

MINUTES
Cumberland Town Council Meeting
Town Council Chambers
MONDAY, January 23, 2012

5:00 P.M. Finance Committee Workshop with Runyon, Kersteen, Ouellette re: FY'11 audit review

6:00 P.M. Workshop with the Cumberland Housing Authority

7:00 P.M. Call to Order

Present: Chairman Perfetti, Councilors Moriarty, Turner, Storey-King, Gruber, Copp & Stiles.

I. APPROVAL OF MINUTES

January 9, 2012

Motion by Councilor Gruber, seconded by Councilor Stiles, to accept the minutes as presented.

VOTE: 7-0 UNANIMOUS PASSAGE

II. MANAGER'S REPORT

The closing on the Doane property took place last Wednesday. Clearing of trees on the property began on Thursday to prepare for 58 new homes. The Manager said he is looking forward to this addition to our community.

The closing on the Drowne Road School is scheduled for June. The school will be converted into 38 units of senior housing. Bateman Partners will be working with Maine State Housing Authority to ensure that architectural standards and state and federal guidelines are met. We are hopeful that this project will begin in July or early August of this year.

The Veterans Monument Committee met last week and decided that an application must be completed and turned in order for a Veteran to be included in the list of Veterans who will be engraved on the monument. There will be a focus group formed in the next couple of weeks to review the names and help fill in any missing information on the current list of Veterans.

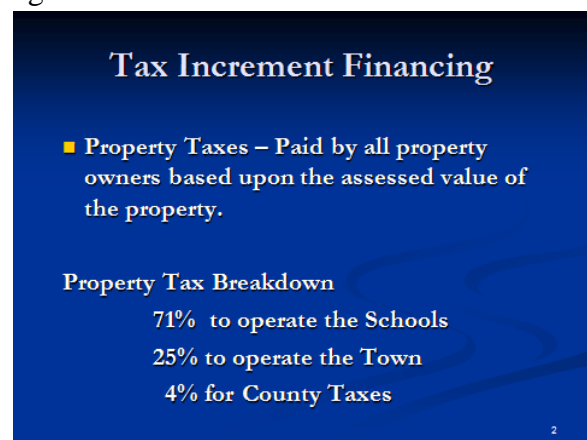
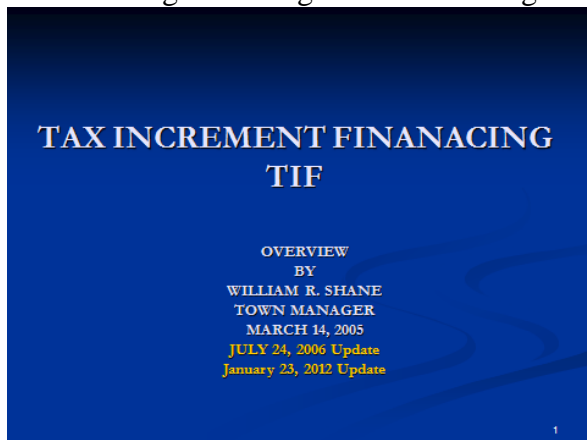
III. PUBLIC DISCUSSION

None

IV. LEGISLATION AND POLICY

12 – 009 To hold a Public Hearing to consider and act on the expansion of TIF District #3.

Town Manager Shane gave the following overview describing what a TIF is:



Property Tax Breakdown

- 3,000,000 Business No TIF Shelter
- As value goes up
- County Taxes go up \$ 1,800
- State aid for Education goes down
\$ 7.52 mils for Education \$22,560
- State Revenue Sharing is lost \$ 2,663
- Lost Revenue/ Increase County Taxes \$27,023
- Original Tax Bill $\$3.0 \text{ M} \times 15.80/1000 = \$47,400$
- Net Tax Bill – Lost revenue = \$20,377 (43%)

