

AGENDA
SCARBOROUGH TOWN COUNCIL
WEDNESDAY – SEPTEMBER 3, 2014
TOWN COUNCIL WORKSHOP ON TRANSMISSION TOWER– 6:00 P.M.
REGULAR MEETING – 7:00 P.M.

NO NEW BUSINESS SHALL BE TAKEN UP AFTER 10:00 P.M.

- Item 1.** Call to Order.
- Item 2.** Pledge of Allegiance.
- Item 3.** Roll Call.
- Item 4.** General Public Comments.*
- Item 5.** Minutes: August 20, 2014 – Regular Meeting.
- Item 6.** Adjustment to the Agenda.
- Item 7.** Items to be signed: a. Treasurer’s Warrants.
- Item 8.** Non Action Items.
 - a. Report from the Canine Education and Enforcement Ad-Hoc Committee.

***Procedure for Addressing Council** [Posted in Chambers.]

Order No. 14-72, 7:00 P.M. Public Hearing and second reading on the proposed designation of Griffin Road Affordable Housing Development District and adopting the Development Program for such District and authoring a credit enhancement agreement for such District, pursuant to the attached Order No. 14-72 and the provisions of Chapter 207 of Title 30-A of the Maine Revised Statutes, as amended and authorize the Town Manager to sign any and all documents pursuant to said District.

Order No. 14-78, 7:00 P.M. Public Hearing and action on the new request for a Food Handlers License from Exit 42 Donuts, LLC, d/b/a Dunkin Donuts, located at 284 Payne Road.

Order No. 14-79, 7:00 P.M. Public Hearing and action on the new request for a Combined Massage Establishment/Massage Therapist License from Leslie Girmscheid, d/b/a Leslie Girmscheld Massage Therapy, located at 11 Farmhouse Road.

OLD BUSINESS: None at this time.

NEW BUSINESS:

Order No. 14-80. Act on the request to place the referendum question to purchase a new Fire Truck on the local Ballot for the November 4, 2014, Municipal Elections.

Order No. 14-81. Act on the request to place the referendum question to fund a town-wide revaluation on the local Ballot for the November 4, 2014, Municipal Elections.

- Item 9.** Standing and Special Committee Reports and Liaison Reports.
- Item 10.** Town Manager Report.
- Item 11.** Council Member Comments.
- Item 12.** Adjournment.

Item 8.

To the Scarborough Town Council:

In this packet is the final report of the Canine Education and Enforcement Ad Hoc Committee, established by resolution 14-04.

In that resolution we were charged with the following duties:

- Work with Community Services to develop educational programs and materials, and,
- Work with Public Works to develop consistent signage for all beaches; and,
- Provide support for the Plover Coordinator in the development and implementation of a beach monitoring program for Higgins Beach, Ferry Beach, and Pine Point Beach; and,
- Work with Community Services to evaluate the need for dog parks; and,
- Develop an off leash tag program modeled after Boulder CO and submit it to the Ordinance Committee within 60 days of the Committee's first meeting; and,
- Work with the Plover Coordinator regarding the designation of "essential habitat"; and,
- The Committee shall sunset on September 1, 2014.

This committee has fulfilled those duties to the best of our ability and we thank you for allowing us to serve our town in this manner.

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Recommendation for signage around town:

- Number of signs – The committee sent a team out to examine all points of access to area beaches and found that the number and placement of signs appears to be very thorough and accurate
- Message on signs – In general the committee finds the signs to present an unwelcoming feel in town. They are for the most part accurate. The greatest concern was the messaging around the off season hours being confusing. Feedback from residents has been that some thought they could only bring their dog to the beach from 1pm – 3pm. Rather than re-order signs and incurring additional expense the committee recommends a cover up sticker for the off season hours as such:
 - Dogs Welcome at all times but kindly keep them on leash from 1pm – 3pm – Thank you for your cooperation!
- With an efficient monitor system in place the temporary signs are unnecessary.

Recommendation for De-Listing Ferry Beach as essential habitat:

- Given the lack of nesting birds at Ferry and Western beaches this committee recommends that the Town Council direct the Town manager to complete the necessary paperwork to request the de-listing of Ferry / Western Beach as essential habitat. This would accomplish two major goals:
 - Safeguard against future hold ups on necessary dredging projects
 - Secure the Town's interest in deciding the usage for what little piece of that beach it still owns
- The committee also recommends that the Town Council request the addition of the small private beaches that lie to the north and south of Scarborough beach be added to the essential habitat area as there were indeed nesting plovers there this season. This accomplishes a goal of further protection and awareness of sensitive ecological areas.

Recommendations for Restricted areas:

- Given the success of the plovers this year and the complexity of nesting locations and general beach geography, particularly at Pine Point, this committee recommends that the Council eliminates the restricted area at Pine Point and Higgins Beach for year two.
 - At Pine Point, the one nesting pair in the restricted zone did not produce any fledglings
 - At Higgins beach having two separate barrier lines was too confusing for the general public – especially out of towners, the state land line provides more than enough of a restriction already

Summary on additions / tweaks to the Beach Monitor system:

- Worked with Plover coordinator to develop a more comprehensive framework for the training of beach monitors that includes:
 - codes of conduct for monitors and dog owners
 - created role play scenarios for training purposes
 - created a review for the end of training

(See attached documents below and dissenting opinion pg. 14)

