

SPECIAL BOARD OF SELECTMEN'S MEETING
May 14, 2014 5:30PM

Quorum noted

5:30 PM: Meeting called to order by Chairman Moynahan.

Roll Call: Mr. Moynahan, Mr. Murphy, and Mr. Hirst.

Absent: Mr. Dunkelberger and Mr. Beckert.

Pledge of Allegiance recited

This is a Public Hearing to discuss the Citizen's Petition to be voted on in June, as well as a discussion regarding TIF alternatives.

5:32 PM Mr. Moynahan opened the Public Hearing and read the Citizen Petition. He invited the public to speak on this article.

5:33 PM Mr. (John) Chagnon asked if the wording to remove any sewer projects and funding from the TIF District removed any possibility of building any sewer on Route 236.

Mr. Lee said that he didn't think so; that this was strictly TIF funds for that purpose and if someone wanted to privately extend sewer that would not be a problem.

Mr. (Bob) Pomerleau agreed that nothing in there precluded any private development plan; that this strictly limited the TIF District with TIF funds.

5:35 PM Mr. (Russ) McMullen discussed his concern regarding not seeing any alternatives in the list that would work as they didn't appear to create any economic development. He also discussed his strong concern regarding dissolving the TIF District as a TIF has never been terminated in Maine before and the consequences are totally unknown. He said that the attorneys who helped develop the TIF warned that, if the TIF were to be dissolved, there were all the towns in York County chipping in money to subsidize Eliot's TIF and that they might ask for their money back. He added that he thought the Townspeople should know that the \$2 million sitting in the TIF account may never see Eliot's General Fund.

Mr. Moynahan agreed it was an unknown and would be hard to tell voters any different; that they couldn't tell voters, for a fact, that it would cost Eliot money.

Mr. McMullen said that what was felt at the Governor's Office is that this would probably become a legislative decision.

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Mr. Moynahan said that the Board was looking at establishing an Alternatives Committee; that they do have a plan in place. He added that currently they are living within a sewer project with that and until something happens they have chosen not to move forward with another avenue; that they are not allowed to by the Town until that language changes.

5:37 PM

Mr. Pomerleau discussed several emails from Maine Revenue Services (MRS) and Economic & Community Development (MECD) regarding termination and funds that said that under existing law the money would go to the General Fund, with no penalties or punishment. He added that the MECD Director said that there have been a number of TIFF's that have not gone to term; that they have been modified (shortened) rather than just immediate termination. He said that he thought there were ample alternatives that could be approved for TIFF projects. He disagreed with the concerns regarding the legislature; that there was no precedent to do anything toward Eliot and Eliot would have, in good faith, followed the statute of the law. He added that unless someone could show there was malicious intent from the beginning or some bad faith effort the legislature would be loath to punish Eliot as that would send a chilling effect throughout the State for any other community that wanted to engage in the TIF and had concerns about its success.

Mr. Chagnon said that the Town, in its official position, has asked questions regarding any penalties and has not gotten an answer one way or the other.

Mr. Moynahan said that that would be accurate; that the questions have been specific to Bernstein Shur and the answer from them is that they don't know.

Mr. (Denny) Lentz, discussing the potential alternatives committee, said he would like to see some criteria developed as to what would be a recognizable project.

Mr. Moynahan said that MECD would play a big role in that; that Bernstein Shur, if a committee were formed and developed projects, would review the projects and discount any that didn't qualify.

5:43 PM

Mr. Chagnon said that he was against this referendum for several reasons. He said that while he thought that a vocational school was an excellent idea a sewer would serve this idea better. He added that the problem with the referendum language is that it eliminated any possibility of sewer and he thought that was like throwing the baby out with the bath water. He said that he thought the problem for the voters has been the size and scope of the project (Rt. 236 Sewer), not the issue of sewer, itself. He said that Mr. Pomerleau's idea of a village project in Eliot was a great idea but, again, it would be a much better development if sewer was available. He said that these great ideas would be limited in scope if sewer was not available. He reiterated his position of voting against this referendum and

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suggested having sewer in the mix and move forward with a TIF District that has all the possibilities that they were all talking about.

5:50 PM Mr. Murphy agreed, saying he was very unhappy with this petition. He added that any municipality in this modern age relies on a community infrastructure dealing with sewer. He discussed the wet soils in Eliot and the negative impact with individual septic systems. He discussed the history of the development of Route 236 and the Industrial/Commercial Zone along this road. He said that having business development on Route 236 made sense and allowed the rest of Eliot to remain rural. He also discussed the help having sewer in Town would be in corrective action for a number of serious septic issues in Town.

Mr. Lentz said that he was not against the sewer project and agreed that an infrastructure should support a community; that what was proposed on Route 236 was not supporting a community but a small number of businesses and landowners in that area. He added that he supported the petition because it limits the sewerage from that area.

6:02 PM Mr. Pomerleau discussed his frustration with the "low numbers" argument being brought up; that citizens are better educated today than when 198 people first passed this TIF; that he truly believed that people were voting against this (Route 236 Project) because they do not feel it is consistent with their image for this Town as a rural town and that development on Rt. 236 would have a serious impact on that vision.

Mr. Chagnon said that having the TIF would help with taxes if the Town were to develop their commercial property, as the return to the Town would be much greater than residential development.

6:07 PM Mr. McMullen said that he has had a business on Rt. 236 for 30 years and has a septic system that works well; that he did not need sewer. He added that his concern with sewer was the future of this Town; that he didn't want sewer where he was but to continue from Beech Road on up, as the TIF Committee originally created it for. He discussed his serious concern for the two major waterways that ran parallel with Route 236 with all kinds of waste facilities and recycling facilities, and the soils that are clay with a high water table. He discussed the benefits to the tax base and the waterways in developing sewer along Route 236. He added that he didn't understand why people didn't seem to be concerned with the negative impact to the waterways. He said that the Town has the opportunity to have a central sewer connected into Kittery for a very small amount of money to the taxpayers, if any, and he didn't understand why people were not supporting that.

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Ms. (Donna) Murphy said that the businesses mentioned – a grocery store, a pharmacy, a coffee shop – we have had in Eliot and they failed due to lack of business; that people don't mind driving to Kittery and tax-free New Hampshire to shop. She added that this sewer can only serve commercial development; that it wouldn't help private homeowners because they wouldn't be able to hook into it.

6:14 PM Mr. Hirst said that he understood why Mr. Pomerleau put in the petition and he understood that people have voted three times not to do the sewer expansion; that he has moved on from the sewer expansion project even though he wasn't happy about it. He added that his concern, if this petition were to pass, was that it would handcuff the Town in using TIF funds for that part of any EPA-commanded changes to the Town and recommended the petition be defeated.

Mr. Moynahan said that he wished the wording on the sewer was different; that he thought alternative projects should be discussed; that this would minimize potential TIF alternatives in the future.

6:16 PM Mr. Lee said that his concern was that they only have an 18-month window from the time the petition was delivered; that we are now in month six and would be voted in month seven; that preparation for a warrant would knock out another two months. He added that whatever committee is formed would have to be excruciatingly active and focused to get this done within the timeframe presented in this petition.

Mr. Moynahan said that they had some food-for-thought for people to consider in making their decision at the ballot box.

6:17 PM The Public Hearing was closed.

Adjourn

There was a motion and second to adjourn the meeting at 6:18 PM.

VOTE

4-0

Chair concurs

DATE

Mr. John J. Murphy, Secretary