

MINUTES

Cumberland Town Council Meeting
Town Council Chambers

MONDAY, January 10, 2022

6:00 P.M. Workshop re: Senior Tax Program

7:00 P.M. Call to Order

Present: Councilors Edes, Gruber, Segrist, Storey-King and Vail

Excused: Councilors Copp and Foster

I. APPROVAL OF MINUTES

Motion by Councilor Gruber, seconded by Councilor Segrist, to accept the December 27, 2021 meeting minutes as presented.

VOTE: 5-0 UNANIMOUS

II. MANAGER'S REPORT

III. PUBLIC DISCUSSION

No public discussion.

IV. LEGISLATION AND POLICY

22 – 001 To consider and act on the adoption the 2022 Cumberland County Hazard Mitigation Plan.

Town Manager Shane explained that this plan was adopted several years ago, and the Town Council is required to adopt it every 5 years. This plan will be adopted by all communities in Cumberland County and its purpose is to improve roadway infrastructure design and to mitigate disasters.

Chairman Vail asked for any public comment.

No public comment.

Motion by Councilor Edes, seconded by Councilor Gruber, to adopt the 2022 Cumberland County Hazard Mitigation Plan.

VOTE: 5-0 UNANIMOUS

22 – 002 To hold a Public Hearing to consider and act on extending the medical marijuana caregiver moratorium for up to an additional 180 days.

Chairman Vail explained that this will extend the current moratorium. There was some concern that the Town Council may not be able to complete their work on the Medical Marijuana Caregiver Licensing Ordinance before the moratorium expires.

Town Manager Shane added that if the Town Council passes the licensing ordinance in 2 weeks, the moratorium will be rescinded.

Chairman Vail opened the Public Hearing.

No public comment.

Chairman Vail closed the Public Hearing.

Motion by Councilor Segrist, seconded by Councilor Gruber, to approve the following extension:

WHEREAS, a moratorium on the location, operation, permitting, approval or licensing of any and all medical marijuana uses within the Town was enacted by the Town Council on July 28, 2021, for a period of one hundred and eighty (180) days from the date of applicability, *i.e.*, until January 24, 2022; and

WHEREAS, the moratorium was necessary to provide the Town with time to study its own ordinances in order to determine the effect of potential medical marijuana uses within all areas of the Town, particularly those areas located outside of the previously-established Registered Caregiver Overlay District, as is more particularly defined in § 315-28.5 of the Town Code; and

WHEREAS, the identified issues giving rise to the need for the moratorium still exist, and substantial progress has been made in addressing these issues by virtue of the drafting and consideration of proposed amendments to the Town Code and the adoption of a medical marijuana registered caregiver licensing ordinance, but the Town has not yet completed all of this work; and

WHEREAS, additional time is needed to ensure that the Town resolves these issues before additional medical marijuana uses may be located, operated, permitted, approved, or licensed within the Town.

NOW, THEREFORE, pursuant to 30-A M.R.S. § 4356, and Article II, § 11 of the Cumberland Town Charter, the Town of Cumberland hereby ordains that all provisions of the Town of Cumberland Moratorium Ordinance Regarding Medical Marijuana Caregiver Uses are hereby extended for an additional period of one hundred and eighty (180) days, from January 25, 2022 to July 22, 2022.

VOTE: 5-0 UNANIMOUS

22 – 003 To hear an update on amendments to Chapter 86 (Medical Marijuana Registered Caregiver Licensing) of the Cumberland Code, as recommended by the Ordinance Committee.

Councilor Storey-King said that the Ordinance Committee met again last week to review some changes to the ordinance with the Town Attorney and some members of the public, who attended the meeting. It was decided to reduce the application fee to \$2,000 the first year and \$1,000 for renewals. Quite a bit of time was spent discussing signs and how businesses establish their presence. We do not allow medical marijuana retail establishments in our Town. Only caregivers are allowed. What we have developed is a good ordinance. Now the challenge will be to get the 32 licensed caregivers in our community to toe the line and get their license to operate.

Councilor Edes said that he echo's the concern regarding how we get all of the caregivers to get into compliance with the ordinance. We have heard from a few who have been involved, but not the majority. He wondered if we should offer a discount on the licensing fee for those who come forward and get licensed within the first 30 days.

Chairman Vail said that we have been talking about this for six months and only a few interested parties have shown up. There has been ample opportunity for those people who are concerned to get involved.

Chairman Vail asked for any public comment.

No public comment.

22 – 004 To hear a report from the Senior Tax Rebate Committee.