Beach Monitor Review

1. The primary mission of the beach monitor program is to:
 - a. Grow the population of Piping Plovers in Scarborough
 - b. Enforce the Piping Plover and Animal Control ordinances
 - c. Educate the public as to the existence of the Piping Plover and provide additional protection of the nesting areas and newborn chicks from all hazards; keep objective data on beach observation
2. Piping Plovers start arriving on Maine beaches in _____ and begin to migrate South again in _____:
 - a. April / August
 - b. May / September
 - c. June / October
3. The incubation period for Plover eggs once laid is approximately:
 - a. 15 days
 - b. 20 days
 - c. 28 days
4. It takes approximately _____ days for the chicks to fly from the time they hatch.
 - a. 15 to 19 days
 - b. 23 to 27 days
 - c. 28 to 32 days
5. According to the last 33 years of Audubon data the greatest threat to the Piping Plover's successful hatch rate is:
 - a. Natural predators such as fox, skunk, and avian predators
 - b. Human activity
 - c. Dogs
6. When observing a violation of any ordinance a monitor's responsibility is to:
 - a. Document it on their observation sheet
 - b. Attempt a friendly re-direction if possible Example: Asking teenagers not to play whiffle ball in the stake and twine area; reminding a dog owner where the restricted zones are if they have crossed over too far
 - c. Both a and b
7. Scarborough beaches host thousands of visitors each year, in fact the diversity of those users are vital to our local economy. Whether it be sunbathing, swimming, surfing, kite flying, bird watching, or walking their dog, there is a time and space for everyone to enjoy our beaches.
 - a. True
 - b. False

Training / Role Play Scenarios for Beach Monitors

For each scenario it will be beneficial to also discuss a variety of reactions from both sides of the encounters. More times than not it is “how” you say something, not “what” you say that has the greatest effect on the efficacy of educational efforts.

Scenario #1: While performing your monitoring duties you encounter a family of four digging in the sand to build a castle precariously close to the stake and twined area. A pair of plovers has successfully nested and three chicks were recently born in that location. You know that a deep hole can be a hazard for young chicks. How do you approach the family?

Scenario#2: A woman is walking her dog on leash in the restricted area at Pine Point during nesting season. She is within the morning hours and therefore not violating the ordinances in any way. What do you do?

Scenario #3: A group of teenagers is playing whiffle ball in the restricted area at Higgins Beach. The stake and twine are has in fact become their official and automatic “homerun” marker. What approach might you take with the teenage boys? What can you do if they refuse to move their game or become verbally disrespectful?

Scenario #4: An unleashed dog is within sight and voice control of its owner in the non-restricted area of the beach and within the allowed timeframe. Chicks have in fact recently hatched in that area although you have not seen them during your shift.

Scenario #5: An unleashed dog is running loose with no owner in sight.

Scenario #6: It is 9:02am on a July morning. An owner and its dog are walking toward the beach path to leave.

Scenario #7: A father and son are flying kites near the stake and twine.

Town of Scarborough Beach Monitor Code of Conduct

The primary objective of the Scarborough Beach Monitoring program is to promote greater awareness and understanding of Scarborough's Piping Plover population. It is a volunteer group dedicated to furthering the protection of these endangered shorebirds from all potential threats and hazards.

Duties and Accountability

1. Assume that all people want to do the right thing. Smile, be friendly and non-judgmental in your approach to conversations. Always have your ID badge clearly displayed. While performing monitoring duties treat all beach-users with respect, regardless of if they are in violation of an ordinance.
2. The role of the beach monitors is to educate not attempt to enforce any of the ordinances. If you see a violation, note it in your observation form and approach in an effort to educate. If the citizen is unreceptive, walk away. If a violation is observed, you may choose to call the Animal Control Officer or Scarborough Police Department or simply make note of it on your sheet.
3. Participate in ongoing trainings and group meetings as appropriate. Typically at the beginning and end of the monitoring season.
4. Have a clear understanding of the Town's ordinances as they relate to piping plover protection. These include, but are not limited to, the Animal Control Ordinance (Chapter 604) and Piping Plover Protection Ordinance (Chapter 610).
5. Objectively record and document violations of previously stated ordinances, track total numbers of beach-users spoken to or educated, track total numbers of dogs on beach, record other threats and hazards to piping plovers, document locations and movement of piping plovers.
6. Respect people's right to privacy. Do not take their pictures, record video or follow them to their car to get a license plate number. This is harassment, if you are reported for hostile or aggressive behavior you may be relieved of your volunteer monitoring duties.
7. Have fun!

Code of Conduct Declaration

I, _____ (print volunteer name), have read, understand and agree to abide by the Town of Scarborough Beach Monitor Code of Conduct and I understand that such adherence is a condition of my volunteer work. I understand that a violation of the Code of Conduct may be grounds for termination as a volunteer.

(Volunteer Signature) (Date)

Code of Conduct: FOR ALL DOGS AND THEIR OWNERS VISITING OUR SCARBOROUGH BEACHES:

We welcome you, but ask that you abide by the following guidelines, so that freedom of access can be maintained for everyone.

