

**Downtown TIF Advisory Committee
153 Farmington Falls Road
January 14, 2016 6:00 p.m.**

Minutes

TIF Committee members present were Richard Davis, Alison Hagerstrom, Ron Gelinas, Byron Davis, Paul Mills, Joshua Bell, Cindi Ferguson, and Cindy Gelinas. Tom Saviello, John Moore, Mike Mansir, Kevin Madore, and Gary Edwards were unable to attend.

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

ITEM 1: To Approve the Minutes of the November 18, 2015 Meeting

Mrs. Ferguson made a motion to approve the minutes of the November 18, 2015 meeting.

Mr. Bell seconded the motion.

VOTE: 7 – Affirmative 5 – Absent

Motion carried.

ITEM 2: To Hear an Update on the Ingalls School Community (ISC) Project

Mr. B. Davis said Tri-County Mental Health Services (TCMHS) can't release the mortgage on the property because it is under a bond that covers numerous properties. He said the administrators and board members approved the option to purchase. Mr. B. Davis stated Tri County is only using a third of the building and the overheads must be very high. He said he is going through a broker and they are trying to find a way around the issue of the mortgage bond.

Mr. B. Davis said he has purchased the abutting "Brick Inn" property. He stated the University Credit Union (UCU) has an option to purchase the "Charles Wheeler" property, and has received approval from the Farmington Village Corporation to construct a drive-thru with additional parking. Mr. B. Davis said he has a verbal agreement with UCU to purchase part of that property to use as parking for his units.

Mr. R. Davis said he is working with Eaton Peabody Consulting Group to include the ISC in the Downtown TIF (TIF) district, and it will be put before the Town Meeting for a vote. He asked if a commercial appraisal was done.

Mr. B. Davis said, no.

Mrs. Hagerstrom said she would contact Mr. Burke at TCMHS and see what could be done.

ITEM 3: To Discuss the Valuation Capture for the ISC Project (Original plus new or only new)

Mr. R. Davis said the ISC is currently assessed at \$1.2 million, and Mr. B. Davis has estimated he would put \$1.6 million into the property. He said he assumed the original value and the new value would be combined for a total of \$2.8 million, which would provide a higher cash flow. Mr. R. Davis said he asked Raegan LaRochelle, at Eaton Peabody Consulting Group, and she said you can count the new valuation or you can total the original and new valuations. He said it will be what works best for Mr. B. Davis.

Mr. B. Davis said the valuation increase to the TIF would be greater if we counted both valuations, and it would be sheltered.

Mr. Mills said it would be better to add tax exempt properties to the TIF because they wouldn't affect the towns' tax rate and the TIF would receive a big boost to the valuation.

Discussion followed regarding the pro forma and debt services.

Mr. R. Davis said the building has been tax exempt for many years and therefore the assessed value could be less or more than what is currently stated.

Mr. Bell said the Assessor, John O'Donnell, would have to put an assessed value on the property should it ever be put on the tax rolls.

Ms. Fergusson asked if there are any other funding alternatives like affordable housing.

Mr. B. Davis said he has done affordable housing, which is controlled by the Maine State Housing Authority with numerous regulations and limitations, but you are ultimately responsible for the project. He said there is a market for professional and retired rentals and he would rather have more freedom to do what he wanted with the property.

The Committee agreed to vote on the project when it is back on track.

ITEM 4: To Discuss Whether to add Additional Properties to the Downtown TIF District

Mr. R. Davis said he thought the Ingalls School should be added. He said Ms. LaRochelle suggested adding other properties, including tax exempt properties, to the TIF district.

Mr. B. Davis said the American Legion may be for sale.

Discussion followed regarding other properties: Mr. Bouffard's and Edgewood Manor by Willow Springs; Mr. Horn's property where the Aardvark Outfitters store was; the American Legion; and the Granary building and other properties along Pleasant Street.

Mr. R. Davis said he would be uncomfortable putting additional taxable property into

the TIF district because that will affect the tax rate.

The Committee agreed to submit to the Selectmen their endorsement to add the American Legion and Ingalls School to the Downtown TIF district.

ITEM 5: To Hear an Update on the Church Street Parking Lot Project

Mr. R. Davis said that he has sold \$645 in items from the Church Street house and he has been in contact with Architectural Salvage in Portland. He said the asbestos survey cost \$2,500 with an estimated cost to abate of \$20,000-\$25,000, and he has spoken with the Selectmen about going out to bid soon with a start date beginning in April. Mr. R. Davis said there was approximately \$113,000 in the account, but with the cost of the abatement survey and the boundary survey of \$1,500, we currently have \$109,105 available. He said, provided the asbestos abatement comes in on budget, we will then have \$84,000 - \$89,000 available. Mr. R. Davis said E.L. Vining & Son gave an estimated cost of \$50,000 - \$55,000 to demolish and dispose of the building, and the parking lot would require an engineering plan for drainage. He said there wouldn't be enough left in the account to construct the parking lot this year, so it will be completed next year when we get the next allocation. Mr. R. Davis said he has had two offers for the granite - \$3,000 and \$3,500, or we can use it for landscaping.

Mr. Bell suggested asking Mr. Castonguay if the Town can use it.

Mr. R. Davis said next capture will be added in August, and Mr. O'Donnell had suggested it would be better to recommend a project to the Selectmen and then work the TIF capture numbers for the project.

ITEM 6: To Discuss Future T.I.F. Projects

Mr. R. Davis said we should keep the Front Street project in mind. He said the Town is applying for a grant to replace the culvert between Divine Inspirations and Stericycle (formerly NotifyMD), and this may be a good time to add the sidewalks.

Mr. B. Davis asked if the McDonalds project will increase the capture.

Mr. R. Davis said it should.

Mrs. Hagerstrom suggested the Northern Border Regional Commission grant may have some money to leverage with our TIF funds so we aren't starting from scratch each allocation period.

ITEM 7: To Discuss Other Business

The next meeting was set for March 9th.

There being no further business, the meeting was adjourned at 7:25 p.m.

Minutes respectfully submitted by Cindy Gelinis, Planning Assistant.