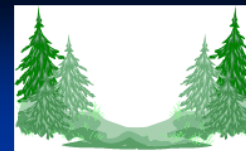
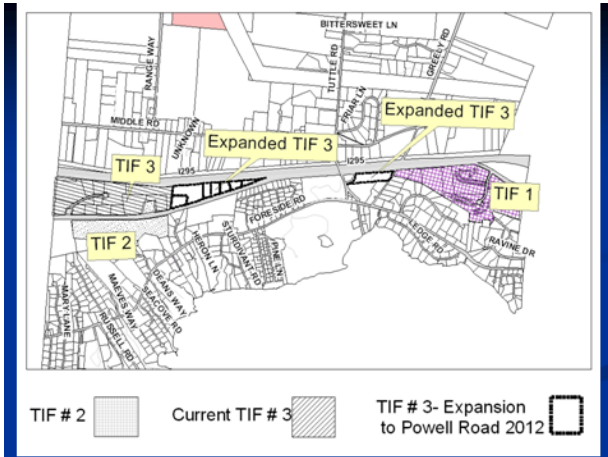
3

What is a TIF?



Partnerships Between the State & Town
And
Town & Business

4



Before
Land Value Prior to Building

\$100,000 No Improvements



After
Land & Building

\$3,100,000

INCREMENTAL VALUE = 3,000,000

\$100,000 Value

\$3,000,000

Taxes

Taxes

$100,000 \times 15.80/1000 = \$1,580$
to General Fund

$\$15.80/1k = \$47,400$
to TIF Fund

6

Why give away any Money?

Positive Business Attitude
Partnership- Offset of Capital Investment a big help
Approved by the State DECD- Straight Face Test

Long Term Shift of the Tax Base – 98.5% to 90 % Goal
Total Control of the funds by the Town Council
Encourage Economic Growth on Rt 1 & Rt 100 Corridor

7

What can be done with the money?

- Money must be used for Economic Development Purposes:
 - a. Tax Incentives to Businesses
 - b. Infrastructure within the District
 - c. Economic Development Initiatives
 - d. Environmental remediation
 - e. Affordable Housing (via MSHA)

8

Give me some examples of How the money has been used

- **Road Improvements**
 - Range Road- \$2 Million Dollar Repair
 - Skillin & Blanchard Road- \$2 Million Repair
- **Infrastructure Improvements – Fire Protection**
 - Skillin & Blanchard Road Water Line- \$3 Million
 - Rt 100 Water Line- \$1.5 Million
 - Range Road Waterline \$2 Million
 - Twin Brook Park Improvements
- **Future Intersection Improvements**
 - Skillin / Blackstrap & Rt 100 Signalization
- **Funding of Economic Development Director**

9

Where's the Downside?

