proposed amendment.

Pottle provided a brief review of what tax increment financing (TIF) was, and how it can serve as a potential useful economic development tool for municipalities. Pottle then described the existing Davis Island TIF, which was originally established in and around 2005 for the primary purpose of facilitating a development project on Davis Island by financing water and sewer infrastructure. In and around 2010, the Davis Island TIF was amended to allow for the construction of a public safety building by the Town. Pottle then stated the proposal now being considered was a second amendment to the Davis Island TIF as another update to this TIF district and development program.

Regarding the nature of an amendment, Pottle emphasized a TIF amendment essentially changes the planning document for the Town. Any appropriation of TIF funds for eligible projects would require a separate authorization vote by the Town Meeting. Therefore, the primary purpose of the hearing was to discuss the proposed changes to the Davis Island TIF, rather than whether a specific project should be funded with TIF funds. The focus of this second amendment was two-fold: amend and restate the Town's municipal investment plan; and set 30 years as the term of the David Island TIF, with no automatic early termination provisions.

Pottle then provided an overview of the proposed changes to the municipal investment plan, which included: (1) addition of fire equipment as fire station capital improvements, which would need to be prorated; (2) increase in TIF funds for capital improvements to the public safety building, which was originally authorized in 2010/2011; (3) TIF administration costs; (4) professional service costs; (5) quality child care costs; and (6) multiple use recreational trail(s) with significant potential to promote economic development. Pottle also stated the TIF term was proposed to be changes so it is 30 years, unless the Town decided to terminate it at an earlier date. Further, since the Town was actually collecting more TIF revenues than original projections, Pottle stated the financial projections were updated which in turn correspond to updated cost amounts in the Town's municipal investment plan.

Questions regarding the proposed amendment included (i) how TIF revenues get allocated on an annual basis, particularly if they are used to help pay off debt service; (ii) what should the Town be aware of going forward; (iii) what are the next steps in the approval process; and (iv) what happens at the end of the TIF term relative to TIF funds in the Town's TIF account.

Responses to these questions were (i) the Town Meeting determines how TIF funds are appropriated for projects, which must be approved projects in the Town's municipal investment plan, and that any TIF revenues dedicated to paying debt service for an eligible project must be paid first on an annual basis; (ii) going forward, the Town should keep accurate records of its TIF program and revisit its development program to check if it is still reflective of the Town's economic development needs; (iii) after the public hearing, the Town will consider whether to adopt the Second Amendment to the Davis Island TIF – if approved, the next step is to submit the application to DECD for review; and (iv) as it approaches the end of the TIF, the Town should plan accordingly to ensure that it expends TIF revenues on eligible projects so they are fully expended (e.g., review accounts 5 years in advance of its termination).

With all questions being answered, the public hearing was closed at approximately 5:45 PM.

Respectfully Submitted,

/s/Katie Wurtzell

Katie Wurtzell, Recording Secretary