

TOWN OF CHINA

571 Lakeview Drive
China, ME 04358



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www.china.govoffice.com

Public Hearing – Town of China Central Maine Power-China Lake Tax Increment Financing District
02/09/2015
6:00 P.M.

Minutes

Receiving public comments on the proposed designation of the Town of China Central Maine Power/China Lake Tax Increment Financing District and adoption of a development program for the District pursuant to the provisions of Chapter 207, Title 80-A of the Maine Revised Statutes, as amended.

The Select Board Chairperson Joann C. Austin opened the Public Hearing at 6:00 p.m. Select Board members present were Irene L. Belanger, Robert MacFarland, Amber McAllister, Neil Farrington and Joann C. Austin. Others present were as noted on the attached attendance in addition to Mary Grow and the Town Manager.

Many residents, as noted by the attendance sheet attached, came to the public hearing on the evening of February 9, 2014 to hear about the proposed Tax Increment Financing (TIF) District proposal. Those in attendance asked questions and made various suggestions to the Board. The Select Board noted that voters at the Annual Town Business Meeting on March 21, 2015 will be asked to approve the TIF Program proposal.

The Town's C.E.O., Bill Najpauer and the town's Assessors' Agent, William Van Tuinen, explained the purpose and workings of the China TIF Program proposal. Bill Najpauer noted that the TIF Program will cover three districts in China: the new CMP 325kw line running north/south through China; the town's Boat Landing District, encompassing the public landings at the north and south ends of China Lake; and the Lakeview Drive/Town property District, covering the town office and surrounding area and Fire Road #44. Bill went on to say that the power line district will be the source of the tax revenue, estimated to be approximately \$280,000 for 2015-2016. He said the money is to be set aside in a TIF Reserve Account in the Fund Balance and spent only for economic development projects in the designated areas and town-wide.

William Van Tuinen explained the various types of TIF programs, saying that the benefit of this one will accrue directly to the town, unlike some that provide benefits to the developers. This program application lists a range of economic development projects to benefit the town like developing and maintaining recreational trails and to improve water quality in China Lake.

The President of the China Lake Association, Scott Pierz, strongly supported the program and submitted a letter from the Association stating the support. He noted a project called the ARI, Alewives Restoration Initiative, he thought might benefit from the TIF Program. This initiative is

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being undertaken by a group of area environmental organizations and the Maine Department of Marine Resources. The initiative is expected to improve water quality in China Lake.

A person in the audience asked what would happen if the TIF Program is rejected by voters at the Annual Town Business Meeting on March 21, 2015. Mr. Van Tuinen responded that the power line's valuation would be included in China's tax base and tax revenue would go toward general expenses and the added valuation might reduce the tax rate but for a limited time up to eighteen months. He went on to say that after that eighteen months, without sheltering the added valuation in a TIF Program, China could count only about 40 cents of each power-line tax dollar as new revenue. The remainder would be needed to offset the loss of intergovernmental funds from the State and offset the higher county tax assessment. Mr. Van Tuinen went on to explain further: With a higher town valuation, China would get less state revenue sharing funds; a higher valuation would also mean a lower allocation of State education funds, leaving more of the education costs to the taxpayer; and a higher valuation in comparison to other Kennebec County municipalities would increase China's county tax obligation.

Select Board Meeting

Monday – 02/09/2015 – Town Office Meeting Room

7:00 P.M.

Minutes

The meeting was opened by the Chair at 7:00 pm. Board members present were Irene L. Belanger, Robert MacFarland, Amber McAllister, Neil Farrington, and Joann C. Austin. Others present were those as noted on the attendance sheet attached to this set of minutes and Mary Grow and the Town Manager. Those present were led in the Pledge of Allegiance to the American Flag by Selectperson Irene L. Belanger.

On a motion by Selectperson Irene L. Belanger and a second by Selectperson Robert MacFarland, the Board voted 5-0 to accept the minutes of the 01/26/2015 Select Board meeting as amended.

