

**TOWN OF SANGERVILLE
BOARD OF SELECTMEN
MEETING AGENDA MINUTES
Beginning @ 5:00PM
Wednesday, March 20, 2019**

Item 1. Open Meeting: Chairman Mike Wark called meeting to order at 5:03 PM, followed by the Pledge of Allegiance.

- a. **Selectmen Present:** Mike Wark, Jody Cabot, Dale Gray
- b. **Employees Present:** Lois Jones
- c. **Residents Present:** George Nuite, Dr. Richard Cabot, Richard Dobson, Pam Dobson

Item 2: Approval of Minutes:

A. March 6, 2019 – Select Board Meeting.

Selectman Cabot made a motion and Selectman Gray 2nd to approve the minutes, as written. All in favor.

Item 3. Review of the Treasurer's Warrants:

A. Payroll #15, 16.

B. Accounts Payable #17.

Selectman Gray made a motion and Selectman Cabot 2nd to approve all warrants. All in favor.

Item 4. Open Session: Limited to 2 Minutes – Extension per Chairman. None.

Item 5: Selectmen Concerns:

A. Chairman Wark. Chairman Wark commented that the water that was standing on French's Mill Road was quickly fixed to drain and that the culvert has been filled on Silver's Mills Road.

Item 6. Committee Reports: None.

Item 7. New Business:

A. Ryan Clarke. Mr. Clarke is applying to USDA for an irrigation pipeline grant. He is asking the Town for permission to run the line under the gravel portion of the Flanders Hill Road. Manager was directed to get information from Tobey Cleaves and Phil Curtis regarding process and permission procedures and best way to complete the project.

B. Dr. Richard Cabot. Dr. Cabot mentioned the FOAA request made from Sangerville to Marie Vienneau, and asked that if a Board member had a question or request, they come to him. He would be more than happy to find answers. Chairman Wark stated it was his request and he was asking because he had heard a rumor regarding her severance package. Dr. Cabot also discussed other information regarding the merger and the request going forward to the legislature for an amendment to the charter.

C. Appointment - Jerry Rush – Fire Warden. Selectman Cabot made a motion and Chairman Wark 2nd to appoint Jerry Rush as Fire Warden. All in favor.

Item 8. Old Business:

- A. **Foreclosed property – East Sangerville Road.** There was some brief discussion regarding the assessed value of this property. Selectman Cabot made a motion and Chairman Wark 2nd set the minimum bid for the tax acquired property at Map 11 Lot 32-3. 8 East Sangerville Road, at \$20,000. All in favor.
- B. **TIF.** Manager provided Board members with a power point presentation, outlining the benefits and uses of a TIF. There was some discussion for future use of the TIF funds, for example, plowing and paving in-town streets. This is something to keep in mind and consider for the future as the Abbie Fowler building is improved.

Item 9. Correspondence.

- A. **Selectman Gray.** Selectman Gray mentioned he had received a message from the Road Commissioner regarding the culvert bump near his home, asking if it had been filled in. It has been filled in. He had received another message stating the audios were appreciated.

Item 10. Request for Additional Agenda Items.

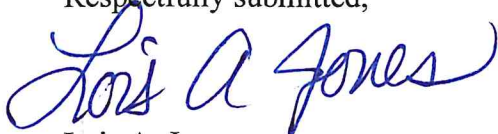
- A. **Preliminary Audit.** Manager informed the Board that the preliminary audit was complete and after much review, it was approved. Final audit will be forthcoming.
- B. **Perpetual Care.** Manager informed the Board that the research into perpetual care shows that the principal is \$70,995 and that the interest earned is \$7,259.91, as of March 2019. The interest is the only portion that can be spent on care of the cemeteries. The principal must stay in the bank. Board would like to consider finding a new investment for these funds, to maximize the interest. Discussion ensued about removal of the big pine trees at the French's Mills Cemetery and possibly utilizing the interest funds for this purpose.
- C. **Fire Truck Damage.** The rescue truck was out on a call and was damaged, as it was backing up, toward the Dexter Fire Station. More information to follow as it becomes available.
- D. **GMC 5500.** Jeff Peters did a scan of the 5500 GMC and there are approximately eight transmission codes and at least one engine code. It will be advertised listing codes are available.

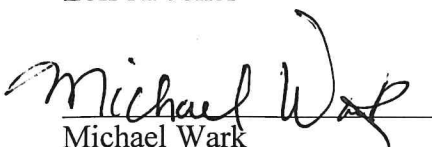
Item 11. Executive Session.


