

**Town Council Special Meeting
DRAFT Minutes
December 8, 2014**

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

Roll Call

All Councilors were present and answering roll call.

Item 1 Order to authorize the Town Manager to execute a quit claim deed for Map R01 Lot 003.

Public comment period opened; no public comment.

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

Item 2 Presentation from Ocean View that will describe plans for the reuse of the Plummer School building and other updates regarding the Ocean View master plan.

Matt Teare of Oceanview explained that they are proposing an affordable or moderate-income senior rental housing project. This will not be a project that would be eligible for housing subsidies, but they want to keep the rents affordable and within the Maine State Housing income guidelines. They are proposing 35 rental units, and will need an addition to the building to make that happen. It will not be a part of Oceanview. While it will share a campus with Oceanview and residents can select some of Oceanview's services, it cannot be a part of Oceanview due to the cost of the comprehensive services Oceanview provides. They are applying for historic tax credits for the project; as part of that process, they will renovate the large gymnasium within the building and they are looking at making that space into a senior center. The tax credits impact the design of both the redevelopment of the current building as well as the proposed addition. They need to integrate their plan with the Town, since the building shares property with the Mason-Motz building. He showed a concept plan of the proposed addition.

Chair Farber asked what size the addition would be; Mr. Teare thought it would be 10,000-15,000 sf. That would be about 12 -15 units. They need to get the unit count up.

Councilor Hemphill asked if it would be single-story; Mr. Teare said it would be two stories.

Councilor King asked if there would be any preference for local seniors; Mr. Teare said there isn't any way to do that with a MSHA project, but there might be a way with this project.

Councilor Anderson asked if there would be age restrictions; Mr. Teare said there would be; he thought it would be 65+.

Councilor Anderson thought it would be important to hear from the newly-formed senior advisory committee before moving forward with a senior center. He felt the senior community needed a high-quality space and high-quality programming, and that it should be a public space and not a privately held one. He wanted to hear from the advisory committee on that issue. The gymnasium is in the basement and has no windows; he has reservations about that being a high-quality space.

Mr. Teare said it will be high-quality renovation, and that they will work with the Town to tie it in with town services.

Councilor Anderson said the committee is supposed to report back to the Town by September; he asked if that timing is problematic for Oceanview; Mr. Teare said it is not.

Councilor Goldberg asked about the connector between the two buildings; Mr. Teare would speak with Town staff, but he felt it would be appropriate to have some kind of connection, whether it was a covered walkway or something.

Councilor Anderson pointed out that there was a connector that was just demolished, due to code concerns. Mr. Teare said that was a complicated situation due to the code issues, and the new connector might not be an indoor connection, but an outdoor walkway.

Councilor Mahoney said the project wouldn't necessarily need or require that room to be used as a senior center; Mr. Teare said that was correct. It is a big space, connected to a community center and surrounded by elderly housing. A senior center seemed to make sense.

Councilor King wondered about the level of coordination between the Town and Oceanview if the gym didn't become a community center.

Mr. Teare clarified that this building would be a completely separate legal entity; it would not be owned by Oceanview. The senior center would be operated entirely by the Town, not Oceanview.

Chair Farber asked if the tax credit required that the space be used as a gym. Mr. Teare said no, they want the spatial integrity restored, not the use.

Chair Farber asked for some other examples of buildings such as this, with large interior spaces that have been re-used in other ways in order to meet tax credit requirements. She asked for details about the proposed addition on the back and how it is impacted by the current lot lines.

Mr. Teare showed how close the property line is to the Plummer building. He discussed their two options for the addition, and said they will need relief on the property lines on one side or another, depending on the final design. He said they will need to discuss parking with Town staff as well.

Chair Farber asked about the zoning of the property.

Amanda Stearns, Community Development Director, said this is a stand-alone district.

Chair Farber wondered if this addition would require an amendment to the zoning district. Mr. Teare felt it would require an update to the subdivision plan, but the zoning would be fine.

Councilor Hemphill said one of the positives of removing the connector was the ability to access the Village Green from the Mason-Motz parking lot and this concept blocks that; he also asked about the playground.

Mr. Teare said the space between the buildings needs to be an attractive space; he would like to sit down with Town staff about that area. There is complete flexibility with the addition at this point.

The Council supported staff moving forward with meeting with Oceanview, and with Councilor Goldberg and Chair Farber serving as Council representation as needed.

Item 3 Discussion of a request for amendments to the Zoning and Site Plan Review Ordinance, the Tidewater Village Design Guidelines, and the Tidewater Master Plan in order to accommodate development on property known as TV-4, located at the intersection of Farm Gate Road and Clearwater Drive.