On a motion by Selectperson Irene L. Belanger and a second by Neil Farrington, the Board voted 5-0 to accept China Payroll Warrant #41 for \$28,758.51 as presented. On a motion by Selectperson Irene L. Belanger and a second by Selectperson Neil Farrington, the Board voted 4-0-1(MacFarland) to accept Town Payables Warrant #42 for \$493,582.45 as presented. Selectperson MacFarland abstained because he wanted to be provided information about the town's authority to trade-in/sell the vehicle involved in the payment to Howard P. Fairfield, Inc. on the Payables Warrant. The Town Manager indicated that he would be happy to provide a response to the Select Board after communicating with the town's attorney for a legal response.

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Unfinished Business:

- **Public Comment:** There was not any public comment at this time.
- **Recycling Coordinator:**

Recycling Report -

Update on Commodities Market (Recycling Items) and Other Items: Select Board members and Recycling Coordinators Neil Farrington and Irene L. Belanger provided information about current recycling commodity market pricing and information about the inventory of recyclable currently sent out to market or presently at the transfer station. Irene and Neil also reported on the visit of Unity College students, with chaperones, to the town's transfer station relating to class projects.

Selectperson Irene L. Belanger went on to report about the recent meeting she attended of the MRC relating to a post 2018 proposal for the disposal of members' MSW. She said the Board of the MRC voted unanimously to proceed with the proposal from Fiberight Corporation. Information is available on the MRC Web site.

- **Committee/Organization Reports – Selectperson Belanger - RSU#18, KVCOG, Economic & Community Development Updates – Selectperson Belanger:**

RSU#18: Selectperson Irene L. Belanger reported that the RSU#18 Board is scheduled to work on the school budget on March 16, 17, and 18, 2015 in Oakland. Public hearings will be held in member towns in April. The hearing in China is scheduled for 6:00 p.m. on April 17, 2015.

EC&D Committee: Selectperson Belanger reported that the next meeting of the Committee is scheduled for 7:00 p.m. on Thursday, February 19, 2015 at the Green Bean Coffee Shop. Irene called out for volunteers.

Mid-Maine Chamber of Commerce: There was not an update available on the Chamber.

K.V.C.O.G.: Selectperson Irene L. Belanger reported that the KVCOG will hold a workshop on February 12, 2015 on how particular vendors will have obligations to take back their goods.

Transfer Station Committee – Mission/Deliverables Expected if Created/Appointed: The Board did not take action on this item.

2015-2016 Municipal Budget – Annual Business Town Meeting, Saturday, March 21, 2015 – Approval/Adoption/Signing of Warrant: On a motion by Selectperson Amber McAllister and a second by Selectperson Irene L. Belanger, the Board voted 5-0 to accept and sign the Annual Town Business Meeting Warrant for March 21, 2015 with Appendixes/Exhibits A & B and the associated Board Resolution as presented.

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New Business:

- **Public Comment:** There was not any public comment at this time.
- **Quit-Claim Deed(s) Processing:** On a motion by Selectperson Irene L. Belanger and a second by Selectperson Neil Farrington, the Board voted 5-0 to accept and sign the Quit-Claim Deed as presented.

Manager's Communications (Non-Action Items):

- **Public Comment:** There was not any public comment at this time.
- **Committees – Meetings/Updates: Thurston Park II 2nd Thursday of the Month, in the Town Office Meeting Room, China Historical Society Committee TBD, Enhanced Library and Community Services Committee, every Fourth Tuesday of the Month in 2015, 6:30 P.M. in the Town Office Meeting Room, Economic and Community Development Committee, As Announced, Time 6:30 P.M., in the China Town Office Meeting Room.** The respective dates, times, and places of the meetings were announced.
- **Visioning Session – Board Retreat Summary:** The Board intends to discuss this item at the next regular meeting.
- **Transfer Station Stickers Now Available for 2015:** It was noted that residents are obligated to have a transfer station sticker to use the facilities in China. The 2015 stickers are now and have been available for several months. Residents are encouraged to obtain a free sticker before using the transfer station.
- **Personnel Policy Additions – Code of Ethics:** It was noted that the town attorney is reviewing the Code for recommended updates and or changes.
- **Quorum Ordinance:** The Town Manager noted that the Ordinance may need some amendments and that he will have proposed changes for the Board to consider one of the next two regular meetings.