- A. **1 MRS 405 (6) A.**
 Selectman Cabot made a motion and Selectman Gray 2nd to go in to executive session at 7:20 pm under 1 MRSA 405 (6) A. All in favor.
 Selectman Cabot made a motion and Selectman Gray 2nd to come out of executive session at 8:45 pm.
 No action taken.


Item 12: Adjourn. Selectman Gray made a motion and Selectman Cabot 2nd to adjourn. All in favor.

Respectfully submitted,


 Lois A. Jones


 Michael Wark


 Dale Gray


 Joanne Cabot

SIGN-IN SHEET

EVENT

Selectmens Mtg

DATE

3-20-19

PLEASE PRINT

Wesley A. Dasso

George Muth

Michael Nelson

Pam Nelson



Tax Increment Financing (TIF)

Importance of the TIF program

- The State DECD offers TIF in an effort to spur economic growth.
- TIF's are the most important and impactful tool the City has in its control to attract new business.
- In an increasingly competitive regional/national/global economy proper use of the TIF program can be the difference between attracting new business and not.
- TIF's are also useful to retain business and encourage expansion (IE Proctor & Gamble).

What is Tax Increment Financing (TIF)?

- Tax Increment Financing is a flexible finance tool used by municipalities to leverage new property taxes generated by a specific project or projects within a defined geographic district.
- Any portion of the new taxes may be used to finance public and/or private projects for a defined period of time up to 30 years.

What is TIF? (continued)

- The Program is locally-driven: the municipality, town, or city defines the district and chooses how much of the new taxes will go to what public and private projects over what period of time, with the whole package requiring local political approval.
- Over their term, TIF districts can return thousands to millions of dollars to a municipality, that would have otherwise been lost.
- The projects financed may range from upgrading a road or adding a wing to an existing building.

Two Types of TIF Agreements

1. Infrastructure

– Used to finance public infrastructure, land acquisition, demolition, utilities and other improvements including:

- Sewer expansion and repair
- Curb and sidewalk work
- Traffic control
- Street construction & expansion
- Street lighting
- Water supply
- Environmental remediation
- Bridge construction & repair
- Parking structures

TIF funds can be used to finance Economic and Community Development

2. Credit Enhancement Agreement (CEA)

The CEA or contract between the municipality and a company is a mechanism to assist the development project by using all, or a percentage of, the tax revenues generated by the new investment (the TIF) to pay certain authorized project costs with payments made directly to the company.

The City has the authority to manage the use of CEAs through TIF Policy:

- local procedures for applying for a CEA,
- local rules regarding permissible parameters for CEAs,
- circumstances under which CEAs shall be considered.

CEA (continued)

- The City has sole discretion on whether any funds are returned to the company utilizing a CEA when a TIF district is created.
- Tax revenue generated in TIF districts may be dedicated solely to public infrastructure improvements.