Councilor Segrist explained that we had a very productive workshop earlier this evening. We talked about an issue that we all care deeply about, which is ensuring that the seniors in our community are able to age in place gracefully within the Town that they have lived in for a significant portion, if not their entire life. Over the last several months, we have been providing updates in terms of what we might be able to do to help those seniors. We have developed a senior property tax deferral program. The program would play off the rebate program that

we currently have, but in theory, it would allow a certain pilot group of qualifying seniors to have their property taxes frozen at their current level. The workshop slides detailing the program are below:



Senior Property Tax Assistance (Deferral) Pilot Program

Helping Cumberland Seniors Age In Place

“Every year, my property taxes increase, while my income remains the same. I’ve lived in Cumberland for most of my life and, while I don’t mind paying my fair share in taxes, I’m worried that I won’t be able to keep up and that I will be forced to sell my home and leave the town I love.”

- Cumberland Resident

Overview

- What Is The Program?
- How Does It Work?
- Why Do We Need It?
- What Are The Requirements?
- How Much Does It Cost?
- Do We Already Have This Program?
- Next Steps

What Is The Program?

The **Senior Property Tax Assistance (Deferral) Pilot Program** would allow qualified Cumberland residents to defer the payment of incremental property taxes, effectively freezing their property taxes at current levels, until such time as certain triggering events occur.



How Does It Work?

- Each year, property **taxes tend to increase** as the town grows and expands services.
 - By **“freezing”** a qualifying taxpayer’s property taxes at their current baseline level (e.g., \$5,000), the annual increase or **“increment”** (e.g., \$250) would be **held in abeyance** until such time as certain triggering events occur (e.g., taxpayer sells the home, passes away, no longer uses it as a primary residence, etc.).
 - Any increment amount owed (e.g., \$250) would **continue to accumulate** over time and a **lien** would be placed on the property until **paid in full (with interest)**.
- 

Why Do We Need This?



Property taxes in Cumberland increase an average of **3.2%** every year.



With the potential building of a **new school**, that figure will likely **increase**.



This puts considerable **financial pressure** on **lower-income seniors** in our community whose **income is often fixed or limited** to pensions or Social Security.



Allowing low-income seniors to **"freeze"** their property taxes at current levels **helps more Cumberland residents age in place** with dignity and respect, while ensuring they **continue to contribute financially** to town services.

What Are The Requirements?

- The property must be an **eligible homestead** where the taxpayer has resided for at least **20 years** prior to the date of application;
- The taxpayer must be the **owner**, at least **70 years of age** and occupy the homestead as a **primary residence**; and
- The **household income** (Maine AGI) of the taxpayer **does not exceed 250%** of the federal poverty line (currently, \$66,260).



- The property must be an **eligible homestead** where the taxpayer has resided for at least **20 years** prior to the date of application;
- The taxpayer must be the **owner**, at least **70 years of age** and occupy the homestead as a **primary residence**; and
- The **household income** (Maine AGI) of the taxpayer **does not exceed 250%** of the federal poverty line (currently, \$66,260).



By limiting the pilot to 15 participants, the program can be funded for as little as **\$11,250** (\$750 x 15 participants).



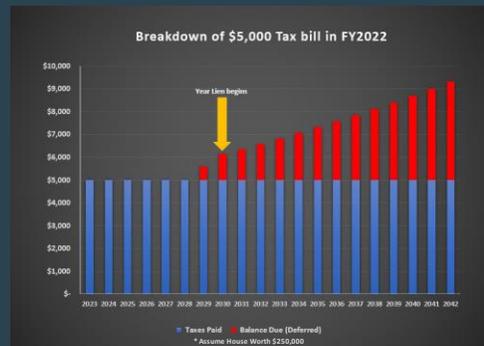
This funding ensures **rebate funds (\$750)** are **applied first** to outstanding incremental tax liability, helping to push any tax lien recording out to **year 8** of the program.



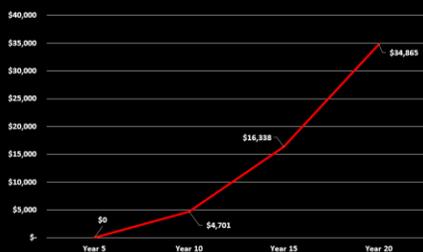
This also allows **more residents** to benefit from the program, while **limiting potential deferred revenue exposure**



NOTE: Under the program, **revenue is not lost** but rather, is simply **"deferred,"** with interest until certain triggering events occur.



