Audio was not working for this meeting. These minutes are motions only, no discussion.

# **MINUTES**

Cumberland Town Council Meeting **Town Council Chambers** Monday, April 10, 2023 5:00 P.M. Budget Workshop

## 7:00 P.M. Call to Order

Present: Councilors Copp, Edes, Filson, Foster, Segrist, Storey-King and Vail

#### I. **APPROVAL OF MINUTES**

Motion by Councilor Segrist, seconded by Councilor Copp, to accept the March 27, 2023 meeting minutes as presented. VOTE: 7-0 **UNANIMOUS** 

#### II. **MANAGER'S REPORT**

Town Manager Shane presented the following:



## WHAT IS THE FISCAL BENEFIT OF HAVING TIFS?

The Town's budget is funded primarily through property taxes. Property taxes are dependent upon the valuation of all real property in town.

#### Property values impact:

The higher the amount of property valuation, the less the Town receives from the State of Maine. An increase in property valuation results in:

- Less state aid for education
- Less municipal revenue sharing dollars, and
- More county taxes paid.
- As a result, according to a study by Governmental Services Inc. Cumberland loses about 50% of all new taxes generated through new developments

## CUMBERLAND Tax Increment Finance

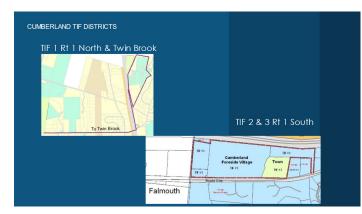
### DO TIFS IN RESIDENTIAL AREAS TAKE MONEY AWAY FROM SCHOOLS?

It is true that funds raised from TIF districts cannot be allocated to schools.

However, itemspaid for by TIFs would otherwise be paid from the General Fund. Every dollar spent from the General Fund to build and maintain roads and utilities is also money that <u>cannot be spent on our schools</u>.

Using 100% of TIF dollars to pay for these costlitems actually lowers the overall tax rate for residents.



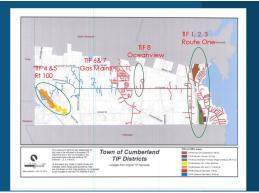






TE

VCC



TIF 2 & 3 Rt 1 South

TIF 4 & 5 West Cumberland Rt 100

K

TE4 VOCI

## <u>TIF 6 & 7</u>

Gas Mains in the East & West of Town along the Main Roads

<u>TIF 8</u>

#### Ocean View– Stiles Way - Ballfields off Drowne Road



Annual IIF Fund Revenues \$3 Million 100% remains in Town Oversight by Town Council Enhances infrastructure throughout Town Oversight by Town Council Enhances infrastructure throughout Town Oversight by Town Council

#### What is a Credit Enhancement Agreement?

A Credit Enhancement Agreement (CEA) is an agreement between the Town and a developer that provides a reimbursement of property taxes paid on **new value** from a project, which can be used by the developer for qualified project costs under the TIF Laws of Maine. The qualified costs are typically infrastructure, employment, construction of new or expanded commercial uses, job training, etc. and are filed with Maine's Department of Economic and Community Development (DECD).

I believe without the CEA's we would still be hovering around at the 3% commercial tax base we were twenty years ago versus the 9% we are at today. Most cities and towns with TIF Districts look at Credit enhancement agreements as investment in their communities.

			Expiration Date
1	Dirigo Management - 1	TIF1	6/30/2027
2	Maine Colloids LLC - 2	TIF2	6/30/2027
	Maine Standards - 3	TIF3	6/30/2033
4	Hardy Street LLC - 3	TIF3	6/30/2033
	Memory Care - 1	TIF1	6/30/2027
6	Casco Systems - 5	TIFS	6/30/2028
	McCloy/Integrative Health - 3	TIF3	6/30/2029
8	Belted Cow - 3	TIF3	6/30/2029
9	Lakeside Concrete	TIF3	6/30/2029

We currently have nine CEA's with approximately \$250,000 in annual payments. Our CEA's have been structured to refund 50% of the captured value of taxes paid above the over 20 years:

# III. <u>PUBLIC DISCUSSION</u>

## IV. LEGISLATION AND POLICY

23 – 029 To hear a request from Northeast Beverage Group, LLC for a Credit Enhancement Agreement on property located at 68 U.S. Route 1 and to consider and act on the agreement.

Motion by Councilor Copp, seconded by Councilor Segrist, to authorize the transfer of a Tax Credit Enhancement Agreement on property located at 68 U.S. Route One.

VOTE: 7-0 UNANIMOUS

23 – 030 To hold a Public Hearing to consider and act on a liquor license application for CM Hospitality d/b/a Track Side, operating at the Cumberland Fairgrounds.

Motion by Councilor Edes, seconded by Councilor Copp, to approve the liquor license application for CM Hospitality d/b/a Track Side, operating at the Cumberland Fairgrounds. VOTE: 7-0 UNANIMOUS

## 23 – 031 To hold a Public Hearing to consider and act on a Mass Gathering Permit for the Southern Maine Coastal Classic Dog Show to be held May 18<sup>th</sup> – 21<sup>st</sup> at the Cumberland Fairgrounds.

Motion by Councilor Edes, seconded by Councilor Copp, to approve the Mass Gathering Permit for the Southern Maine Coastal Classic Dog Show to be held May 18<sup>th</sup> – 21<sup>st</sup> at the Cumberland Fairgrounds. VOTE: 7-0 UNANIMOUS

## 23 – 032 To set the week of May 15<sup>th</sup> – 19<sup>th</sup> for Spring Bulky Item Pick Up Week.

Motion by Councilor Storey-King, seconded by Councilor Edes, to set the week of May  $15^{\text{th}} - 19^{\text{th}}$  for Spring Bulky Item Pick Up Week.

VOTE: 7-0 UNANIMOUS

23 – 033 To consider and act on approving a request for the use of the Val Halla Recreation Center for a fundraiser for Mike Timmons family on June 9<sup>th</sup> from 7 PM to 10 PM, pursuant to March 2023 Council Policy.

Request withdrawn by applicant. No action.

23 – 034 To hold a Public Hearing to Amend Chapter 17 (Animal Control) of the Cumberland Code to be consistent with State law regarding cats.

Motion by Councilor Segrist, seconded by Councilor Filson, to amend Chapter 17 (Animal Control) of the Cumberland Code to be consistent with State law regarding cats.

VOTE: 7-0 UNANIMOUS

# 23 – 035 To authorize the Town Manager to accept payment for delinquent and current taxes in the amount of \$41,290.36 on property identified as tax map U12-011-000-A and prepare and execute a release deed.

Motion by Councilor Copp, seconded by Councilor Segrist, to authorize the Town Manager to accept payment for delinquent and current taxes in the amount of \$41,290.36 on property identified as tax map U12-011-000-A and prepare and execute a release deed.

VOTE: 6-0-1 (Vail abstained) MOTIION PASSES

## V. <u>NEW BUSINESS</u>

Town Council Budget Workshop Dates:

- Monday, April  $24^{\text{th}} 5 7 \text{ p.m.}$
- Saturday, April 29<sup>th</sup> 8 a.m. to completion

## VI. <u>ADJOURNMENT</u>

Motion by Councilor Filson, seconded by Councilor Copp, to adjourn. VOTE: 7-0 UNANIMIOUS TIME: 8:30 P.M.

Respectfully submitted by,

Brenda L. Moore Council Secretary