In other business;

On a motion by Selectperson Irene L. Belanger and a second by Selectperson Robert MacFarland, the Board voted 5-0 to appoint Ronald Breton to serve as the Alternate-AT-Large member of the China Planning Board.

Selectperson Irene L. Belanger announced that China will be offering on-site shredding at the transfer station on Saturday, May 2, 2015 from 9:00 a.m. to 10:00 a.m. Adjourning towns are being invited to share in the service and associated cost of the service.

On a motion by Amber McAllister and a second by Selectperson Neil Farrington, the Board voted 5-0 to adjourn at 8:15 p.m.

Respectfully submitted,

Amber McAllister, Secretary
China Select Board

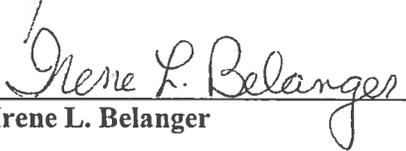
EXHIBIT A**ASSESSORS' CERTIFICATE OF ORIGINAL ASSESSED VALUE OF
CENTRAL MAINE POWER/CHINA LAKE TAX INCREMENT FINANCING DISTRICT AND
DEVELOPMENT PROGRAM**

The undersigned Assessors, being the duly elected Assessors for the Town of China, Maine, hereby certifies pursuant to 30-A M.R.S. § 5227 (2) that the Original Assessed Value of the Central Maine Power/China Lake Tax Increment Financing District and Development Program contained within the district boundaries to which this certificate is appended, as of March 31, 2015 (April 1, 2014), was:

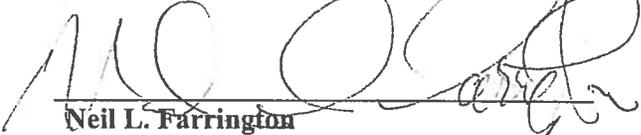
OWNER	MAP	LOT	ACRES	TAXABLE REAL PROPERTY LAND	TAXABLE REAL PROPERTY BUILDINGS	TAXABLE PERSONAL PROPERTY	TOTAL TAXABLE PROPERTY
CENTRAL MAINE POWER	3	13A	98.42	\$209,200	\$0	\$0	\$209,200
CHINA VILLAGE FIRE DEPARTMENT	63	53	0.69	\$0	\$0	\$0	\$0
TOWN OF CHINA	63	ROAD	1.80	\$0	\$0	\$0	\$0
TOWN OF CHINA	22	ROAD	0.73	\$0	\$0	\$0	\$0
TOWN OF CHINA	38	10	2.00	\$0	\$0	\$0	\$0
TOWN OF CHINA	38	13	5.38	\$0	\$0	\$0	\$0
TOWN OF CHINA	38&32	ROAD	0.73	\$0	\$0	\$0	\$0
TOTAL			109.75	\$209,200	\$0	\$0	\$209,200

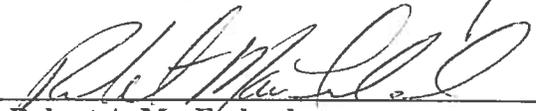
IN WITNESS WHEREOF, this certificate has been executed by us this 9th day of February, 2015.


