

**Town Council Meeting
Minutes
February 23, 2015**

The meeting was called to order at 7:00 pm.

Roll Call

All Councilors were present and answering roll call.

Pledge of Allegiance

Chair Farber led those present in the Pledge of Allegiance.

Item 1 Public Forum

John Winslow of Gray Road spoke about a recent vote to donate money to the Falmouth Land Trust. He was concerned with how quickly this came about. It should have seen more debate. He discussed the connections between two of the Councilors and the Falmouth Land Trust, and said more transparency is necessary.

**Item 2 (a) Order to approve the minutes of the January 12, 2015, Town Council
(Consent Agenda) Special Meeting.**

**Item 2 (b) Order to approve the minutes of the January 26, 2015, Town Council
(Consent Agenda) Meeting.**

Councilor King moved to approve the minutes; Councilor McBrady seconded. Motion carried 7-0.

**Item 3 Report from Council Committees and liaisons regarding updates on
 assignments.**

Councilor Mahoney said LMAC will come to the Council in the spring to report on their work on management plans for Town properties. The forestry work at Woods Road will happen as soon as forestry work in Cumberland is complete, hopefully in the next couple weeks.

Councilor King spoke about a notice that was mailed to all property owners in Town. A comp plan implementation meeting will be held on Thursday, February 26 from 6 – 7:30 at the Elementary School. The public is encouraged to attend and offer feedback. Documents are posted to the Town's website.

**Item 4 Report from the Appointments Committee and order relative to
 filling various vacancies on Boards and Committees.**

There was no report.

Item 5 Public Hearing on proposed amendments to the Code of Ordinances, Div. II-2-3-5. *Conservation Commission* in order to update the charge of the Conservation Commission.

Chair Farber opened the public hearing; there was no public comment.

An order was scheduled for March 23.

Item 6 Public Hearing on a proposed amendment to the Zoning and Site Plan Review Ordinance Section 3, to create a special overlay district for 60 Gray Road.

Chair Farber opened the public hearing.

Mark Burns of Clearwater Drive spoke in favor of the amendment. There has not been a lot of development in this area, and he supported anything that helped this gateway to the Town. This amendment will allow this lot to be viable and will give the entire development a presence.

Chair Farber closed the public hearing.

Councilor King wondered about revisiting this amendment in the future.

Chair Farber said she would like to see this setback provision associated with the existing building, so that if the property were redeveloped in the future, this amendment would sunset. The property might not need this provision if the building were moved further back. This is a big property, and there is plenty of parking in the back.

Councilor Anderson felt this was driven by the unique shape of the property due to the DOT parcel at the front, not where the building is located. This amendment allows parking to be closer to that lot, helping economic development in the area and helping the property attract new tenants. Allowing parking in front might lead to redevelopment of the parcel. Tying the amendment to the building might defeat the purpose of the amendment.

Councilor McBrady said the goal was to create a front façade, and they need parking out front to do that. There is quite a bit of land there; cars won't be parked right on the road.

Councilor King supported the current request, but felt the question was whether the Council wanted input in parking along the front in the case the building was ever redeveloped in the future. If this goes through as it is, the parking area would be secure until repealed.

Councilor Anderson pointed out that cars parked on the lot would still be far away from Route 100 if this passes. It didn't strike him as something that would be a problem, regardless of what happens with the building in the future.

Chair Farber requested a rendering for the next meeting that demonstrated where the parking would be located in relation to Route 100.

Councilor Mahoney pointed out that the Garden Center Special District terminates if certain conditions are not met. He wasn't sure how to achieve what Chair Farber was suggesting with ordinance language and felt it might be overly complicated.

An order was scheduled for March 23.

Item 7 Ordinance to adopt the maximum levels of income and expenses for the General Assistance program, Chapter 6, Article 6, Section 6.68, Appendices B & C of the Falmouth Town Ordinance.

Councilor Hemphill moved the ordinance; Councilor King seconded. Motion carried 7-0.

Item 8 Discussion of proposed designation of certain Municipal Development and Ocean View / Natural Gas Tax Increment Financing District and a related Development Program.

Theo Holtwijk, Director of Long-range Planning, gave a presentation on tax increment financing districts. He discussed what they are, the three existing TIF districts in town, the impact if they do not capture the new valuation, eligible expenses for the sheltered values, and the options the Council has in the current situation. The proposed new TIF district would include 62 miles of public streets where gas pipelines are planned to be installed as well as the new values on 30 acres of the Ocean View campus, bringing the total district to 311 acres. The proposed TIF district meets the requirements of the state in terms of percentage located in an economic area (required to be 25% or greater; currently at 25.41%) individual area (capped at 2%; currently at 1.63%) and total area of the Town (capped at 5%; currently at 3.99%).

