

TOWN OF CHINA



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China, ME 04358

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Public Hearing
China Select Board
Monday – 03/20/2017
6:00 P.M.

Public Hearing – Central Maine Power/China Lake Tax Increment Financing District – First Amendment:

The Chair of the Select Board opened the Public Hearing at 6:00 p.m. Board members present were Neil Farrington, Ronald Breton, Joann C. Austin, Jeffrey R. LaVerdiere, and Irene L. Belanger. Others present were Mary Allen, Fred Glidden, Dale Worster, Jason Finley, Kevin Rhoades, Dick Morse, Tod Detre, David Herard, Bob O'Connor, Raymond Roberts, Tim Theriault, William Van Tuinen, Mary Grow, and the Town Manager.

The Chair noted the Select Board holds this public hearing to receive public comments on the proposed amendment to the Town's Central Maine Power/China Lake Tax Increment Financing District, said amendment to be known as the "First Amendment, Central Maine Power/China Lake Tax Increment Financing District and Development Program". This amendment is proposed in accordance with the Resolution approved by the China Select Board on February 20, 2017 and the adoption of an amendment to this development program for this District pursuant to the provisions of Chapter 206 of Title 30-A of the Maine Revised Statutes, as amended.

The Public Hearing brought explanations of the changes proposed for the Causeway Road and also a more distinct description of the proposed amendment, a three-page document with an addition and a map to distribute to the attendees.

Assessors' Agent William Van Tuinen was present to present his expert information of the proposal. He said four changes are proposed:

1. China's TIF, initially created in 2015, would be extended from 20 to 30 years;
2. The new Central Maine Power Company substation off Route 3 in China would become an additional part of the overall District and be a source of revenues. The Town Manager estimated that taxes from the expanded CMP power line, the original TIF revenue source, and from the proposed addition of the substation would equate to approximately \$350,000 annually.
3. Additional areas in China, as depicted on the map handed out, would be available for economic development and also be within the expanded District. The added areas were noted; to include an area on Route 3 around the former FairPoint building and Hannaford Brothers; a small parcel on the northwest corner of the intersection of Route 202/9 and 137 north of China Village; the newly acquired town land on Lakeview Drive; and an area around the Branch Mills Dam.
4. The Select Board would be authorized to enter into credit enhancement agreements, under which an entrepreneur is encouraged to open or expand a business in a TIF District by promising a partial or full rebate of the additional taxes generated by the project. Mr. Van Tuinen stressed that the credit enhancement option is not an entitlement; the Select Board are authorized to decide when it would be in the town's best interest to enter into such agreements.

Mr. Van Tuinen went on to present that the point of a TIF program is to shelter additional property valuations created by new development and causing the increased valuation not to count toward the State's valuation of the town for a certain period of time. The advantages gained in not negatively affecting the town's educational subsidy and revenue sharing and the County Tax would be significant.

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China resident Richard Morse argued that having the full value of the new taxes for two years and a certain percentage after two years was useful in holding down taxes and that China should not have a TIF. He expressed that the program was confusing and bureaucratic and that not many residents understand the program. Mr. Morse said that he feels lower taxes are more important than the projects on which voters will decide whether to spend TIF money, citing the proposed Causeway Road project the TIF Committee is proposing to undertake.

The Town Manager noted that the TIF program is competitive; if towns do not participate, their valuations relative to other towns rises and China pays more and receives less. He used Augusta as an example noting the valuation sheltered by multiple TIF programs, thereby shifting a larger share of the County tax burden to other Kennebec County municipalities.

Mr. Van Tuinen emphasized that the Funds derived from the TIF program could not be used for all town operations and must be associated with economic development.

Attended Margo Allen asked if the unspent funds temporarily accumulated in the TIF account would accrue interest. The response was that there would be a small accumulation of interest and that interest would remain in the TIF account.

Attendee Fred Glidden noted that most of the property in the expanded District looked to be private property and he wanted to know the extent of which public lands are included. Mr. Van Tuinen pointed out the various properties within the proposed new District. Mr. Glidden commented further that he has not seen the mil rate in China go down. The Board Chair Neil Farrington explained that there are more variables influencing whether or not the mil rate goes down, the education and County budgets.

Attendee Dale Worster, a member of the China TIF Committee commented that either the monies are given to the State or we could use the monies ourselves. He went on to note that the town needs to attract business development. Mr. Van Tuinen further explained a credit enhancement agreement and how it might be advantageous to a town.

The discussion followed to Section 8 of the Resolution and the conclusion was that the section had to be amended to change the wording from the town overall to within the TIF District. This would have to be done at the Annual Town Business Meeting on March 25, 2017.

The Chair closed the Public Hearing at 7:00 p.m.

Respectfully submitted,

A handwritten signature in cursive script that reads "Irene L. Belanger".

Irene L. Belanger, Secretary
China Select Board

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Select Board Meeting

Monday – 03/20/2017 – Town Office Meeting Room

7:00 P.M.

Minutes

The Chair opened the meeting and welcomed all in attendance at 7:00 p.m. All present recited the Pledge of Allegiance to the American Flag by the Chair, Neil Farrington.

On a motion by Selectperson Irene L. Belanger and a second by Selectperson Jeff LaVerdiere, the Board voted 5-0 to accept the minutes of the 03/06/2017 Select Board meeting as presented.