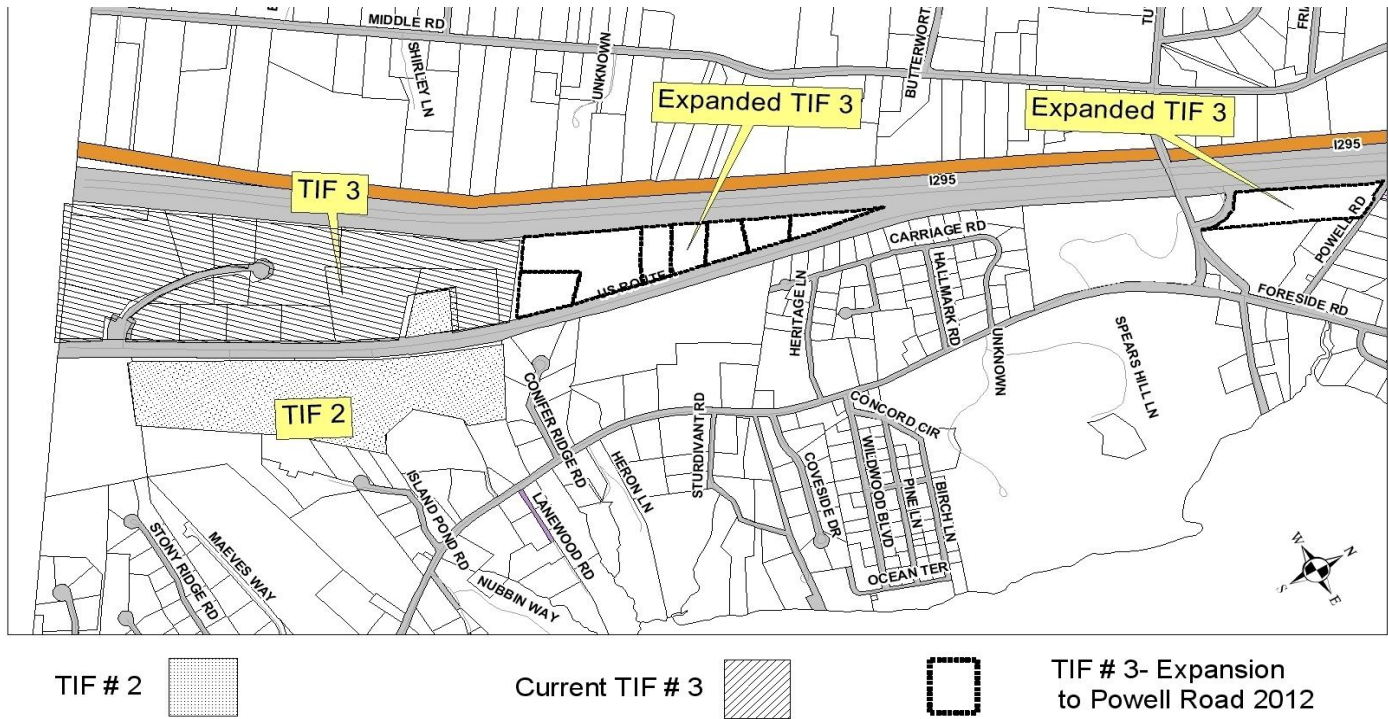
- There Isn't One.

The Town Council Controls the funds. At anytime during the contract the Town can divert it's portion to the General fund but will lose the shelter value.

The Town Council controls the types of business and the amounts of TIF money we will share

The projects we are looking to fund are needed today and would be 100% on all the Taxpayers.

10



Economic Development Director, Alyssa Tibbetts explained that in May of last year, the Council approved a Credit Enhancement Agreement for Maine Standards on a lot further down on Route One. Since that time, Maine Standards has decided upon a more suitable location on Route One for their business, but it is not in a TIF District. Their purchase and sale of the new property is contingent upon a transfer of the Credit Enhancement Agreement, which the Council has already approved. Staff looked at the multiple TIF Districts to determine the best interests of the company. TIF District One has 15 years left on it, which is not a significant amount of time in which to recoup tax rebates. For those who are not fully aware of the type of business that Maine Standards is, they are a privately held Maine biotech company that is currently located in Windham and is planning on building a 30,000 square foot facility with a potential to expand. They currently employ 45 employees with a median salary of \$54,000 and expect to double their workforce within the next 10 years. This is an exciting project for the Town and we are looking forward to working with Maine Standards.

Town Manager Shane explained that the topic for discussion this evening deals only with the expansion of the TIF District. Other issues, such as traffic, noise, etc. will be discussed at the Planning Board. The current zoning allows for this type of business, so we are only dealing with the TIF District expansion this evening.

Councilor Moriarty asked Ms. Tibbetts if the Credit Enhancement Agreement that the Council previously approved for Maine Standards will have to be replaced with a new one.

Ms. Tibbetts said that technically speaking from the Towns point of view, the Town Manager was authorized to enter into a Credit Enhancement Agreement with Maine Standards regardless of the property location.

Public discussion: Sandra Porter, resident of Route One, asked Maine Standards to describe their business as her residence is very close to their proposed location.

Dean Miller, Chief Operating Officer of Maine Standards explained that Maine Standards focus is the improvement of the quality of diagnostics for clinical laboratories (hospital laboratories and independent laboratories, such as Nordex). Right now, they focus on manufacturing standards. These standards are used on the instruments in the laboratories to ensure that they are giving proper results. Mr. Miller said that they have plans in place and hope to build their company approximately 4 times the size it is now.