Joann C. Austin


Irene L. Belanger


Amber L. McAllister

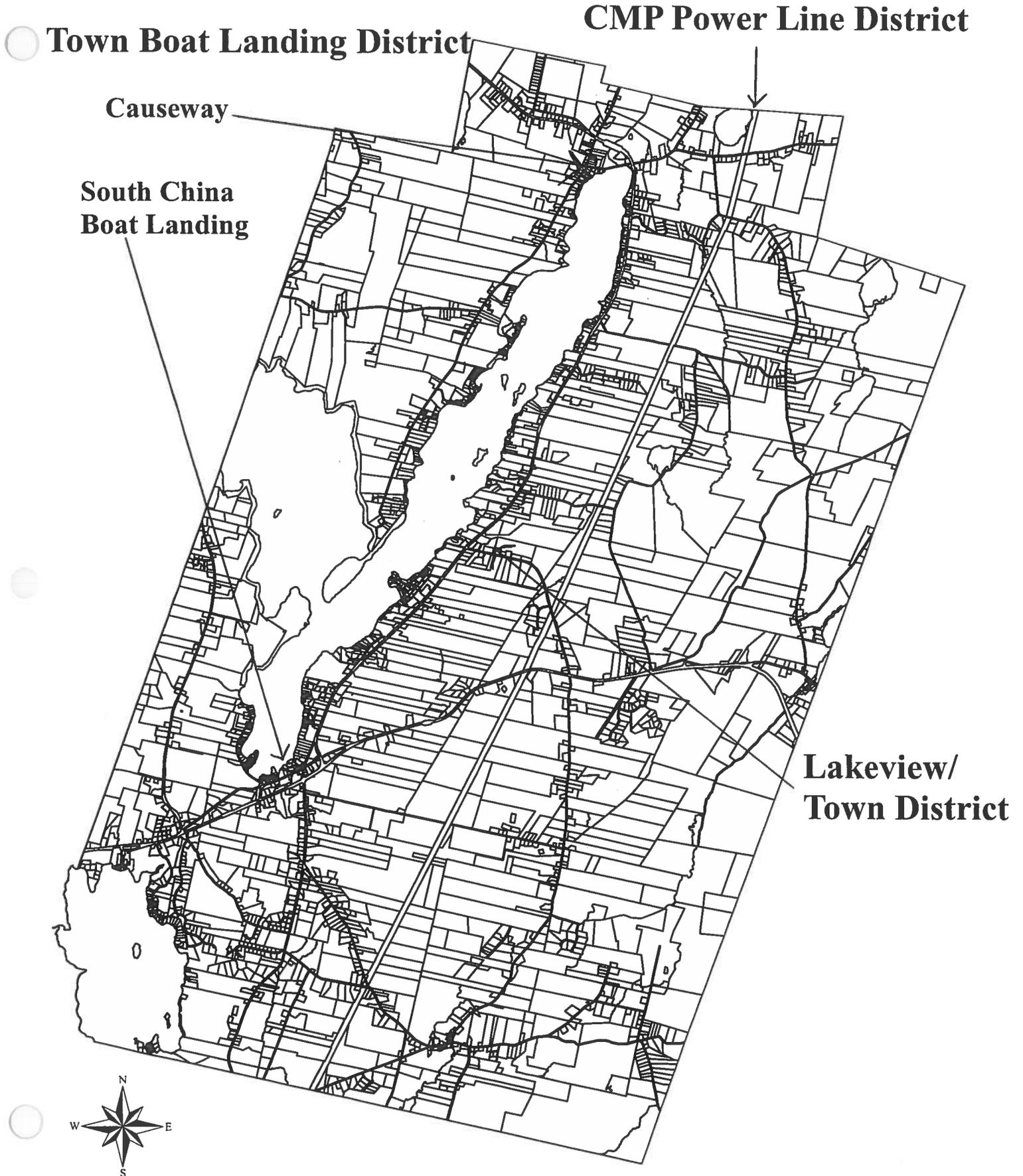

Neil L. Farrington


Robert A. MacFarland

Assessors for the Town of China

Exhibit B

District Maps



**Resolution
Town of China
Central Maine Power/China Lake Tax Increment Financing District
And Development Program**

Whereas, The Town of China (the Town) is authorized pursuant to Section 206 of Title 30-A of the Maine Revised Statutes, as amended, to designate specific areas within the Town as municipal development districts and tax increment districts and to approve a development program for such districts;
Whereas, there is a need to provide long-term sustainable employment opportunities for residents of the Town and the surrounding area;

Whereas, there is a need for commercial development in the Town of China;

Whereas, there is a need to improve and broaden the tax base of the Town of China; and to improve the general economy of the Town of China, the surrounding region and the State of Maine;

Whereas, Implementation of the Development Program will help to provide opportunities for economic development in the Town of China and the surrounding region; Improve and broaden the tax base in the Town of China and improve the economy of the Town of China and the State of Maine;

