

EDSC

1.25.18

Present: Patrick Gilligan, Shana Mueller, Amy Horstmann, Katie Murphy, Rosemary Roy

Pat spoke first. Overview. Identify properties with potential for TIF district(s). Will have value that can be captured in a TIF.

Primary: focus on Smith properties ... so we created boundaries that included those two.

We have had 2-3 developers reach out to us. Also had a meeting with collaborative design firm in Portland. This firm has done a number of projects for different towns; most recently Cumberland. They've done mixed use commercial; affordable housing, more. (Shana has worked with them on affordable housing projects for seven different towns.)

The hope is to define a district to entice developers.

A lot of elements in play: revision of the aquifer map, zoning, and political discord within the town. Everything is happening at once but we hope it will go forward slowly.

A proposal is going before the planning board for the 106 Smith acreage for elderly housing.

Shana: projects are affordable housing have often been rehabs.

Because affordable housing usually receives tax credits, the assessed value will be de-valued by the amount of tax credits.

The impact of a housing complex on businesses around it: it will promote business there. Think "workforce" housing. You have to refer to the median income in our town. We should start using the terms "workforce" and "elderly." (Patricia Oh from AARP is a good source of info for all this.)

Me State Housing allows you to construct a TIF district around workforce housing to create TIF district.

Department of Economic and Community Development=DECD.

Affordable housing TIFs can use TIF revenue for some more limited uses: perhaps education, perhaps a road to the housing district.

You could do a DECD with a workforce housing within it that might get credit enhancement. But just because one piece would have a lot going on ... it might be better to create two separate TIFs—one that would include current ~16 lot for sale (Smith) and the other ~106 lot for sale (Smith).

Workforce housing TIFs can have fund a housing fund; also an education fund. Developers need to amass “points” in competing for Maine State Housing funding.

Reviewed the list of improvements etc. that a TIF could fund.

Try to use \$\$ generated for stuff already going, staff already in place. Instead of creating new projects, new infrastructure.

Recommendation: Create a budget process for the expenditure of TIF revenues. This is something that is important for towns that have a town meeting form of government, so that the Select Board has the ability to allocate funds more easily without having to go to an individual vote on each thing.

We should be waiting until we have a developer on board. A bit of the chicken and the egg.

For a DECD district, at least 25% of the property in the district must be “blighted” or in need of conservation work, or designated suitable for commercial or arts district. So we have to figure out how we can get to 25% of 198 acres, which is the TIF we are looking at.

Rental housing development owned by a single entity is considered commercial.

A Downtown TIF is a kind of DECD district. You have to submit a “downtown revitalization plan.” A comp plan alone does not satisfy that requirement. But you could build on what the Comp Plan says about a village center. The benefit of a downtown district is that there are no acreage or valuation caps. Another benefit: you can send TIF revenue from another TIF district to the downtown district.

And with a downtown district you are exempt from the 25% rule. But you DO have to submit a downtown plan.

You can have a non-contiguous TIF district.

The Economic Development consultant has to figure out some of the logistics of the TIF district/s and also function as a salesperson for the town.

Next step/our task: brainstorm what projects to use TIF revenues BUT make sure they match statutes in the document Shana gave us. Create a working draft. And that would be beneficial to potential developers to know about.

A very good model to follow: “Approved Municipal and County TIF Investment Plans for Existing TIFS in Maine” (we all have a copy of this; distributed by Rosemary).

If we vote in March of a year you can capture two years of value back. Back to March 31 of the previous tax year.

Respectfully submitted,
Katie Murphy

P.S. Next meeting with Shana: Thursday, April 12. This will be after the budget process, which lasts throughout March; and it would be before Town Meeting (April 28); and it gives our committee a chance to pull together a list of projects that could be funded in part from TIF revenues.

ATTACHED: “Authorized project costs for development districts,” from Maine Revised Statutes. (handed out by Shana)

ALSO SEE “Approved Municipal and county TIF investment plans for existing TIFs in Maine” (previously distributed). Shana says this is a great format model for presenting a list of North Yarmouth projects/plans that could be funded in part from TIF revenues. (If you can’t find yours, ask Rosemary to send it to you.) (Thanks, Rosemary.)