1. Abide by the Animal Control/Piping Plover protection ordinances.. Read, respect and follow all instructions on all signage.
2. Respect the Environment: Pick up all waste.
3. Keep a leash for each dog you have with you available at all times.
4. Respect People: don't allow your dog(s) to approach other people on the beach in an uncontrolled manner. Not everyone welcomes dogs; an uncontrolled dog bounding up to an individual can be intimidating and unwelcome. Prevent this negative interaction by keeping your dog close to you until the individuals indicate that interaction is desirable. If voice control is not adequate for your dogs, be prepared to leash them, to avoid negative interactions. Don't assume everyone is going to love your dog(s).
5. Respect other dogs and their owners: Don't assume all dogs will welcome your dog's uncontrolled approach. Consider this as you approach other dogs on the beach, especially dogs on leashes. Their owners may have valid reasons for keeping them on leash. All dog to dog introductions should be controlled and respectful of the needs of both parties. Be prepared to leash your dogs as needed to prevent negative situations.
6. Even in sanctioned off leash times/areas, consider that the density of use of the beach at that time may not be conducive to off leash activity with your dog. Be respectful and considerate. Move to another, less utilized area of the beach. Or, exercise on leash. Or, come back at another time.
7. We value our off leash opportunities on our Scarborough beaches, but maintaining them requires that all dog owners engage in responsible ownership in accordance to this code of conduct. We both expect and appreciate your compliance with this code of conduct.

DOG PARKS

The ad hoc committee's first and foremost recommendation regarding dog parks in Scarborough is not to have any dog parks.

If the Town Council insists that there be dog parks in Scarborough, then we recommend putting this on the ballot in the November election and let the citizens of Scarborough determine if they want tax dollars to pay for the creation and maintenance of dog parks.

If the above recommendations are rejected by the Town Council, and the Town Council still has the need to have dog parks in Scarborough then a "Dog Park Commission" should be set up by the Town Council consisting of as many people as they deem necessary. Should the Council decide to use land the Town currently owns, the "Commission" would have to solicit funds and/or hold fund raisers to privately finance the maintenance that is required to utilize and maintain respectable dog parks. However, please keep in mind that any land the Town provides for the dog parks has a value and that by not selling that property, and providing it for dog parks, is a loss of revenue to the town and its residents.

Each dog park would require:

- Fencing around the perimeter of land
- Fencing to divide land between small and large dogs
- Gates, requiring pass code locks
- Paths for people to walk or use with a wheelchair
- Plastic bags for dog waste
- Garbage cans
- Garbage pick-up twice a week
- Water
- Porta Pottys
- Benches
- Handicapped Accessibility
- Parking lots
- Monthly treatments for fleas and ticks (when applicable)
- Snow plowing of parking lots and parks (when applicable)

- Mowing lawns (when applicable)
- Security cameras
- Lighting for safety and night time walks

Obviously, the yearly cost of these parks would change. Fencing would only be required once, but would have to be maintained.

The town of Scarborough has 7 Parks that dogs are allowed on leash. Scarborough has 6 Land Trusts. Not all allow dogs and the few that do have already had problems. Libby River Farm has said that dog waste is a big problem. On Eastern Trail dogs are not allowed off leash. However any Land Trust property that would be “made” in to a “dog park” would be required to provide everything that a dog park should have.

Research shows that privately funded dog parks are more successful than town owned dog parks. In February 2014, the town owned dog park in Augusta, ME was closed for two weeks because the park was so dirty it needed to have a thorough cleaning. It reopened with the warning that if owners did not pick up after their pets the park would be closed permanently. There are many dog parks that have had to close. Town owned dog parks are known to have high levels of E coli bacteria. They also are known to have bad reputations and most dog owners opt to walk their dogs elsewhere.

Most privately funded dog parks have a gate with a pass code lock. Each year when donations are made by individuals, the pass code is then given to them along with a parking permit decal for that year. It has been found that when individuals actually finance the dog park themselves, they have a vested interest in it and therefore are more successful.

Research is also showing that there are some very fancy dog parks in different cities. Water fitness and obstacle courses have been the trend in privately funded dog parks.

There are many cities that are doing privately funded dog parks, too many to list them all. Here are a few:

- Tahoe City, California
- McPherson, Kansas

- Freeport, Illinois
- Andover, Massachusetts
- Provincetown, Massachusetts
- Sharon, Massachusetts
- Yarmouth, Massachusetts
- Baltimore, Maryland (4+ privately funded)
- Redington, New Jersey
- Hamilton, Ohio
- Olympia, Washington (5+ privately funded)

The cost of maintaining an average dog park runs from \$25,000.00 to \$50,000.00 per year for each dog park. These figures are for maintenance only and do not include the land. The “Commission” would have to solicit funds and hold fund raisers every year that they want the dog parks to be open, or risk having them closed. No tax dollars are to be used in the creation or maintenance of dog parks; this includes any money generated from current revenue or that may have been left over from any previous project.

TAG PROGRAM

Summary:

This committee has been told that the council wants a tag program. The vision for this tag program is to have people in the surrounding communities purchase a special Scarborough tag and at the same time sign an affirmation that they have read and agree to obey the Scarborough rules concerning off leash dogs. This tag program would only apply to the people from the surrounding communities who use Scarborough beaches. It would not apply to residents or to visitors here on vacation. The purpose of this program would be to inform people of the town rules and to protect the town from liability.

After extensive examination of this issue it is the conclusion of this committee that a tag program of this nature would not effectively accomplish either of those goals. Also, the “pros” of instituting such a program are far outweighed by the “cons.”

Introduction:

It is the belief of this committee that town resources could be better and more effectively utilized to create added education and enforcement. The cost of a tag program is not in the best interests of the citizens of Scarborough and would provide no appreciable gain in compliance with our ordinances or additional impact to the plover population. Also, the changes already implemented have been more than sufficient to not only safeguard the existing (pre-ordinance) population of plovers using Scarborough beaches, but the town has seen increased population levels in 2014. In addition, it would be unfair, unenforceable and opening our town to lawsuits to craft a tag program that only applies to certain people who bring their dogs on the beach and doesn't apply to others.