Michael Hays, of Grant Hays Associates, presented the project. He explained that several amendments to the ordinance and master plan would be required in order for them to develop their project, and he discussed those amendments. They need to amend the ordinance to allow restaurants and outdoor dining as a use on this parcel; to allow for a larger footprint for the building than what is currently allowed; to reorient the building to face Hat Trick Drive as opposed to facing Farm Gate as required in the design guidelines; and to allow them to locate offsite parking within a 1300 foot radius of the building. He discussed the proposed design of the building: it would be sited on the southeastern end of the property, with sidewalks. The entrance would be off Hat Trick to prevent restaurant traffic on Farm Gate, and there would be between 22 and 24 on-site parking spaces. Landscaping would meet Town standards. The main entrance would be marked with the primary business sign. The building will accommodate 192 patrons on two floors, with an additional 36 patrons at the seasonal outdoor seating area. He discussed the layout of each floor, with dining and lounge area on the first floor and a function room on the second floor that could also be used for dining during busy times. The half-basement would be used for utilities and storage. The exterior is a classic craftsman style, with a residential look. There would be signs on the building that would be lit.

Councilor Mahoney asked what is on the other side of Hat Trick from the proposed building. Mr. Hays said it is the Walmart Garden Center.

Councilor Goldberg asked when they were planning to open; Mr. Hays said they are aiming for August 2015.

Councilor King asked what portion of the business would be bar, and what portion is dining. In the floor plan, the bar is larger. Mr. Hays said the bar has 16 seats; the rest of that area is a lounge with high-top tables and chairs.

Lance Meader, owner of Rivalries, explained that their current location is in the heart of Portland. This is more a family dining business with a bar element. It has an upscale, casual menu. He said this would be similar to the Foreside Tavern in feel, though with more of a sports element.

Councilor Hemphill asked how they will address buffering this type of use from the residential district of Tidewater; there are homes quite close by to this lot and there is a dumpster shown on that end of the lot in the design.

Mr. Hays said the original design of this lot had the same layout on that side, only with the entrances on Farm Gate instead of Hat Trick. They are going to be very sensitive to the buffering on the Farm Gate side of the lot, and plan to add a lot of vegetation to that side. They plan full cut off light fixtures. They felt moving the entrances to Hat Trick from Farm Gate will help alleviate traffic concerns, as both customer traffic and delivery traffic would come in from Hat Trick.

Councilor Hemphill asked where their additional parking would be located; he didn't think the 22-24 parking spaces shown would be near enough.

Mr. Hays agreed; he felt they would need 64 spaces for a restaurant this size. The owners have 20 spaces in the shared parking lot on TV-3 that they can utilize. They are currently considering where to get the other spaces; this is why they are requesting the 1300 radius from their front door in order to capture enough spaces.

Councilor Goldberg asked what lots are within that 1300 foot radius; Mr. Hays said there is the Walmart lot, on-street parking on Clearwater, Farm Gate, and on Hat Trick when it is constructed, and he thought arrangements could be made with other lots in the area.

Chair Farber asked how close this is to the VC-1 requirements in terms of design.

Ms. Stearns said staff have not done a detailed review, but the basic concepts are being recognized in terms of building to the street, building height, and 4 sided design to the building. There is flexibility in the VC standards with regards to parking, allowing for more shared parking and on-street parking in the requirements than was previously allowed.

Chair Farber said the master plan for this district expires in April 2015; she asked what the underlying zoning would be for this parcel. Ms. Stearns said she didn't know; she would have to research that.

Chair Farber asked if this would revert to VC zoning, if its original zoning was SB-1; Ms. Stearns said no, not without action by the Council.

Chair Farber said the footprint would be allowable in VC, as would restaurant/outdoor dining. Ms. Stearns said building footprints are not limited in VC, just tenant space. The setback for the building would have to be between 0-20 feet; she wasn't sure they would meet that if Hat Trick was considered the front.

Chair Farber said Hat Trick Drive and VC-1 were not considered when the master plan was conceived; she wondered if it made sense to make TV-4 a part of the VC district, thereby becoming completely conforming to that district, instead of amending the master plan and the TMPD district.

Ms. Stearns said they looked at the master plan when they drafted VC-1.

Mr. Hays said the property owners would want them to consider rezoning the property to VC-1. They will go back and review the proposed plan compared to the VC-1 district and come back to the Council. He was concerned that rezoning might delay the project.

The Council indicated that they were amenable to the project as proposed.

Item 4 Discussion of a request for amendments to the Zoning and Site Plan Review Ordinance, the Tidewater Village Design Guidelines, and the Tidewater Master Plan in order to accommodate development on properties known as TV-3, TF-2, and TF-3, located within the Tidewater Master Plan Development District (TMPDD).