Councilor Stiles asked Mr. Miller if it was fair to compare their business to that of a large, clerical type of business with not much noise or traffic coming and going. Maine Standards should “fit into the countryside” very nicely.

Mr. Miller agreed adding that UPS and/or FedEx pickups occur once per day. Other than that, the only traffic is employees coming and going. They are not a hospital lab and do not take in samples to test.

Councilor Storey-King noted a letter of support for this project from Jeff Daigle, who lives directly behind the property.

Motion by Councilor Stiles, seconded by Councilor Copp, that the Town, acting pursuant to the provisions of Title 30-A, Chapter 206 of the Maine Revised Statutes, hereby adopts the First Amendment to the Town of Cumberland TIF #3 Cumberland Foreside Village Municipal Development and Tax Increment Financing District Development Program (the “First Amendment”) as presented to this meeting and as has been on file in the Town Clerk’s Office, a copy of which is incorporated herein and made a part of the minutes of this meeting. The Town Manager is hereby authorized and directed, on behalf of the Town of Cumberland to execute and submit to the Commissioner of the Maine Department of Economic and Community Development (“DECD”) such applications and further documentation as may be necessary or appropriate for any necessary final approval of this First Amendment; and the Town Manager be, and hereby is, authorized and empowered, at his discretion, from time to time, to make such technical revisions to this Amendment or to the Development Program for the District as he deems reasonably necessary or convenient in order to facilitate the process for review and approval of this First Amendment by the Commissioner of DECD, so long as such revisions are not inconsistent with this First Amendment or the basic structure and intent of the District.

VOTE: 7-0

UNANIMOUS PASSAGE

12 – 010 To hold a Public Hearing to consider and act on the road acceptance of Autumn Ridge Road.

Town Manager Shane explained that Autumn Ridge Road is a subdivision road off Orchard Road, with 5 homes either under construction or completed, with 6 vacant lots remaining. Autumn Ridge subdivision has been

inspected by our peer review engineers and Scott Decker of SYTDesign (engineer for the developer) is here this evening to answer any questions.

Town Manager Shane said that over the past few years, because of the slow housing market, the Council has allowed developers to come forward and escrow the future paving money to avoid having a road paved immediately just because it is in a subdivision. We have asked developers to delay a year or two until more lots were developed and it is less dangerous for the road. This has been the practice on the last three subdivisions that the Council has accepted, and Autumn Ridge is asking for the same consideration this evening.

Public discussion: None

Councilor Stiles said that he does not wish to approve any more roads. At the last meeting, Public Services Director, Chris Bolduc gave a presentation regarding the cost of maintaining the current roads in Town. He asked the Council to seriously consider the cost and not accept any more roads.

Chairman Perfetti asked the Manager if the Council has ever refused to accept a road that has met all the conditions.

Town Manager Shane said they have not. The difficulty becomes with the ordinances, and there is no guarantee that when any of these roads are built to standard that they will be accepted. That is at the will of the Council, but if developers agree to build to a higher standards (sidewalks, curbing, etc.), it has always been practice that the road is accepted by the Town. Staff is working on a more formal road acceptance policy to look at the possibility of only accepting public easements. If we do that, it should be codified in the subdivision ordinance so that a developer investing that type of money knows this in the beginning. It is a matter of fairness.

Councilor Turner said that he is inclined to approve this item this evening. We are in a different economic situation then we were 6-8 years ago, when most of the lots would have been sold. He feels that before the Council accepts a road, the majority of the lots should have a house built on them. This may be something that the Council addresses depending on how long the present economic situation lasts.

Councilor Storey-King said that subdivision approval would not be granted by the Planning Board if the developer had not agreed to build the road to standard. That is the other side of this situation. As much as she agrees with Councilor Stiles, it is not fair to the developer that the subdivision would likely not get approved without the road being built to our standard.

