

**OFFICIAL MINUTES: Meeting**  
**Eliot Tax Increment Financing Committee Workshop**  
**Eliot, Maine 03903**

**DATE: July 17th, 2019**  
**APPROVED: August 6, 2019**

**OFFICERS:**

**Chair: Michael Dupuis**  
**Vice chairman: Edward Henningsen**  
**Secretary: Sarah Plocharczyk**

The joint workshop with the Select Board was called to order at 6:00 PM at the Eliot Town Hall.

**In attendance:** Edward Henningsen (Ed), Sarah Plocharczyk, Charles Bradstreet (Charlie), Rosann Lentz, Dana Lee, and Select Board members Richard Donhauser, Alex Orestis, Jack Murphy, Philip Lytle, and Robert McPherson .

**Absent:** Michael Dupuis (Mike), Caleb Sloan, and Randall (Randy) Stewart

Dana: Recent TIF committee looked at the Village District idea and how to route sewer and water for the Gorranson property and to Frost Tufts (Frost Tufts was included in the TIF from prior committees to allow future routing of sewer to River Road as needed in the future) and found many problems. The Gorranson property in particular has many wetlands and vernal pools, etc... and Frost Tufts is in a residential area that is not appropriate for an economic development project (and TIF funds cannot be used to route sewer to only residential areas). The TIF Committee recommends to the Select Board to consider putting sewer on Rt. 236 before the voters. The TIF Committee considered only putting water on Rt. 236 but that was deemed unrealistic without proper water/waste disposal. Any economic development projects should occur along Rt. 236 and doing so in the future will elevate the businesses within the TIF district with increased services that include water and sewer. Additionally, there is a state plan to work on Rt. 236 that would tear up the road and that would be the best time (and cheaper) to lay infrastructure at that time. This TIF Committee also proposes changing a few parcels in the TIF district to create greater potential (referenced in Martine Painchaud's email).

History: Keith from Underwood Engineering stated that in 2012, 6 options were created (option 5 was chosen in 2012). This included forced main up Beech Rd to a pump station and gravity sewer with low pressure sewer east on Rt. 236 with potential to go West on Rt. 236. There is an ordinance to force residents to hook into the gravity main once it is installed (which there is an expected fight from residents affected) if put up Beech Rd. Dana: There may be a leniency period in which they may opt out – will have to look into it – we would need to explore more and see how it would impact people. Shana Cook Mueller says we need a project however many things on the approved menu do not make sense anymore. Dana then presented blown up images of properties in question.

Sewer has been repeatedly voted down however now may be a different. We are here to hear what the Select Board thinks about adding sewer to the TIF menu options as well as adding infrastructure to

entice development in the TIF District. Ideally, we would like current properties to develop on their own by increasing infrastructure – no developers (in line with survey on what voters want).

Keith: Original plan had a cost in Kittery as well, that cost would need to be refigured. Specifically capacity – would need to know what is required of future system and what that would cost from Kittery. Any sewer would be built for future projections should they need to occur in the future. Also, current plan provided by Underwood Engineering did not include water/internet/other services – only sewer. Ed: How big of a factor is it getting to the middle school? Not a concern right now.

Donhauser: Money coming from TIF properties is incremental value. We are in a different economic situation than in the past. 4.5 million dollars is in the bank right now – to do the sewer we have the equity to build up debt service paid by cash flow from TIF projects – it wouldn't increase property taxes. For the record he used to own land on Rt. 236. Sewer increases the value of the land – sewer allows builder/developer to put a bigger project on the property. Rt. 236 will develop in spite of us so we should get ahead of it while we can. To dissolve the TIF now to reduce property taxes short term it would get rid of the "tax haven" that allows for our reduced property taxes because it would affect state taxes/planning/state aid to education – resulting in increasing taxes/loss of assistance. Need to consider this in either net gains or losses. The TIF acts to reduce the amount of assessed value because the TIF District is held out of the calculations that are done by the state that end up holding us lower than other towns. Is this unfair? Other towns do it too.

Dana: No town that he is aware of has ever given back a TIF.

Donhauser: School district shared with South Berwick we pay more with assessed value (we pay 55/45 currently but that ratio would increase should we dissolve the TIF).

Dana: No rate increases on sewer for a while – we had 3 increases with 700 people – it would be nice to spread the costs with addition of commercial businesses to contribute with expanded sewer.

Jack: Do businesses increase burden on police and fire departments? We would need to look into that further.

Alex: Sewer makes sense on Rt. 236 however, the concern is voter fatigue – we would need lots of education to get this through the voters. Does the addition and removal of parcels need to be done now? Yes- need to update TIF map, parcels, value, acreage, etc... 2022 Rt. 236 is scheduled to be rebuilt.

Rosann: Has a cost saving study been completed to see what the difference would be in conjunction with the state doing some of the work when they redo the road vice if we did everything independent of the roadwork? Ed: Southern Maine Planning did a study to Beech Rd to include us in the study however, we would need to apply for that via a project. We currently have an application we could fill out. Would have to be filled out by the Select board, then goes to Kittery Area Transportation Group (KATG) to go to bid for traffic engineers or let the same firm continue the study.

Phil: I'm for it.

Bobby: I'm for it. Nothing is benefitted from going through the Village under current plan and restrictions.

Donhauser: Why was farmland and Tuffs Frost park put into the TIF in the first place – that does not seem appropriate.

Agenda on the 25<sup>th</sup> can be to do something for the TIF. Cannot vote on anything during this workshop.

Ed: For the November vote we would ask that sewer be added to the menu and amend TIF map. The deadline for that vote is September 12<sup>th</sup> and Public Hearings are needed.

Price from Underwood Engineering to update the sewer study would need to go before voters – cannot study sewer on Rt. 236 with TIF funds – would need another source. Do not want to spend money and not get it approved by voters.

Rosann: We should ask Selectmen for funding for the study?

Alex: How much are we talking about? Study for water can come from TIF funding but we should not spend money on things that are currently not approved by voters.

Jack: We need water – the fire chief has mentioned that twice now.

Ed: we need to talk to DOT – Underwood will open up conversation with DOT if we give them a name – will get with Dana later for name. Design can be done in time for June vote assuming there is a “Yes” in November. They will only need a 33% design for that.

Rosann: Education will be very important with all the negativity regarding Rt. 236.

Dana: Let's shoot to put this before the voters for November vote.

**Public Comment:** Robert Pomerleau: The 75/25 shelter amount may have changed with the school district may be a 60/40 split now. Committee cannot execute the plan, they can change zoning but this town will always be opposed to development. People do not want development on Rt. 236. Even if we put in infrastructure on Rt. 236 no one would build on it.

Jim Tessier: Don't need to spend money on the 2012 sewer study to update it, you just need to account for inflation to get a rough estimate what it would cost today. There are outliers that can change that estimate (don't need to upgrade pump stations per previous plan).

Next regular meeting on 6 August 2019 at 6pm.

Donhauser motioned to adjourn meeting at 7:10 PM, Alex seconded. All in favor 9:0.

Respectfully submitted,

Sarah Plocharczyk

Secretary, TIF Committee

Cc: Eliot Town Clerk, Commission Members, Commission File