Nathan Bateman, of Tidewater LLC, the original developer of the district, explained that all the lots in the subdivision have been sold, Farm Gate has been accepted as a public street, TV-1 and TV-2 are complete, and TV-4 has been sold. TV-3 and TF-3 remain to be developed. He discussed the proposed amendments for TV-3. TV-3 is approved for three building pads. On one pad, they are looking to develop a two-story, 22,000 sf medical building. The building pad is approved for 24,000 sf, but on three floors. They would need an amendment to increase the allowable footprint from 8000 sf to 11000 sf to accommodate the two-story design. On the other two pads, they want to build two buildings connected by a central elevator, similar to the building on TV-2. They would have two 4,000 sf buildings, with a combined 8,000 sf of commercial space on the first floor and rental housing on the second and third floors. Under the current zoning he is only allowed three more rental units; he would like to increase that to ten. He discussed the proposed amendments for TF-3. This parcel was originally conceived as a 75 room inn; they would like to change the allowed use to build a 36-40 unit, market-rate, 55+ rental housing building. This would be a less intense use than the inn and they felt senior housing would blend with the farm component and

conservation land in that area. He also pointed out that the district expires in April 2015, and they would request to extend that expiration date.

Councilor Mahoney asked the original purpose for TF-2, the old farmhouse and barn, in the master plan. Mr. Bateman explained the uses that would be allowed at TF-2.

Chair Farber said there was an amendment to allow an educational use in 2008.

Mr. Bateman said UMaine was looking for a new home for their cooperative extension in 2008, and they were working with them to put it in the barn. It was considered to be a new structure and so was deemed inconsistent with the master plan. The cooperative extension is at 75 Clearwater Drive now.

Councilor Hemphill clarified that the proposed UMaine building was on TF-1, not TF-2, and that was why it was not allowed.

Mr. Bateman agreed. He clarified that they are not proposing anything with TF-2; they have a potential use for that parcel but, since the proposed use is allowed in that area, they can go directly to the Planning Board in that case.

Councilor Mahoney asked if they can raze the farmhouse with just Planning Board approval.

Ms. Stearns spoke about the documents that regulate the uses of the property and explained that, unless the proposed activity is prohibited by those documents, the planning board can approve a use at TF-2. The reason TF-3 would come before the Council is because they are looking for a change of use.

Councilor Goldberg asked why the plan for the inn was abandoned. Mr. Bateman said that, due to the change in zoning on Route 1, the most appropriate place to locate an inn is on Route 1. Market conditions tell them that the most appropriate use of this space was housing.

Chair Farber asked about the proposed housing; Mr. Bateman said it would be high-end, 55+ or 65+ housing.

Chair Farber was concerned with the impact on public services with the addition of so many units. She felt this location would be attractive to those who still have school-age children, and an age restriction of 55+ didn't preclude that possibility. She asked for confirmation that the proposed increase to the footprint in TV-3 didn't impact the 5% open space requirement.

Mr. Bateman said that was correct; the site plan is very similar to what is shown on the master plan.

Chair Farber raised the possibility of rezoning TV-3 to VC-1; Mr. Bateman said they would look at that as well.

Chair Farber asked about reorienting the medical building; Mr. Bateman explained that the medical building would require the main entrance to be covered and facing the parking lot, in order to allow for drop-off and pick up of patients. They would have a false front along Clearwater for the visual aspect.

Chair Farber asked about the proposed flat roof, which doesn't fit the visual design of the rest of Tidewater Village. Mr. Bateman said the building was too long to allow for much else; they might get away with a hip roof design. They don't like flat roofs either.

Ms. Stearns said VC-1 allows flat roofs on anything two stories or more; typical village design allows a mixture of flat and pitched roofs.

Chair Farber asked the underlying zoning on these parcels; Ms. Stearns said she would have to research that.

Councilor Anderson wondered why they wouldn't extend the master plan. Chair Farber said a master plan locks them in for another 10 years. They can review zoning as things change, but cannot change a master plan.

Councilor Anderson felt the proposed changes were minor and consistent with the master plan.

Ms. Stearns said one of the options would be to reapprove the master plan as is and extend the timeline, which would remove the time crunch to review the concerns with TF-3 and allow them to move forward with TV-3, which is more imminent. They could then review and come back with TF-3.

Chair Farber clarified that TF-2 does not require any amendment to the master plan. The highest priority items are the amendments to TV-3 and the extension of the master plan beyond April 2015. Mr. Bateman agreed.

Councilor Hemphill asked for details about TF-3; Mr. Bateman said they would be independent units within one structure, with covered parking. It would be very similar to the original plan for the inn in regards to size and structure. The demographic they are looking at are people who would have additional residences elsewhere; this would likely have less impact on the community than the originally proposed inn.

Councilor Mahoney left the meeting.

Item 5 Discussion about the benefits of Tax Increment Financing (TIF) and options for the creation of new TIFs in Falmouth.

