



MINUTES TOWN FINANCE COMMITTEE

Thursday – July 10, 2025

Hybrid

5:00 P.M.

Item 1. Call to Order. J. Anderson – Chair, called the meeting to order at 5:03 p.m.

Item 2. Those Present. Finance Committee members present: Councilors Jonathan Anderson – Chair, Karin Shupe and Council Chair April Sither – arrived late. Others present: Thomas J. Hall, Town Manager, Liam Gallagher, Assistant Town Manager, Norman Kildow, Finance Director, Nick Cloutier, Town Assessor/Director of Special Projects and Karen Martin, Director of SEDCO.

Item 3. Approval of Minutes: June 12, 2025. Motion by K. Shupe, seconded by J. Anderson, to move approval of the minutes from the June 12, 2025, Finance Committee meeting.

Vote: 2 Yeas. Motion passes.

Chair Anderson noted there were two items the Committee would be discussing, the Marshview CEA and the finance impact of new schools. Adding that since Councilor Sither had not arrived yet, the Committee would start with the school discussion.

Item 5. Discussion on the Financial Impact of the new Schools.

The Finance Committee discussed the financial impact of a proposed school construction project. Thomas J. Hall, Town Manager, presented the analysis, and the committee reviewed the potential tax impact on residents.

J. Anderson, Chair, asked for public comments. The following individuals commented this topic:

- Sue Hamill, of Bay Street, expressed concern about the high tax impact for several years and questions the interest rate assumption.
- A.M.K of Scarborough, asked about the overall plan for the town, given a previous school proposal was voted down.

There was further discussion. J. Anderson, Finance Chair, explained that the proposal being brought forward is the result of a two-year process involving a 40 person citizen committee. The committee also planned to review the town's debt metrics with the Town's Financial Advisory in September before proceeding with the bond.

The Committee reviewed materials developed by the SBCC Committee. The recommendation involved a basic school solution costing \$129.85 million and an additional \$10 million for middle school expansion. The committee reviews financial models, discussing assumptions such as interest rates and their impact on taxpayers. They also consider potential strategies to smooth out the financial impact, including the use of impact fees from new development to offset costs.

Item 4. Discussion and consideration of the Marshview CEA Request.

The Finance Committee discussed a proposed 51-unit age-restricted development, analyzing its fiscal impact and tax implications. The Committee evaluated an affordable housing project proposal, considering various factors including alignment with the town's comprehensive plan and public benefit aspects. After deliberation, the committee voted to recommend a reduced 50% Credit Enhancement Agreement over 30 years for the affordable housing project, while deciding to postpone their next meeting until September to review stormwater management findings.

Motion by J. Anderson, seconded by A. Sither, to move approval to recommend to the Town Council that the Finance Committee would seek a CEA that retains 50% of the new taxable value over 30 years instead of the 75% as requested by the applicant.

Vote: 2 Yeas. 1 Nay [K. Shupe] Motion Passes.

Item 6. Public Comments. None at this time.

Item 7. Adjourn. Motion by A. Sither, seconded by K. Shupe, to move approval to adjourn the regular meeting on the Scarborough Town Council Finance Committee.

Vote: 3 Yeas. Motion Passes.

Meeting adjourned at 6:25 p.m.

Respectfully Submitted,

Yolande P. Justice

Clerk to the Council

[Not present at meeting, Transcribed by Video.]