We use as an example the tag program instituted in Boulder Colorado in 2006. In 2011 the Open Space and Mountain Parks Department (OSMP) evaluated their program and their results are as follows:

- OSMP reported a user rate of 25,000 participants, however this took 4 years to cultivate (2006-2010)
- During this tenure OSMP recognized the efficacy of the program was extremely limited and very difficult to disseminate to residents and visitors alike
- OSMP reported that while dog related incidents initially fell, they rose to pre-program levels by 2010, with no appreciable decline in incidents
- OSMP did not detect any significant change in dog owner use of voice control as specific to this program
- The total expense related to implementing and monitoring the program was substantially higher than the associated and perceived return on that investment.

We now look at the implications of the lack of success in Boulder and at other issues relevant to Scarborough's situation to present some pros and cons.

Pro:

Adding a tag program may result in more people being informed about our animal control ordinance.

Con:

Expense

In order to inform non-resident locals of Scarborough's new requirements there would have to be yet another expensive advertising campaign including ads, leaflets, information tables and additional signage.

The town would have additional costs associated with the implementation of the tag program such as buying the tags, the printing costs associated with disseminating the tags, enforcement costs on top of those that have already been put into place to enforce the current ordinance.

The council will be faced with significant reluctance by its citizens to put more money into funding such a program.

Liability

By just requiring non-resident local people to get a tag, but not visitors from further away, Scarborough may be opening themselves up to lawsuits. For instance, why should one someone from Gorham have to buy a tag to take their dog on Scarborough beaches while someone visiting from Boston does not?

Also, by creating a tag program that only applies to some people, it might be found by a court to be too vague to be enforceable. For instance, how far away does someone have to live before they don't need a tag? Buxton? Brownfield? Fryeburg? How about Sanford? Kittery? Portsmouth, NH? If a person can't tell whether they need a tag or not because the ordinance doesn't spell it out, the ordinance would be too vague to be valid.

Resentment

The enactment of the current ordinance and the enforcement of it this summer has created a lot of resentment among beach-goers on both sides. While some parts of the beach monitor program has gone smoothly, there have been incidents that have caused bad feelings and resentment. Adding another layer of rules would make that situation worse. It would be seen as a push-back by the "anti-dog" people in town and a breach of the compromise that has already been reached and has barely been given a chance to work.

Also, if Scarborough enacts a tag program that non-resident locals have to comply with how many other towns will do the same?

Money grab

Requiring non-resident locals to pay a fee to buy a tag would be seen as a “money grab” by the town of Scarborough.

Loss of business

The committee has heard that some local businesses have experienced a loss of business because not as many people are coming with their dogs to use our beaches. Before additional restrictions are put into place the town should verify the extent that businesses have been hurt by the current ordinance and how much more harm new restrictions might do.

Recommendations:

1. Due to the extremely successful plover season of 2014 and because the new animal control ordinance has not even been in place for a year, it is this committee's recommendation that Scarborough continue to monitor the efficacy of the current ordinance and allow for at least 1-3 years before adding another layer of complexity such as a tag program to our animal control ordinance. Give the ordinance time to work before adding more requirements to it.
2. Focus the town's money on advertising and enforcing the new ordinance rather than adding to it.
3. If after a couple of years of allowing the town to get used to the new ordinance the councilors are still interested in pursuing the “tag program” idea the town should do a thorough cost study.
4. If after a couple of years of allowing the town to get used to the new ordinance the councilors are still interested in pursuing the “tag program” idea the town should ask the town attorneys for a thorough liability study.
5. Before instituting a tag program in this town conduct a survey of local businesses to determine the extent of the loss of revenue to the businesses in town that the current rules have directly or indirectly cost.

Dissenting Opinion

The role of a Town Councilor is to decide on what ordinances, rules and regulations need to be passed and applied in order for the town to function in the image that they see as necessary.

It is not the role of a Councilor to monitor, reprimand or enforce those regulations that are on the books. The enforcement of the ordinances and regulations belong to the police/law enforcement agency of the Town.

It is inappropriate for any elected town official to act as an enforcement agent, as it shows bias, and is an abuse of power. A Town Councilor should not be permitted to volunteer as a monitor regarding any town ordinance.

Let Councilors be Councilors, and let the people who do not write and pass ordinances be the volunteers. It is the volunteers' responsibility to educate and advise the public of the ordinances that are passed and in effect.

Pammela Rovner and Cheryl LaRou
August 27, 2014

AGENDA
SCARBOROUGH TOWN COUNCIL
WEDNESDAY – SEPTEMBER 3, 2014
REGULAR MEETING – 7:00 P.M.

Order No. 14-72. Move approval of the second reading on the proposed designation of Griffin Road Affordable Housing Development District and adopting the Development Program for such District and authoring a credit enhancement agreement for such District, pursuant to the attached Order No. 14-72 and the provisions of Chapter 207 of Title 30-A of the Maine Revised Statutes, as amended and authorize the Town Manager to sign any and all documents pursuant to said District.

