

**Downtown TIF Advisory Committee
153 Farmington Falls Road
May 6, 2015 6:00 p.m.**

Minutes

TIF Committee members present were Richard Davis, Joshua Bell, Alison Hagerstrom, Byron Davis, Ron Gelinias, Cindi Ferguson, Kevin Madore, John Moore, Cindy Gelinias, and Paul Mills.

Mary Lello, Gary Edwards, Mike Mansir, and Tom Saviello were unable to attend.

Mrs. Hagerstrom brought the meeting to order 6:08 p.m.

ITEM 1: To Elect the Chair and Vice Chair

Mr. R. Gelinias nominated Mr. Mills as Chairman and Mr. Mills respectfully declined, both as Chairman and Vice Chairman.

Mr. R. Davis made a motion to elect Alison Hagerstrom as chairman.

Mr. Gelinias seconded the motion.

VOTE: 8 – Affirmative 4 – Absent 1 - Abstained

Motion carried.

Mr. Mills made a motion to elect Mr. B. Davis as Vice Chairman.

Mr. Madore seconded the motion.

VOTE: 8 – Affirmative 4 – Absent 1 – Abstained

Motion carried.

ITEM 2: To Approve the Minutes of the April 27, 2015 Meeting

Mr. Bell made a motion to approve the minutes of the April 27, 2015 meeting.

Mr. Gelinias seconded the motion.

VOTE: 5 – Affirmative 7 – Absent 1 – Abstain (Paul Mills)

Motion carried.

ITEM 3: To Discuss an Opportunity to Create Parking in the Downtown

Mrs. Hagerstrom said the property owned by the heirs of James Murphy, located at 112 Church Street and on the corner of Cony Street, has been for sale. She said at the April 27th meeting, the Committee discussed making a recommendation to the Selectmen to purchase the property for a parking lot.

Mr. R. Davis said he was asked to find answers to several questions. He stated:

- The property was listed by Adrian Harris of Harris Realty in June of 2014 for \$179,000 and it is currently listed at \$99,900. He said Mr. Harris spoke with the owners, and they would take \$79,000 if the Town wanted to purchase it for a parking lot.
- Steve Hunt at E.L. Vining & Son gave an estimated cost of \$50,000 - \$55,000 for: demolition; disposal; capping existing water and sewer lines; remove foundation; fill basement; and loam and seed area for future development. Mr. Hunt said assumptions were made on the interior construction for the estimate because he wasn't able to inspect the interior of the building, and the estimate wouldn't include areas beyond this scope of work.
- Mr. Moore had estimated 28 spaces.

Mr. R. Davis said developing the parking at this central location would also benefit the Church Street Commons building and events at the North Church.

Mr. Mills said Mr. Moore told him that it would also take the pressure off the Front Street "99 Year Lease" parking lot and allow more parking for customers.

Mr. R. Davis said the Town could keep most of the spaces for downtown customers and could lease some of the remaining spaces.

Mr. Bell said landlords could rent some spaces for their tenants which would help pay for the upkeep of the parking lot.

Mrs. Hagerstrom said businesses should have their employees park elsewhere, such as High Street and the Anson Street parking lot.

Mr. B. Davis asked about the cost to improve the lot for parking.

Mr. R. Davis said he estimated it would cost under \$50,000 if it was all compacted and sloped properly, and lighting would be minimal because of the existing lighting on Cony and Church Streets. He said he can get a better estimate from the Town's paving contractor.

Mrs. Hagerstrom suggested installing the same decorative lighting as on Cony Street.

Mr. B. Davis said he estimated the cost at \$5,000 per parking space, and he heard that \$10,000 per space is the average. He asked what the next step is to hold this opportunity while we go through the approval process.

Mr. R. Davis said he explained to Mr. Harris that it would require a Town Meeting vote

to purchase the property. He said he will discuss it at the Selectmen's meeting on May 12th in Executive Session, and if the Selectmen wish to pursue it, he will contact Mr. Harris and schedule the Special Town Meeting within 30-45 days.

Mr. Mills said the contract can be written to stipulate that the purchase is subject to ratification at Town Meeting.

Mrs. Hagerstrom asked Mr. R. Davis if there were restrictions on using the Franklin Printing TIF funds.

Mr. R. Davis said the funds could be used for improvements outside the Franklin Printing TIF District. He said the Downtown TIF currently has a capture of 40%, but it must have a 100% capture for authorization to accept funds from the Franklin Printing TIF.

Mr. B. Davis asked what happens with the Franklin Printing TIF if it isn't used.

Mr. R. Davis said the Franklin Printing TIF was renewed for another term of 15 years and its current balance is about \$152,000.

Discussion followed regarding both TIF approval letters with the conditions from DECD.

Mr. R. Davis said there are two options to complete the project: One way is we have \$100,000 in the Downtown TIF account that can be used for purchasing the property, assistance to move the tenants, close up the building, and insurance. He said in November we will presumably have another \$100,000 available to use for the demolition and construction of the parking lot next year. The second option is to ask the Selectmen to capture 100% of the Downtown TIF increment for this year to meet the conditions of transferring \$110,000 of the \$152,000 in the Franklin Printing TIF to the Downtown district. Mr. R. Davis said the property owners town-wide would see a spike in their taxes for that year if the Selectmen authorized the 100% capture. He said this may not be fair to Franklin Printing if they ever needed money to expand.

Mr. Bell said we could purchase the property in mid-July and wait until next year to tear it down and build the parking lot. He suggested we increase the capture, but not at 100%, and leave the Franklin Printing TIF for improvements to that area of town.