Whereas, Implementation of the Development program is consistent with the goals and objectives of the Town's Comprehensive Plan, approved in 2008;

Whereas, Implementation of the Development Program will help advance the Town's existing economic development goals, including:

1. Provide local employment opportunities;
2. Economic development that enhances a sense of community.

Whereas, The Town has held a public hearing on the question of establishing the District in accordance with the requirements of 30-A MRSA section 5226, upon at least ten (10) days prior notice published in a newspaper of general circulation within the Town;

Whereas, The Town desires to designate a municipal development district and tax increment financing district to be known as the "Town of China Central Maine Power/China Lake Tax Increment Financing District" (the District) and to adopt a development program for the District (the Development Program);

Whereas, it is expected that approval will be sought and obtained from the Maine Department of Economic and Community Development, approving the designation of the District, and the adoption of the Development Program for the District, and

Whereas, the designation of the District will generate substantial economic benefits for the Town and its residents, including employment opportunities, broadened and improved tax base and economic stimulus, and will contribute to the economic growth and well-being of the municipality, all of which the Town Meeting finds and declares to be valid public purpose of the Town.

Now, Therefore, Be it Hereby Resolved and Voted by the Town:

Section 1 The Town hereby finds and determines that:

1. At least twenty-five percent (25%) by area of the real property within the District, as hereinafter designated, is suitable for commercial uses as defined in 30-A section 5223, and;
2. The total area of the District does not exceeds two percent (2%) of the total acreage of the Town, and the total area of all development districts within the Town (including the District) does not exceed five percent (5%) of the total area of the Town, and;
3. The original assessed value of the proposed District plus the original assessed value of all existing tax increment financing districts within the Town as of April 1, 2015 does not exceed five percent (5%) of the total value of taxable property within the Town as of April 1, 2015, and;
4. The designation of the District and the pursuit of the development Program will generate substantial economic benefits for the Town and its residents, including employment opportunities, broadened and improved tax base and economic stimulus, and therefore the District will contribute to the economic and well-being of the municipality.

Section 2 Designation of the District

Pursuant to Chapter 206 of Title 30-A of the Maine revised Statutes, as amended, the Town hereby designates a municipal development district and tax increment financing district to be known as " Town of China Central Maine Power/China lake Tax Increment Financing District" as more particularly described and set forth in the Development Program for such District presented to Town Meeting in the form

attached hereto and such Development Program is hereby incorporated by reference into this vote as the Development program for the District.

Section 3 Captured Assessed Value

Pursuant to the provisions of 30-A MRSA section 5227 (1), the percentage of increased assessed value to be retained in the District as captured assessed value is as set forth in the Development Program.

Section 4 Department of Economic and Community Development Approval

The Selectboard or their duly-appointed representative(s), be and hereby are authorized, empowered and directed to submit the proposed designation of the District and the proposed Development program for the District to the State of Maine Department of Economic and Community Development (DECD) for review and approval pursuant to the requirements of 30-A MRSA section 5226.

Section 5 Minor Amendments

The Selectboard or their duly-appointed representative(s), be and hereby are authorized and empowered, at their/his/her discretion, from time to time, to make such revisions to the Development program for the Districts as the Selectboard, or their duly-appointed representative(s) deem reasonably necessary or convenient in order to facilitate the process of review and approval of the District by DECD, or for any other reason, so long as such revisions are not inconsistent with those findings and the basic structure and intent of the Development Program.

Section 6 Effective Date

The foregoing designation of the District and the adoption of the Development Plan for the District shall automatically become final and shall take full force and effect upon approval of the designation of the District and approval of the Development Program by DECD, without the requirement of further action by the Town, Selectboard, or any other party.

Section 7 Duration of the District

The District shall remain in effect for a period of twenty (20) years following the effective date, through and including Town's municipal fiscal year 2035

Approved for submission to the voters of the Town of China, this the 9th day of February 2015

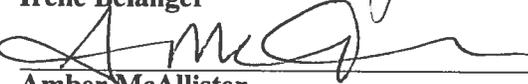
China Board of Selectmen:


Joann Austin


Bob MacFarland


Neil Farrington


Irene Belanger


Amber McAllister