**TOWN COUNCIL
ORDER #14-72**

**AN ORDER DESIGNATING THE GRIFFIN ROAD AFFORDABLE HOUSING
DEVELOPMENT DISTRICT AND ADOPTING THE DEVELOPMENT PROGRAM
FOR SUCH DISTRICT**

WHEREAS, the Town of Scarborough (the "Town") is authorized pursuant to Chapter 206, Subchapter 3 of Title 30-A of the Maine Revised Statutes, as amended, to designate a specified area or areas within the Town as an affordable housing development district and adopt a development program for such district; and

WHEREAS, there is a need for the development of affordable, livable housing and the containment of the costs of unplanned growth in the Town of Scarborough, in the surrounding region, and in the State of Maine; and

WHEREAS, the designation of the District and implementation of the Development Program will help to improve and broaden the tax base in the Town of Scarborough and improve the economy of the Town of Scarborough and the region by attracting business development to the Town; and

WHEREAS, the Town will hold a public hearing on the question of establishing the District, in accordance with the requirements of 30-A M.R.S.A. § 5250, upon at least ten (10) days prior notice published in the *Portland Press Herald*, a newspaper of general circulation within the Town; and

WHEREAS, the Town desires to designate ***Griffin Road Affordable Housing Development District*** (the "District") and adopt a development program for the District (the "Development Program"); and

WHEREAS, it is expected that approval will be obtained from the Maine State Housing Authority ("MaineHousing") approving the designation of the District and the adoption of the Development Program for the District;

NOW THEREFORE, BE IT ORDERED BY THE TOWN COUNCIL OF THE TOWN OF SCARBOROUGH, MAINE:

Section 1. The designation of the District and pursuit of the Development Program will create affordable, livable housing within the Town of Scarborough, and therefore constitutes a good and valid public purpose.

Section 2. Pursuant to Chapter 206, Subchapter 3 of Title 30-A of the Maine Revised Statutes, as amended, the Town hereby designates ***Griffin Road Affordable Housing Development District*** and hereby adopts the Development Program for the District described as more particularly set forth in the documents presented to the Town Council in conjunction with this Order.

Section 3. Pursuant to the provisions of 30-A M.R.S.A. § 5250-A, the percentage of captured assessed value to be retained in accordance with the Development program is hereby established as set forth in the Development Program.

Section 4. The Town Manager be, and hereby is, authorized, empowered and directed to submit the proposed designation of the District and the proposed Development Program for the District to

MaineHousing for review and approval pursuant to the requirements of 30-A M.R.S.A. Chapter 206, Subchapter 3; and further is authorized and directed to execute a Credit Enhancement Agreement consistent with the provisions of ***Griffin Road Affordable Housing Development District*** Development Program as presented and approved herein and to create the accounts and take all the actions described in such agreement, if and when the Town Manager is presented with a written copy of the MaineHousing “Notice to Proceed” with respect to the Project to be located in the District.

Section 5. The Town Manager be and hereby is authorized and empowered at his direction from time to time to make such revisions to the Development Program for the District as he deems reasonably necessary or convenient in order to facilitate the process of review and approval of the District by MaineHousing, or for any other reason, so long as such provisions are not inconsistent with these resolutions or the basic structure and intent of the Development Program. The Town Manager is also hereby authorized and directed to submit any reports to MaineHousing regarding the District and Development Program throughout the term of the District.

Section 6. The foregoing designation of the District and the adoption of the Development Program for the District shall automatically become final and shall take full force and effect upon receipt by the Town of approval of the proposed District by MaineHousing without requirements of further action by the Town, Town Council or any other party.

Section 7. The Town hereby finds and determines that:

a. At least twenty-five percent (25%), by area, of the real property within the District, as hereinafter designated, is suitable for residential use, blighted area or is in need of rehabilitation or redevelopment; and

b. The total area of the District does not exceed two percent (2%) of the total acreage of the Town, and the total area of all development districts within the Town, and the total area of all development districts within the Town does not exceed five percent (5%) of the total acreage of the Town; and

c. The original assessed value of the District plus the original assessed value of all existing affordable housing development districts within the Town does not exceed five percent (5%) of the total acreage of the Town.

d. The District and pursuit of the Development Program will contribute to the expansion of affordable housing opportunities within the municipality or to the betterment of the health, welfare or safety of the inhabitants of the Town. The Town has considered all evidence, if any, presented to it with regard to any substantial detriment to another party’s existing property interests in the Town and has found and determined that such interested party’s property interests in the Town are outweighed by the contribution made by the District or Development Program to the availability of affordable housing within the Town or to the betterment of the health, welfare or safety of the inhabitants of the Town.

Section 8. The Town Manager is authorized to file the yearly reports required by Title 30-A M.R.S.A. § 5250-E and otherwise to take all lawful actions required in the administration of the District and Development Program.

Dated First Reading: August 20, 2014

Dated Second Reading: September 3, 2014

APPLICATION

Affordable Housing Tax Increment Financing

All applications to MaineHousing for approval of an affordable housing development district and associated development program must use this form.

Before submitting the form the Applicant's municipal legislative body must approve the substantive contents of the form and its attachments.

Section 1 - Applicant Information

1-1. **Applicant:** Town of Scarborough

1-2. **Application submittal date:** _____

1-3. **Municipal official submitting this application:**

Thomas Hall

Printed name

Signature

Date

The person signing above attests that the information contained in this application is true and correct to the best of his or her knowledge.