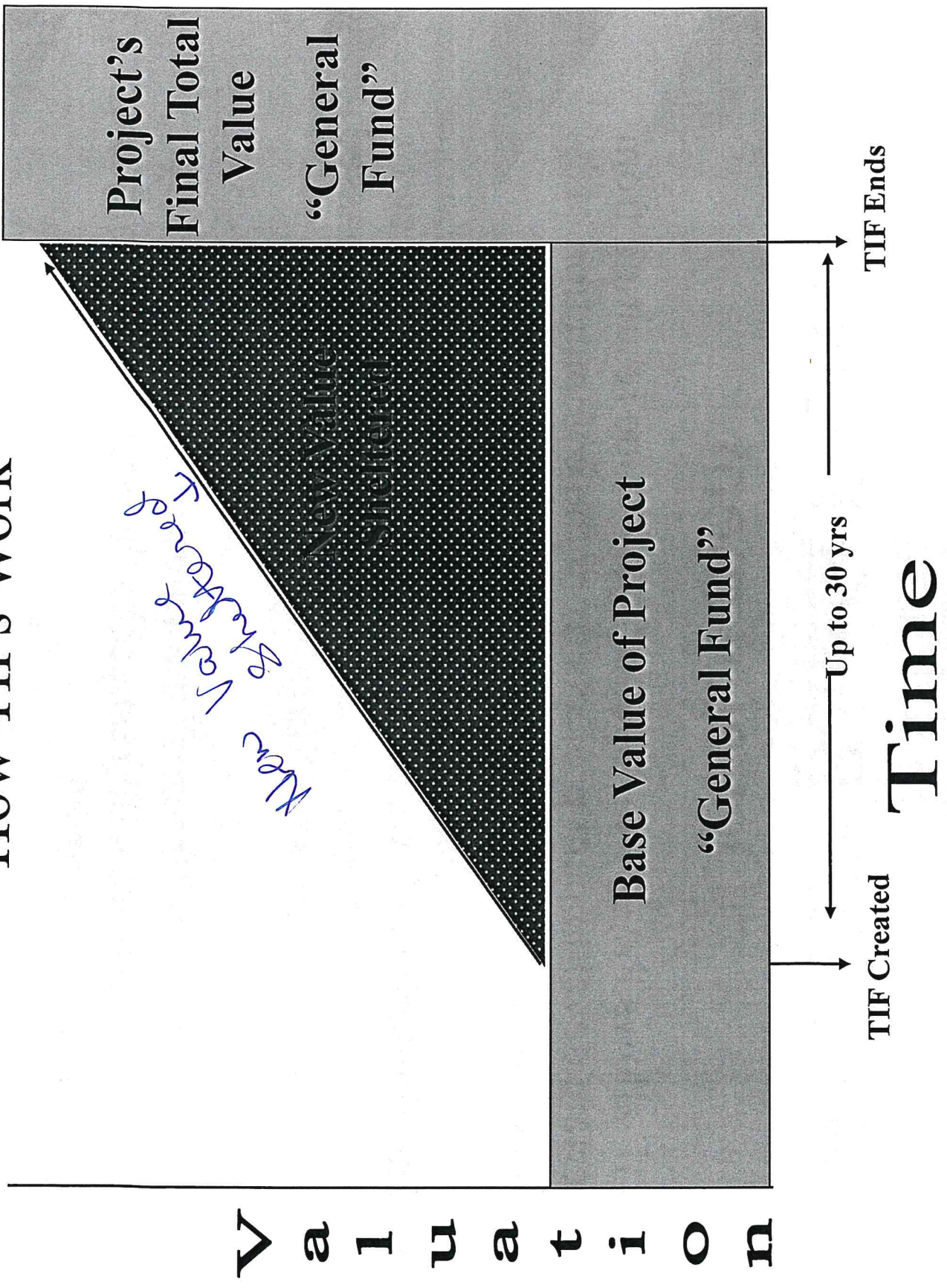
How is the TIF district created?

- Designate land parcels to be included within district boundaries.
- Prepare a development program (projects eligible to be financed through TIF).
- Prepare a financial plan (projections of expected revenue).
- Publish notice of public hearing before City Council.
- Vote by City Council to approve.
- Submission to Maine's Department of Economic Development (DECD) .

How TIFs Benefit Economic Development

- TIF allows the city to “shelter” new value resulting from certain development projects from the computation of its State subsidies and County taxes.
- The sheltering allows the city to retain all or a portion of those new tax revenues **that would otherwise be passed on to the County and State.**
- The designation “freezes” the value of taxable property within the district with respect to the State and County for the term of the district.

How TIFs Work



How Economic Development Works

Without a TIF

- A municipality's total Equalized Assessed Value is used to compute:
 - General Purpose Aid to Education (subsidy)
 - State Revenue Sharing (subsidy)
 - County Taxes (expense)
- As total value increases (through inflationary growth and increased investment), the municipality will realize a ***decrease*** in Education and Revenue Sharing subsidies, and an ***increase*** in County tax obligations.

Every New Tax Dollar*

Generated without TIF designation



≈49% Lost Revenue : State Revenue Sharing (lowered)

School Aid (lowered)

County Tax (raised)

*New revenue created is at risk if competing municipalities can offer a competitive advantage (one example would be using a TIF)

How Has Auburn Used TIF's?

In Auburn – 23 TIF Districts

14 Active

- 4 & 6- Tambrands
- 9- Mall Area
- 10- Downtown Area
- 12- Auburn Industrial Park
- 13- Retail Development
- 14 & 15- Mall Area
- 16- Webster school (Housing)
- 18- Auburn Ice Arena
- 19- Hartt Transportation
- 20- 62 Spring St
- 21- Minot Ave
- 22- Troy/Hampshire St.

8 Retired

- 1- Kittyhawk Business Park
- 2- Never Activated
- 3- LaPointe Industries
- 5- American Falcon/Refurb
- 7- J&A/Striderite
- 8- Formed Fiber
- 11- Safe Handling
- 17- Bedard Medical

1 Pending

- 23- Schooner Ridge

These projects may not have been possible without the use of TIF's!!

How TIF Funds Are Being Used

City of Auburn-

- New Auburn Village Center Revitalization
- Downtown Parking/Walkability
- City Parking Garage
- Mall Area Traffic Improvement