Mr. Moore said Acme Engineering designed two different layouts with 28 parking spaces, and he distributed copies of the maps. He said the diagrams show a 10 foot buffer to the neighbors' line. Mr. Moore said we could decrease the buffer to five feet and install a stockade fence or shrubbery as a shield, and this would increase the number of spaces to 35 with one or two reserved for handicap parking.

Mr. R. Davis suggested Church Street should be the entrance to the lot.

Discussion followed regarding closing off Cony Street to through traffic in order to expand the parking lot, installing a sidewalk, landscaping, and snow removal.

Mrs. Hagerstrom said we need to discuss the engineering for Front Street/West Farmington before we can make a decision on which project to recommend to the Selectmen for the highest impact.

ITEM 4: To Finalize a Recommendation on the Engineering Bids

No decision was made at this time.

Mrs. Hagerstrom asked about the status of the electrical bids for the installation of outdoor electrical services in the two parks in West Farmington.

Mr. R. Davis said he spoke with E & K Electric and Mike Carleton at IEC and they are both interested in submitting a quote.

Mr. Bell asked about information on the CDBG Slum and Blight designation for West Farmington.

Mr. R. Davis said it would require a Town Meeting vote to designate West Farmington as Slum and Blight and then DECD would decide if it meets the qualifications. He said Mrs. Gelinis spoke with DECD Project Manager, Terry Ann Holden, and 25% of the buildings in a contiguous area must meet the criteria as defined in the Maine State statutes, along with HUD and CDBG guidelines. Mr. R. Davis said the Town must decide which areas of the West Farmington should be designated. He said we will have to document the current conditions and describe the proposed improvements – health and safety, sidewalks, buildings, lighting, etc., because only those areas and projects specified will receive improvements.

Mr. Madore said it is pretty much Bridge Street in his area (Madore's Market), and it wouldn't hurt his feelings if it was designated Slum and Blight.

Mr. B. Davis suggested we set aside the engineering, think more about what our priorities are, and decide which project will provide "the most bang for the buck" regarding economic development. He said if we enlarge the parking area in West Farmington it would help the existing businesses and maybe inspire private investment. Mr. B. Davis said there is a lot of work involved with the CDBG Slum and Blight application.

Mr. Bell suggested tabling the Front Street/West Farmington engineering bids and pursuing the Slum and Blight designation in order to apply for a CDBG grant and purchasing the building for the parking lot.

Mrs. Hagerstrom said if we have an active project it may encourage the Selectmen to allocate more than the 40% into the TIF fund, but we should still keep the engineering bids on the agenda to help design the Front Street/West Farmington project.

Mr. Moore said the "99 Year Lease Lot" has 22-24 spaces that are used for overnight parking, and that he won't build on his other lot because the leased lot is currently tied up with overnight parking. He said parking is an important part of the economic

development in downtowns and needs to be addressed.

Mr. Mills said building the new lot would alleviate the overnight parking bottleneck.

Mr. B. Davis said he would like to purchase the property for the parking lot unconditionally and then decide how to manage the parking.

Discussion followed regarding the "99 Year Lease Lot", parking and leases.

Mr. B. Davis made a motion to move forward in purchasing the James Murphy property on Church Street as a parking lot and bring it to a Town Meeting.

Mr. Bell seconded the motion.

VOTE: 9 – Affirmed 4 Absent
Motion carried

Mr. Bell made a motion to table the engineering bids.

Mr. Moore seconded the motion.

VOTE: 9 – Affirmed 4 – Absent
Motion carried

Mr. Bell made a motion to pursue CDBG funding through the Slum and Blight designation in the West Farmington area for the following year, 2016.

Mr. B. Davis seconded the motion.

9 – Affirmed 4 – Absent
Motion carried

ITEM 5: To Consider Recommending an Amendment to the TIF Program to Require a Minimum Tax Increment Capture of 25% Annually

Mr. B. Davis said we would only need a guaranteed amount every year to cover the debt service for a bond. He said otherwise a proposed project should be funded on its own merits.

Mr. Moore said we don't know what the priorities will be for any future Board of Selectmen, and they can decide to change it and fund 0% if they think there is a better place to spend the money. He said we have invested a lot of time and money growing this fund. Mr. Moore said the TIF should be funded each year for projects for all of the downtown, and it should be protected. He said the funds don't have to be spent each year and can be allowed to build.

Ms. Ferguson asked if the TIF was necessary to funnel funds to certain projects which could be taken care of by the Selectmen.

Mr. R. Davis said there are a lot of projects that come before the Selectmen each year that they have to prioritize.

Mr. Moore said 55% of it would have gone to the State, County, and schools.

Mr. B. Davis said the money the town has to give the State is an expense and we are reducing that expense.

Mr. Mills suggested that if we set a minimum amount people may think it is the maximum and then the minimum is the amount captured. He asked, what is a reasonable figure the Committee should request?

Mr. Bell asked if the Selectmen should create a policy for the minimum.

Mr. R. Davis said a policy can easily be changed but a Town Meeting vote sets it in stone.

Mr. B. Davis recommended the Committee give the parking lot project all of its effort and keep the focus on making it a credible project with a positive impact. He suggested approaching the Selectmen with the 50% threshold once the project is completed.

Mr. Moore cautioned to not let it fall through the cracks because it sets up the next generation of businesspeople.

Mr. R. Davis said the parking lot project would establish a good track record for the future.

This item was tabled for now.

ITEM 6: To Discuss Other Business

Mrs. Hagerstrom said Mary Lello sent an email explaining she wouldn't be able to attend the meetings.

Mr. R. Davis said he had thanked her for her help, and asked her to let him know if she did decide to step down as a member.

The next meeting will be held on Wednesday, June 3 at 6:00 p.m.

There being no further business, the meeting was adjourned at 7:28 p.m.

Minutes respectfully submitted by Cindy Gelinis, Planning Assistant.