Title

Town Manager

Mailing address

259 U.S. Route 1 / P.O. Box 360
Scarborough, ME 04074-0360

Phone number

(207) 730-4031

Email address

thall@ci.scarborough.me.us

1-4. **Name of Affordable Housing Development District and Development Program:**

Griffin Road Affordable Housing Development District

1-5. **Date of public notice:** 8/10/2014 *(Notice must be published at least 10 days prior to the public hearing. The actual newspaper page containing the notice and showing the newspaper name and date must be provided as Attachment 1.)*

1-6. **Date of public hearing:** 8/20/2014 *(A copy of the meeting record must be provided as Attachment 2.)*

1-7. Municipal official with authority to submit annual reports on the status of the Affordable Housing Development District on behalf of the municipal legislative body:

Name	Thomas Hall
Title	Town Manager
Phone number	(207) 730-4031
Email address	thall@ci.scarborough.me.us

1-8. Did the municipal legislative body:

- a. Specifically consider and approve the substantive contents of this form and attachments, after the required 10 day public notice and public hearing? (yes or no) Yes
- b. Consider comments received at the public hearing? (yes or no) Yes *(If an interested party claimed that the district or development program will be detrimental to that party's existing property interests, the legislative body must consider the evidence presented and whether any adverse economic effect is outweighed by the availability of affordable housing or health, welfare or safety improvements for the municipality's residents.)*
- c. Consider whether the district and development program will expand affordable housing opportunities or improve the health, welfare or safety of municipal residents? (yes or no) Yes *(The municipal legislative body must take these factors into account.)*

1-9. Date of municipal approval: ____/____/14 (A copy of the municipal resolution or order and vote must be included as Attachment 3.)

Section 2 - Affordable Housing Development District Characteristics

2-1. **General description of District** *(such as existing residential and nonresidential land uses, adjacent streets, etc. A municipal map or photo showing District boundaries must be included as Attachment 4.)*

The proposed district is 5 Griffin Road in Scarborough. The site includes Griffin Road, which is private, but the buildable area is located at the end of Griffin Road, which is off Route 1 near the intersection with Route 9 (Dunstan's Corner). The site is currently vacant. The site is relatively flat to the north and west with an increasing slope to the east and south.

2-2. **Tax map and lot number (and block no. if applicable):** Map U33 Lot 51 *(A tax map with district boundaries shown must be provided as Attachment 5.)*

2-3. **Acreage of the District:** 3.55

2-4. **District duration:** 17 years *(Up to 30 full tax years maximum beginning on the April 1 following the date of MaineHousing approval.)*

2-5. Municipal fiscal years during which tax increment will be used for approved project costs:

First fiscal year start date: 7/1/2015
Last fiscal year end date: 6/30/2032

2-6. Original assessed value (OAV) and OAV date: \$216,800 as of March 31, 2014. *(The OAV date must be the March 31 immediately preceding MaineHousing approval. A certified letter from the tax assessor with OAV and OAV date must be provided as Attachment 6. Please note that the OAV is based on the taxable value of the property in the district, so the OAV of a tax exempt property is zero.)*

2-7. Zoning of District land and allowed uses: *(Please provide a description of any contract zone, if applicable.)*

Town and Village Centers (TVC) District

The purpose of the TVC District is to provide for and encourage village and town centers within Scarborough that exhibit village style development and offer a mix of retail, office, service, civic, and residential uses in an environment conducive to both pedestrians and motorists. Senior housing is listed as a permitted use in the TVC District.

2-8. Description showing that at least 25% of District area is suitable for residential use; blighted; or in need of rehabilitation/redevelopment:

The site is well-located for housing, adjacent to both an existing residential area and less than 500' from Route 1 and its businesses. The site is a vacant lot surrounded by developed lots, and is serviced by municipal sewer and water services and overhead electric. The site is therefore 100% suitable for residential use.

2-9. District area as a percentage of total municipal acreage: *District acreage divided by total municipal acreage = 0.02% (Cannot exceed 2%)*

2-10. Total area of all development districts as a percentage of total municipal acreage: *Existing and proposed affordable housing + municipal development district acreage divided by total municipal acreage = 3.38% (Cannot exceed 5%)*

2-11. OAV of all affordable housing development districts as a percentage of all taxable property value: *Aggregate OAV of existing and proposed affordable housing development districts divided by aggregate taxable property value at April 1 preceding MaineHousing approval date = 0.01% (Cannot exceed 5%)*

Section 3 - Affordable Housing Development Program

Development Characteristics

3-1. General description of the intended development: *(Overall character of uses in the District must be primarily residential, i.e., housing and related uses such as child care, recreational and small-scale commercial facilities serving District residents.)*

The proposed Griffin Road Senior Housing project will create 36 units of affordable elderly rental housing, with associated amenity and community spaces. All 36 units will be one-bedroom units, targeted to households with incomes at or below 60% of AMI.

3-2. Number and type of housing units to be developed within the District:

	Market rate units		Affordable units		
	Number of units	Unit size (# of BR)	Number of units	Unit size (# of BR)	Income Limit(s) (% of AMI)
New rental units			36	36 1 BR	50-60% AMI
Rehabilitated rental units					
New homes, including condos					
Rehabilitated homes, including condos					
Total units within the District:			36		

3-3. Affordable housing units as a percentage of total housing units within the District:
100% (Minimum of 33%)

3-4. Schedule for development:

The project will be submitted for MaineHousing Low Income Housing Tax Credit (LIHTC) approval. It is anticipated that a Notice to Proceed will be issued in December 2014 and construction loan closing and construction start would occur in May 2015. The project will be placed in service in March 2016 with full occupancy by November 2016.

3-5. Length of affordability period(s): *(Minimum of 10 years for owner-occupied homes and condos and 30 years for rental units).* Length of the affordability period will be 45 years, pursuant to a Extended Use Agreement to be executed with MaineHousing.