On a motion by Selectperson Irene L. Belanger and a second by Ronald R. Breton, the Board voted 5-0 to accept and sign China Payroll Warrant #47 for \$24,808.21 as presented. On a motion by Selectperson Ronald R. Breton and a second by Selectperson Irene L. Belanger, the Board voted 5-0 to accept and sign China Town Payables Warrant #48 for \$79,673.85 as presented.

Unfinished Business:

- **Transfer Station Co-Coordinator's Conversation and Organization/Other Reports:**
Selectperson Irene L. Belanger reported the on the current events relating to several respective organizations, e.g. RSU#18, GrowSmart Maine, and the KRDA. She went on to note that Earth Day is scheduled for April 22, 2017 and that the Drug Take-Back Day is scheduled for April 29, 2017.
- **Warrant Articles for the Annual Town Business Meeting – Emergency Services Stipends – Annual Town Business Meeting Warrant Article#20 (Stipends):** The Board invited the chiefs of the emergency services entities to this meeting to discuss a potential policy on stipend payments to volunteers. The stipends item, it was noted, will also be on the Warrant for the Annual Town Business Meeting. SCVFD Chief Dick Morse told the SB that it would have been good for the Board to have discussed this concept earlier so that a consensus could have been determined regarding a policy. He went on to assert that there was not any particular reason for the \$40,000 number and that not any plan had been offered and not any evidence of need identified. Dick went on to say that he believes stipends will not help membership increase in the fire departments or China Rescue.

Despite the reservations expressed, Mr. Morse did indicate that his department had a vote on the stipend subject. His department members do not support stipends for town firefighters, though they do so for China Rescue members, who receive many more calls to respond to in a given year. Dick went on to suggest that the Chiefs and the Select Board have discussions on the development of a plan for sharing funds before a Town Meeting vote.

CVVFD Chief Tim Theriault commented that CVVFD members, except himself, all voted in favor of stipends. To support the department vote, Tim researched other towns' policies for distributing funds and came up with a preliminary plan to discuss with all stakeholders. Tim said that his research allows him to respond to the comment that there is not any plan developed. He cited a couple of examples of neighboring towns' policies. He went on to say that, if voters approve,

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he would see the stipends offering as an experiment for a trial period of time. If it does not produce the desired results, he will oppose continuing the program. China Rescue Chief, David Herard, said Rescue members believe money might keep members, though is unlikely to add new members.

WMVFD Chief, Webb Shaw, was unable to attend the meeting. David Herard, a WMVFD member, said the majority of that department favor stipends.

Select Board Chair Neil Farrington movingly complimented emergency responders. He said Article 20 lets departments decide how to divide stipend money and does not require everyone to accept it. He went on to say that since the appropriation, if approved, does not become available until July 1, 2017, and therefore there is enough time to develop a plan. He favors giving the stipend program a chance.

Selectperson Ronald R. Breton said that stipends are a good idea though wanted to see a plan in place and wanted to see that the possible future appropriations do not come from the unrestricted fund balance. He said we need it but it is not ready to go.

Selectperson Joann Austin said that she does not know what the answer is at this time but that the town needs to get a plan and give energy to what is taking place with stipends.

Selectperson Jeffrey R. LaVerdiere noted that he was under the impression that the fire departments are short-handed in some areas and that stipends, if done right, could defray the expenses incurred in volunteering in emergency responses. He noted the hardships with people not receiving COLA increases in their remuneration.

Selectperson Irene L. Belanger praised the emergency services volunteers and noted that she recognizes them at each Town Meeting. She believes the concept will be appropriate and will work after a plan is developed.

Chief Tim Theriault also mentioned a Volunteer Incentive Program that has worked in other towns and organizations. Resident Todd Detre commented about the possibility of billing for emergency services delivered. Resident Dale Worster commented that the stipends might also be a good incentive to get volunteers to training events if included in the stipend reward program. Resident Fred Glidden said that he thought on the first read of the Article that it sounded like the town wanted to get control of the fire departments.

On a motion by Selectperson Joann C. Austin and a second by Selectperson Ronald R. Breton, the Board voted 5-0 to accept and sign the final Warrant for the Annual Town Business Meeting as presented.

New Business:

- **Public Comment:** There was not any public comment at this time.
- **Policies and Procedures:** The Board will continually review policies and procedures with the intent of updating any and all that need attention.
Redzone Wireless, LLC. – Jamie Bloomquist and VP Overseeing Municipal Programs: The representatives of Redzone Wireless will attend a future meeting of the Board after obtaining additional demographic information on China residents.
Appointments: On a motion by Selectperson Irene L. Belanger and a second by Selectperson Ronald R. Breton, the Board voted 5-0 to accept the appointments as presented.

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- **Quit-Claim Deeds:** On a motion by Selectperson Irene L. Belanger and a second by Selectperson Joann C. Austin, the Board voted 5-0 to accept and sign the Quit-Claim Deeds as presented.

Manager's Communications (Non-Action Items):

- **Meeting Announcements:** The respective dates, times, and places of the committee meetings were announced.
- **April 3, 2017 - 6:00 P.M. - Susan Smith – MMEHT – Health Insurance Options:** It was noted that Susan Smith will be present at the next SB meeting to discuss potential plan options.
- **Strategic Planning Session – Next Steps:** The Board will revisit the strategic planning review at a future meeting.
- **TIF Information/Conversations:** The Board agreed to have this item on the agenda for continued conversation and clarification.

On a motion by Joann C. Austin and a second by Selectperson Ronald R. Breton, the Board voted 5-0 to adjourn at 8:33 p.m.

Respectfully submitted,

Irene L. Belanger
Irene L. Belanger, Secretary
China Select Board