



Town of Hampden
Planning and Development Committee
Wednesday December 21, 2016, 6:00 pm
Municipal Building Council Chambers
Minutes

Attending:

Committee/Council

Ivan McPike-Chair
Terry McAvoy
David Ryder
Mark Cormier
Stephen Wilde (6:05)

Staff

Angus Jennings, Town Manager
Karen Cullen, Town Planner
Kelly Karter, Assessor

Chairman McPike called the meeting to order at 6:00 p.m.

1. Approval of December 12, 2016 Minutes – **Motion** to approve as submitted made by Councilor McAvoy with second by Councilor Ryder; carried 4/0/0.
2. Committee Applications: Historic Preservation Commission. Vivian Gresser and Jeff Simons were in attendance; both have submitted applications for membership on the Historic Preservation Commission. It was noted that currently we have two members for this five member commission, and with these two appointments we will have four, and only one vacancy.
 - A. Vivian Gresser: The Committee noted she has been a resident of Hampden for many years; she stated 38 years now. Vivian is a member of the Hampden Historical Society. **Motion** by Mayor Ryder to refer Vivian Gresser to Town Council for appointment to the Historic Preservation Commission; seconded by Councilor McAvoy; so voted 4/0/0.
 - B. Jeff Simons: Jeff has lived on Cottage Street for 15 years, and he noted he feels it is in the best interest of the Town to have a Commission that can take action, given that currently people can technically do anything they want, after submitting an application for a Certificate of Appropriateness and waiting for the time for action to run out. **Motion** by Councilor McAvoy to refer Jeff Simons to Town Council for appointment to the Historic Preservation Commission; seconded by Mayor Ryder; so voted 4/0/0.

It was noted that these referrals will be on the Council agenda on January 3, 2017.
3. Updates:
 - A. Status of MRC/Fiberight: Councilor McPike noted that he had attended two recent meetings on the water line issue; the bottom line is that the Public Utilities Commission (PUC) has informed the Hampden Water District (HWD)

that they can dictate the location and size of the water line, thus the Town is out of the decision making process (although we have given the HWD our input on the location – Coldbrook Road – as the preferred route for economic development reasons). After additional discussion on the issues – poor communication between various parties – Town Manager Jennings expressed his belief that the Town will need to contribute some funds to resolve this problem. Several Committee members noted that such action would not be welcome but recognized the importance of making such investment if required.

- B. Staff Report – We have included the executed and recorded Option Agreement between Sargent and the Town for the sale of the lots in the Business Park in the packet.

4. Old Business:

- A. Business Park TIF: Town Manager Jennings introduced our consultant, Noreen Norton, who reviewed the TIF application with the Committee. Key points were:
 - a. Parcel 10-B-003 is already covered by a TIF, this is the HEC-Hampden LLC TIF. There would be one year of overlap with the Business Park TIF, which is not allowed by the ME DECD (one geographic area cannot be in two TIF districts), so we have removed that lot from the proposed TIF district (thus there is a “hole” in the district as seen on the map).
 - b. This is a 30 year TIF, with a 20 year CEA with Sargent Corp.
 - c. Table 1 is the project list and is divided into three tiers:
 - 1) projects within the district boundary such as infrastructure, buildings, site work, and soft costs; financing costs; professional service costs; administrative costs, including pro-rated municipal staff salaries; and organizational costs.
 - 2) Projects made necessary by the district such as infrastructure (watershed management for stormwater), public safety (traffic, fire protection which could including equipment not currently owned by the town), downtown (If the Town designates a downtown TIF district then TIF funds from the business park TIF could be used in the downtown district.
 - 3) General economic development – these are town-wide, and include things such as feasibility planning, marketing, events, and programs; environmental improvement projects (stormwater impacts); economic development revolving loan funds; skills development and training; recreational trails IF they are determined by DECD to have significant potential to promote economic development; costs associated with new or expanded transit service; and as a match for some grant opportunities.
 - d. Discussion regarding transit: there are two options for including transit related costs in the table:
 - i. In tier 1, create a transit oriented district which TIF funds from the business park TIF could be used in; or

- ii. In tier 3, item 14 allows spending on many costs associated with transit but not on salaries or fuel. In Hampden's situation, the BAT invoices could be broken down to show eligible expenses separately and those could be paid with TIF funds.

It was agreed that for this TIF, we'll go with item 14 in tier 3.

- e. Noreen noted that the cost figures will be filled in; she recommends that we keep items in the table that we aren't sure if we'll ever use, to give more flexibility throughout the life (30 years) of the TIF.
- f. The TIF is drafted to begin at the beginning of the next fiscal year after DECD signs it, as this will minimize years (in the beginning) where there is no benefit since no development has taken place yet. The triggering event for the TIF is development on a parcel of \$500,000 or more value.
- g. The capture amount is given as 100%; this is not binding this or future councils to actually capture 100% every year, a smaller percentage can be captured in any given year. Using 100% provides maximum flexibility throughout the 30 year life of the TIF.
- h. Noreen noted that we are well below the maximum threshold of the geographic area of the town that can be within a TIF district.
- i. The Credit Enhancement Agreement (CEA) with Sargent will be consistent with the Developer's Agreement, 50% of the TIF revenue from a developed lot if the value is at least \$500,000 (site and building, excludes land). It was noted that if the value is below \$500,000 then the Town would get all of the TIF revenue and Sargent would get zero.
- j. The omnibus feature allows the Town to enter into a CEA with any owner developing on any of the lots within the Town Tract, such CEA could provide for reimbursement of taxes to the owner in any amount up to 100% for a period up to the end of the 30 year lifespan of the TIF. This will encourage development on those lots within the Town Tract.
- k. Maine DECD has statutory review of the TIF – they make sure it is consistent with the state laws, they do not have “veto” authority but can require modifications to ensure consistency.
- l. Noreen noted that for the table in Exhibit D-1 she only used one property to illustrate how the tax revenue would be distributed. We don't know when lots will sell so it's impossible to predict beyond this. Manager Jennings noted that we'll be developing several scenarios to help us figure out the potential revenues so we can fill out the cost figures in Table 1 (the projects).

After discussion regarding the schedule to get this through public hearing with Town Council, a **motion** was made by Councilor Wilde to refer the Hampden Business Park Omnibus Municipal Development and Tax Increment Financing District application to Town Council for their January 3, 2017 meeting for setting the public hearing on this TIF application; seconded by Councilor McAvoy. The motion passed by unanimous vote (5/0/0). It was noted the public hearing will be set for February 6, 2017.

It is anticipated that the application will be submitted to DECD within a week of the hearing.

5. New Business: None.
6. Zoning Considerations/Discussion: None.
7. Citizens Initiatives: None.
8. Public Comments: None.
9. Committee Member Comments: None.
10. Adjournment: Motion to adjourn at 7:50 pm by Councilor McAvoy; seconded by Councilor Wilde, carried 5/0/0.

*Respectfully submitted by
Karen Cullen, Town Planner*