3-6. Mechanism(s) for ensuring ongoing affordability: *(Copies of covenants or restrictions for ensuring affordability to households at or below 120% of area median income must be provided as Attachment 7.)*

The project will be developed with Low Income Housing Tax Credit equity and thus subject to an Extended Use Agreement with MaineHousing, which will be executed at loan closing and a copy filed at the registry of deeds.

3-7. Name of affordable housing developer: The developer is Griffin Road Development LLC. That entity is composed of Developers Collaborative principal Kevin Bunker, doing business as Developers Collaborative Predevelopment, LLC, and William Risbara and Rocco Risbara, doing business as Risbara Properties, LLC. Developers Collaborative has developed over 300 units of affordable, tax credit housing. The owner will be Griffin Road Housing LP.

3-8. Description of how the housing and facilities to be funded with tax increment revenues will be operated, including responsible entity and funding:

When completed, the project will be managed by an experienced manager of subsidized housing properties with extensive LIHTC training. The total annual cost of operations for the project is budgeted at \$249,911. The breakdown by category is as follows: administrative 22%; utilities 16%; maintenance 33%; general expenses 22%; and reserves 7%. The financing for operating expenses is primarily through tenant rents (96%). TIF payments made to reimburse project costs (4%) make up the remainder. Resident Services will be available via an on site coordinator 8 hours per week. Griffin Road Senior Housing will be managed as a smoke free building. TIF income will be used to create greater affordability than standard MSHA underwriting. 40% of project will be affordable to seniors at 50% AMI with the balance at 60% AMI.

Related Requirements

3-9. Description of local affordable housing need and how proposed Development Program meets the need:

The proposed project seeks to address the shortage of decent and safe affordable housing for seniors in the Scarborough area. Scarborough is designated as a service center community with high need of elderly housing in the 2014 QAP. In addition, Scarborough's 2006 Update of the Comprehensive Plan identified a need for an additional 46 affordable rental units for low income elderly households, which would increase over the next ten years as the number of seniors continues to grow. The 2006 Update also establishes several relevant actions: 1) Action A.3.a: "Allow and encourage a range of senior housing opportunities within our growth areas;" 2) Action A.4.a: "Encourage affordable housing through density bonus provisions;" and 3) Action H.2.e: "The Town should use Affordable Housing Tax Increment Financing to facilitate the construction of infrastructure needed to support new affordable housing."

3-10. Date of comprehensive plan final adoption July 19, 2006 , whether the proposed development is consistent with the plan (yes or no) Yes, and whether the Development

Program complies with Maine law limiting growth-related capital investments (see 30-A M.R.S.A. §4349-A), (yes or no): Yes

3-11. Potential conflict with municipal charter (yes or no): No

3-12. Description of plan for relocation of persons displaced by development activities (or statement that no relocation is necessary):

The existing site is currently vacant so no relocation is required.

3-13. Description of environmental controls to be applied (or statement of commitment to appropriate environmental controls, such as permitting and licensing, adherence to laws and regulatory conditions, and use of qualified contractors):

The project is committed to following all local and state laws and regulations. Locally, full planning board site plan approval was granted on _____, 2014. A Phase I environmental study will be conducted and any necessary corrective action taken. Any environmental issues will be fully remediated as part of the Project. A qualified general contractor will be chosen from a select bid list compiled with the approval of MaineHousing.

Financial Plan

3-14. General explanation of how development within the District will be financed and accomplished, including cost estimates for the Development Program and all sources of anticipated funds: *(An itemized development budget showing all sources and uses of funds for development in the District must be provided as Attachment 8.)*

The Total Development Cost is budgeted at \$5,349,247. Griffin Road Senior Housing will be financed primarily through Low Income Housing Tax Credits. The project will seek an award of 2015 Low Income Housing Tax Credits in the amount of \$434,214, which is projected to provide an equity yield to the project of \$3,690,451. In addition, the project will seek a Rental Loan Program subsidy in the amount of \$1,083,796. A RLP Loan of \$575,000 is also contemplated.

3-15. Captured assessed value (CAV): *(List the percentage of increased assessed value of the District to be retained as CAV, or describe the method or formula for determining the percentage of CAV. Annual estimates of captured assessed value must be provided as Attachment 9.)*

100%

Estimated tax shifts from the designation of captured assessed value *(Annual estimates of tax shifts for each year the District is in effect must be provided as Attachment 10, using the formulas provided in Attachment 10-A.)*

\$9,791 Total revenue sharing tax shift

\$216,899 Total education subsidy tax shift

\$19,575 Total county tax shift

3-16. **Estimated total tax increment revenues:** *(Must be consistent with amounts shown in Attachment 9.)*

\$548,568

3-17. **Portion of total tax increment revenues to be allocated to the Developer 50% and Municipality 50%** *(May be defined in dollars, percentages, or by formula. A copy of the associated formal agreement such as a Credit Enhancement Agreement, if applicable, must be included as Attachment 11.)*

3-18. Itemized description of specific project costs that may be funded in whole or in part with tax increment revenues (listed in order of priority for using tax increment revenues):
(A general list of potential uses is not sufficient.)

(Allowable uses within the District include the capital, financing, real property, professional services or ongoing operating costs associated with the affordable housing development; relocation costs; costs of recreational facilities; costs of child care facilities; costs associated with small scale non-residential uses that contribute to a specific, identified betterment of the health, welfare or safety of the inhabitants of the municipality, including specific benefit to the residents of the District; and administrative and organizational costs associated with establishing or implementing the District.)