Deferred Tax Balance over 20 Years*



Do We Already Have This Program?

No. We have a **Senior Tax Assistance (Rebate) Program**, which provides rebates of up to **\$750** to Cumberland residents who:

- Are **70 years of age or older**;
- **Maintain (Rent or Own)** a homestead in the Town of Cumberland;
- Have been town residents for at least **10 years**; and
- Have a combined household income (Maine AGI) of less than **\$91,000**.



Program Comparison

Senior Property Tax Assistance (Rebate) Program	Senior Property Tax Assistance (Deferral) Pilot Program
70 Years of Age or Older	70 Years of Age or Older
<u>Maintain (Rent or Own)</u> Homestead in Town of Cumberland	<u>Own</u> Homestead in Town of Cumberland
Cumberland Resident for <u>10</u> Years	<u>Residing in Cumberland Home 20</u> Years
Combined Household Income (Maine AGI) Does Not Exceed <u>\$91,000</u>	Combined Household Income (Maine AGI) Does Not Exceed <u>\$66,260</u>

Next Steps

- Work with Ordinance Committee and Town Attorney to draft pilot program’s ordinance language for full Town Council review.
- Work with Town Staff to develop the pilot program’s interview questionnaire, application process, and onboarding procedures.
- Work with Finance Committee and Town Council to appropriate \$11,250 to fund pilot program as part of Annual Budget Process or through Year End Balance Transfer.



No public present. No public comment.

Motion by Councilor Storey-King, seconded by Councilor Gruber, to authorize the development of the required ordinance language for the Senior Tax Assistance Deferral Pilot Program and submit the complete document to the Senior Property Tax Committee for review and Town Council action, prior to the end of April.

VOTE: 5-0 UNANIMOUS

22 – 005 To authorize the Town Manager to accept a payment for delinquent FY’19 taxes in the amount of \$800.00 on property identified as Map U19/Lot 18.

Town Manager Shane explained that this property is now in foreclosure so the acceptance of any tax payments must be approved by the Town Council.

No public present. No public comment.

Motion by Councilor Segrist, seconded by Councilor Storey-King, to authorize the Town Manager to accept a partial payment for delinquent FY’19 taxes in the amount of \$800.00 on property identified as Map U19/Lot 18.

VOTE: 5-0 UNANIMOUS

V. NEW BUSINESS

Councilor Segrist – He is very excited to be moving the Senior Property Tax Assistance Program forward and to get more input from the public and the Town Council.

Councilor Storey-King – She told everyone to stay safe with the new wave of COVID that is out there.

Councilor Gruber – no new business.

Chairman Vail – The partitions are back up on the Council dais because Councilor Foster had mentioned to him at the last meeting her concern about the rapidity of which COVID cases are occurring at the school, and she thought it might be a good idea to put the partitions back up in an effort to stay safe. It’s all around us and all the precautions we can take are warranted.

He had a thought recently about the future of the gravel pits in our Town. At some point, they are not going to have any gravel left in them, so maybe an exercise on the part of the Town Council would be useful to look at putting solar farms there or directing other types of development.

Councilor Edes – More and more of our favorite people are getting sick. He wished Councilor Foster and her family a speedy recovery.

Town Manager Shane – He gave the following update on the pre-comprehensive plan survey for Councilor Foster:

- While not required by the state anymore, the Council agreed it was time to start the process of updating our Comprehensive Plan.
- To gauge an initial baseline and provide a direct comparative to the survey conducted as part of the last update to the Comp Plan, we are leveraging the survey created and administered by the professional surveying group Market Decisions.
- The ability to compare apples to apples the responses today to those from 2007 is a unique opportunity for our evolving community that we wanted to take advantage of.
- The questions contained in the survey are aimed at understanding the sentiment of our citizens as it relates to the current state as well as possibilities for the future.
- The questions are relatively high level and aimed at “just getting started”. The responses are expected to guide the Council, and any subsequent ad hoc committees related to an update of the comp plan, as we look to dive deeper into certain topics.
- Survey is largely finalized with some last-minute edits received last Friday.
- Starting next week, we will begin to introduce the context of this survey in the Crier with an expected release date of early February. We will leave the survey open for responses for 30 days still leaving about 60 days for response analysis ahead of our target date of May for the “response review”.

VI. ADJOURNMENT

Motion by Councilor Storey-King, seconded by Councilor Gruber, to adjourn.

VOTE: 5-0 UNANIMOUS

TIME: 7:44 P.M.

Respectfully submitted by,

Brenda L. Moore
Council Secretary