Councilor Stiles reminded the Council that if we opt to put public easements on these roads, we can still plow and maintain the roads as we have money available, but we won't be obligated to do so. From his point of view, it gives the Town a little more flexibility.

Councilor Moriarty said that while he appreciates Councilor Stiles point, the Town requires that these roads be built to our standards, which are high, demanding, and expensive. We should not get into a situation where we create and perpetuate two different classifications of roadways within the Town. In spite of the additional burden that the Town absorbs (mileage and wear and tear on equipment), after a period of time residents would have a major problem with a substantial number of ways that were not full Town roads in spite of the fact that we insisted they be built to our standards.

Motion by Councilor Moriarty, seconded by Councilor Turner, to accept as a Town Road Autumn Ridge Road off of Orchard Road, generally described as 3100' in length by 60' in width and more specifically described in a deed from Autumn Ridge, LLC, of Cumberland, Maine, dated December 2011, being the parcel identified as "Autumn Ridge Subdivision" shown and laid out on a plan of Autumn Ridge

Subdivision prepared by SYTDesign Consultants, and further to accept those related easements described in a deed from Autumn Ridge, LLC of Cumberland, Maine dated December 2011.

VOTE: 5-2 (Copp & Stiles opposed) MOTION PASSES

12 – 011 To appoint Anita Anderson as Health Officer.

Town Manager Shane explained that our longtime Health Officer, Eileen Wyatt resigned recently in order to spend more time with her grandchildren. Anita Anderson has been a state inspector for quite some time and has covered for Eileen in her absence. Anita is familiar with Town staff and he is pleased to have Anita as Cumberland's new Health Officer.

Motion by Councilor Copp, seconded by Councilor Storey-King, to appoint Anita Anderson as Health Officer.

VOTE: 7-0 UNANIMOUS PASSAGE

12 – 012 To consider and act on a Mobile Vending License for Seamus Maguire.

Town Manager Shane said that this item will have to be tabled to the next meeting because the applicant has not obtained licensure from the state yet.

Motion by Councilor Moriarty, seconded by Councilor Gruber, to table this item to February 13, 2012.

VOTE: 7-0 UNANIMOUS PASSAGE

V. NEW BUSINESS

Councilor Turner – None

Councilor Copp – There was a fire in Windham recently on the backside of Forest Lake (Brewski Way) where Cumberland Fire Department responds. The road is so bad that he was amazed that the fire trucks were able to get there without getting stuck. The road is not built to town or state standards, but there are 9 homes on the road. Kudos to the Fire Department for responding on this road that is not much more than a horse path. Cumberland responds to this road because they are required to, but our equipment is going to be damaged.

Town Manager Shane said he would contact the Town Manager in Windham to discuss this.

Councilor Storey-King – Thank you to Carolyn Small and the Historical Society for the great newsletter that they publish monthly. It is fascinating and she really enjoys it.

Councilor Moriarty – None

Chairman Perfetti – At the last Town Council meeting, Councilor Stiles requested that the Fireworks issue be revisited to allow licensed pyro-technicians to do fireworks display shows for parties, etc. Chairman Perfetti recommended that the Ordinance Committee review the Fireworks Ordinance and report to the Council with a recommendation.

Councilor Stiles – None

Councilor Gruber – The M.S.A.D. 51 Strategic Thinking and Planning Committee continues to meet and discuss what the S.A.D. will look like in the 21st century.

The Lands & Conservation Commission continues to look for new members.

Last week, Councilor Gruber and the Manager met with the leaders of Cumberland churches to discuss fuel assistance programs. The goal is to be sure that the Town and churches are not overlapping or duplicating efforts and to determine how to coordinate, in a meaningful way, assistance to our community through our churches. They also discussed ways to improve our existing food pantry.

Town Manager Shane – None.

VI. ADJOURNMENT

Motion by Councilor Copp, seconded by Councilor Stiles, to adjourn.

VOTE: 7-0 UNANIMOUS PASSAGE

TIME: 8:05 p.m.

Respectfully submitted by,

Brenda Moore
Council Secretary