Town Manager Nathan Poore discussed the fiscal benefit of the proposed TIF district and how the TIF funds are proposed to be spent. The recommendation is for 61% of the proceeds to be used for street projects, with another 9% directed toward specific street improvement projects. 11% would be used for TIF administration and economic development staffing, and 19% would be directed toward other projects. He discussed two scenarios for capturing value: scenario 1 was a tiered capture that would capture 0% in year 1, 100% in years 2-15, 75% in years 16-25, and 50% in years 26-30. This scenario would capture \$16.2 million and would include the 13 “base package” projects. Scenario 2 would capture 0% in year 1, and 100% in all remaining years. This scenario would capture \$19.8 million and would include all the projects in the “base package” as well as lists A-C. He discussed the projects on each of the lists. The base package was \$16 million and included street maintenance and improvements, and TIF staffing and administration. List A was for \$4.1 million and included economic development initiatives like gigabit broadband, a revolving loan fund, wastewater improvements, stormwater quality, energy efficiency coordination, and public safety improvements. List B included infrastructure improvements along Route 100, Route 1 South side streets, and Route 1 North, in the case where these other TIF areas didn’t have enough money. No cost estimate was available for this list. List C was for \$3.7 million and included different transit infrastructure projects such as bike and pedestrian improvements. He discussed the mil rate impact of funding those projects that are already in the capital improvement plan with a TIF, without a TIF, and with a TIF capturing 81%. Without a TIF, they would save \$0.10 on the mil rate; with the TIF at 81%, they would save \$0.25, and if they do a full TIF, with the full project lists, they would save \$0.23 on the mil rate. He explained that the TIF allows them to reach back and capture the value increase of Oceanview since last year. The Town has already used that increased valuation to balance the mil rate for this year; if they reach back that would create a revenue problem. He explained that the capital improvement portion of this TIF would allow them to lower the street improvement reserve fund. The proposal is to reduce the current capital appropriation for the next two years in order to balance out the change.

Councilor Anderson wondered why the CIP would not be impacted more than what they are showing. He wondered why they couldn’t reduce the CIP more, since the base package includes so many CIP projects.

Mr. Poore said there is a ramp up. Both Oceanview and the gas line will take 5-7 years to build up to their full value.

Councilor Anderson said that is a cash flow answer; he thought they pre-funded CIP projects.

Pete McHugh, Finance Director, said there will be \$2.1 million in the street reserve after this year.

Mr. Poore said they can look at reducing the funds dedicated to the street reserve fund earlier. They can do a 5-10 year analysis to see how low they can bring that fund.

Councilor Anderson felt they will have to revise the CIP in response to this; this is a significant portion of the financial benefit to the town. He would like to see that revised CIP before they vote on this proposal.

The Council discussed the two proposed scenarios. Councilor Anderson supported scenario 1. Chair Farber was interested in adding some of the items on List A to the base package; since the numbers are only estimates. Councilor Anderson felt the wastewater projects should be paid for by user fees and not property taxes. Councilor Mahoney agreed.

Jim Saffian, bond counsel from Pierce Atwood, explained the process moving forward. They would like to see a comprehensive list for the public to comment on. They can scale that list back after the hearing, but it would not be preferred to add projects to the list after the hearing.

The Council discussed which project lists to bring to public hearing. They asked to remove the two wastewater projects from List A.

In response to Chair Farber, Mr. Saffian recommended that the notice for the public hearing state that the Council will be considering sheltering up to 100% of the value. They can provide examples of a reduced program at the meeting. He also pointed out that the project list doesn't have to be tied to the amount that they proposed to capture.

A public hearing and order will be held on March 9.

Item 9 Discussion on the 2015 Council workplan.

Mr. Poore discussed progress on each of the items on the 2015 Council work plan.

Item 10 Order to go into Executive Session pursuant to the Laws of Maine to discuss negotiation parameters associated with the Teamsters Local 340 and Maine Association of Police contract renewal, pursuant 1 M.R.S.A. § 405 (6) (D).

Councilor Goldberg moved the order; Councilor McBrady seconded. Motion carried 7-0.

The Council entered executive session at 9:15 pm.

Adjourn

The Council did not return from executive session.

Respectfully submitted,

Melissa Tryon
Recording Secretary