Town Manager Nathan Poore gave a presentation on TIF districts. These are allowed under state authority, and towns that want to establish these districts must apply for state approval. These districts shelter increases in valuation for up to 30 years, in order to avoid losses due to state and county fiscal formulas. Revenues from these districts must be used for specific purposes, as outlined when the district is created. Sheltering an area prevents increases in valuation of that area from being counted in the calculations of state aid for education, municipal revenue sharing, and county taxes. He discussed each of the three current TIF districts in Town – West Falmouth Crossing, Route 1 South, and Route 1 North. He described the effects of a TIF district on tax revenue. Existing TIF districts compromise 2.3% of the town's acreage; the state limit is 5%. He discussed the impact of a conceptual TIF district on the new natural gas line and well as a conceptual development area of 25 acres and \$4 million base valuation; if they added both of these the Town would still be under the limits. Also, the three current districts expire in 2023, 2024, and 2030. The Town will need to consider a transition plan prior to those expirations.

Chair Farber thought the 5% acreage limit was over the history of the town and not just current TIFs; Mr. Poore said he would research that.

Councilor Hemphill wondered if TIFs would be abandoned by the state; Mr. Poore said it is discussed every couple years by the legislature, but it hasn't gone anywhere in the last 20 years.

Councilor Anderson asked what is involved in extending the two TIFs that are eligible for extension. Mr. Poore said they applied for and were approved for an extension of Route 1 South in 2010. It requires a reapplication of the TIF plan.

Councilor Anderson said the WFC TIF does not extend along the Route 100 area; Mr. Poore said he didn't think so, but they have suggested that the Route 100 committee look at the geography, and perhaps suggest amendments to the TIF.

Councilor Anderson said they can extend the geographical area of a TIF, as well as extending the timeframe. Mr. Poore said that was correct.

Councilor Goldberg asked the value of sheltering the natural gas line; it has no valuation since it is within the public right of way.

Mr. Poore said it will have a personal property tax valuation attached to it, and personal property tax can also be captured.

Councilor Goldberg asked who owns the personal property; Mr. Poore said Summit does.

Mr. Poore explained that they only have until March 1 to put something together with regards to the two conceptual districts. That is the deadline for application to the state.

Chair Farber asked when it would go into effect; Mr. Poore said it would capture the property valuation date of April 1, 2015 and the commitment of August 2015 for taxes due in 2015/2016. He said they can do a reach back, but they have to balance the operating budget on the valuation, and if they have added it already, it is hard to take it back.

Councilor Anderson pointed out that the TIF money can only be used for infrastructure within the district; it limits the available money for other things in town.

Councilor King asked why it would be beneficial to put the gas line within the TIF, since the state aid calculation is based on property values.

Mr. Poore said it is real estate and personal property; the gas line would be included in the state calculations. They are looking at \$30-35 million worth of pipeline in the Town alone.

Councilor King wondered what they would do with the revenue from the gas line. Chair Farber suggested maintaining the roads under which the gas line travels.

Councilor Anderson wondered if there was opportunity to value the new underground utilities along Route 1; Mr. Poore said there is.

Chair Farber said the schedule of development of the natural gas line won't matter to the TIF; Mr. Poore agreed. He discussed this with the town's TIF attorney who agreed that this will work conceptually.

The Council agreed for staff to move forward, with Councilor Anderson and Councilor Goldberg as council representation.

Item 6 Order to authorize the Town Manager to execute an easement with Summit Natural Gas to allow a 4" distribution line to be installed along Hat Trick Drive from the Falmouth Plaza property to Clearwater Drive.

Mr. Poore explained that this is along Hat Trick Drive. Natural gas line installation along public roads requires a street opening permit from the Town; installations along private roads require easements from the property owners. Hat Trick is an easement, not a public road, and it crosses several privately held parcels, including land held by the Town, so Summit is working with the other property owners as well as with the Town to get all the required easements. He discussed the proposed easement and said it has been reviewed by the Town Attorney. While there are several proposed amendments to the document, the Attorney feels the Council can approve the order, conditioned on the Town Attorney's and the Manager's satisfaction.

Chair Farber asked if they will disrupt the process if they hold this for the next meeting. Mr. Poore didn't think so.

Chair Farber asked if they have finalized things with the other two property owners; Mr. Poore didn't think so.

Councilor Goldberg wondered how much time it would take for the Attorney and the Manager to wrap things up; Mr. Poore said probably a couple weeks.

Councilor Goldberg wondered when the construction of Hat Trick would start; Mr. Poore said early April. Summit's goal was to install this line before that.

The Council asked for the final easement to be brought before them at the December 22 meeting.

No action was taken on this item.

Item 7 Discussion about future Council agendas.

Mr. Poore discussed items scheduled for upcoming Council meetings.

Adjourn

Councilor King moved to adjourn; Councilor Goldberg seconded. Motion carried 7-0.

The meeting adjourned at 9:39 pm.

Respectfully submitted,

Melissa Tryon
Recording Secretary