(Allowable uses outside the District must be directly related to or made necessary by the District, including but not limited to: costs of infrastructure or public safety improvements, costs to mitigate any adverse impact of the District on the municipality and its constituents, including school costs; and costs to establish permanent housing development revolving loan funds or investment funds.)

Specific improvements or activities to be funded with tax increment revenues	Timing of each planned improvement	Amount (\$) to be funded with tax increment revenues	Amount to be funded by other sources		Location within or outside District?	Resulting public benefit
			Amount (\$)	Source		
Project Operating Costs (Administrative, Utilities, Maintenance, Insurance, Replacement Reserves)	semi-annual	estimated \$274,284 (\$12,404 in year two with annual increases over 16 years)	estimated \$5,826,561 (\$163,728 in year one, stabilized in year two at \$327,456 with 2% annual increase over 16 years)	project rents	Inside	Provision of new senior affordable housing; greater affordability than standard MSHA underwriting
Contributions to Affordable Housing Initiative Fund	annual	up to estimated \$274,284			Outside	Further the establishment of permanent affordable housing within Scarborough

Total costs:		\$548,568	\$5,826,561			

3-19. Potential alternative uses of tax increment revenues and the circumstances under which these alternatives would be pursued:

N/A

3-20. Justification for any use of tax increment revenues outside of the District boundaries, if applicable: *(Be specific about how improvements located outside of the District are directly related to or made necessary by the creation or operation of the District. Attach related studies, if applicable.)*

MaineHousing has determined that a direct relationship exists between the use of fund proceeds for affordable housing development outside the boundaries of the affordable housing development district and the creation of the district.

3-21. If one of the intended uses of tax increment revenues is a housing development revolving loan or investment fund, provide the following information:

a. A description of the fund, including type, purpose, operation, and provisions for repayment or return of fund proceeds to the fund:

The Affordable Housing Initiative Fund, segregated from the Town's general revenue, shall be used to further the establishment of affordable housing within Scarborough: These funds "may be used for the land acquisition, infrastructure, and/or building construction costs of an affordable housing project... A portion of these funds may also be used to establish a revolving loan program to provide direct financial assistance to qualified homebuyers with down payments and other financing needs for purchasing affordable housing units." See Section VIIC(B)(5) of Chapter 405, Zoning Ordinance, Town of Scarborough, as of March 19, 2014 (the "Ordinance").

The Affordable Housing Initiative Fund has been established but is not yet funded.

Section VI of the Ordinance provides the following definition of "affordable housing":

"Affordable Housing means decent, safe and sanitary living accommodations that are affordable to households, in accordance with the following provisions:
A. An Owner-Occupied Affordable Housing Unit is a unit which has an expected sales price that is reasonably anticipated to result in monthly housing costs (including mortgage principal, interest, and insurance; homeowners' insurance costs, real estate taxes and basic utility and energy costs) that do not exceed 30% of a household's gross monthly income. The qualified household gross income for an Affordable Housing Unit is 120% or less than the most recently published Portland, Maine, MSA Median Family income adjusted for family size and consistent with the income

thresholds published by the U.S. Department of Housing and Urban Development for the region.

B. Renter-Occupied Housing Unit is a unit which is leased to a household (including rent and basic utility and energy costs) for an amount that does not exceed 30% of the household's gross monthly income. The qualified household gross income for a Renter-Occupied Housing Unit is 80% or less than the most recently published Portland, Maine, MSA Median Family Income adjusted for family size and consistent with the income thresholds published by the U.S. Department of Housing and Urban Development for the region."

b. Timing for establishing and using the fund:

Contributions to the fund would occur annually. Use of the funds would occur as needed.

c. The property to be purchased or the housing to be developed with fund proceeds:

Fund proceeds will be used to support the creation of affordable housing (as defined in 3-21(a) above) in Scarborough.

3-22. If municipal debt financing will be used to finance approved project costs:

a. Principal amount, maturity (*maximum 20 years*) and type of each municipal debt issuance (*i.e. general obligation bonds, revenue bonds, notes or other evidences of indebtedness*):

N/A

b. Aggregate principal amount of municipal general obligation debt relating to affordable housing development districts (including proposed District) within county in which municipality is located: (*Cannot exceed \$50 million.*)

N/A

c. List of improvements to be financed with municipal bonds:

N/A

d. Timing of improvements financed with municipal bonds: (*Must be completed within 5 years from MaineHousing approval date.*) N/A

Section 4 - Attachments

Attachment 1 -- Public hearing notice (actual copy showing newspaper name and date)

Attachment 2 -- Copy of meeting record at which public hearing was held

Attachment 3 -- Copy of resolution or order and vote

Attachment 4 -- Municipal map or photo showing District boundaries

Attachment 5 -- Tax map, with District boundaries shown

Attachment 6 -- Certified letter from tax assessor with original assessed value for the District as of March 31 immediately preceding date of MaineHousing approval

Attachment 7 -- Language for covenants or restrictions for ensuring affordability to households at or below 120% of area median income (AMI)

Attachment 8 -- Itemized development budget showing all sources and uses of funds for development in the District

Attachment 9 -- Captured assessed value calculations for each year the District will be in effect

- Annual estimates of increased assessed value of the District (\$)
- Annual portion of increased assessed value to be retained as captured assessed value
- Resulting tax increments

Attachment 10 -- Estimated tax shifts for each year the District will be in effect, using the tax shift formulas included in Attachment 10-A

Attachment 11 -- Formal agreement such as a Credit Enhancement Agreement

Attachment 1
Public Hearing Notice

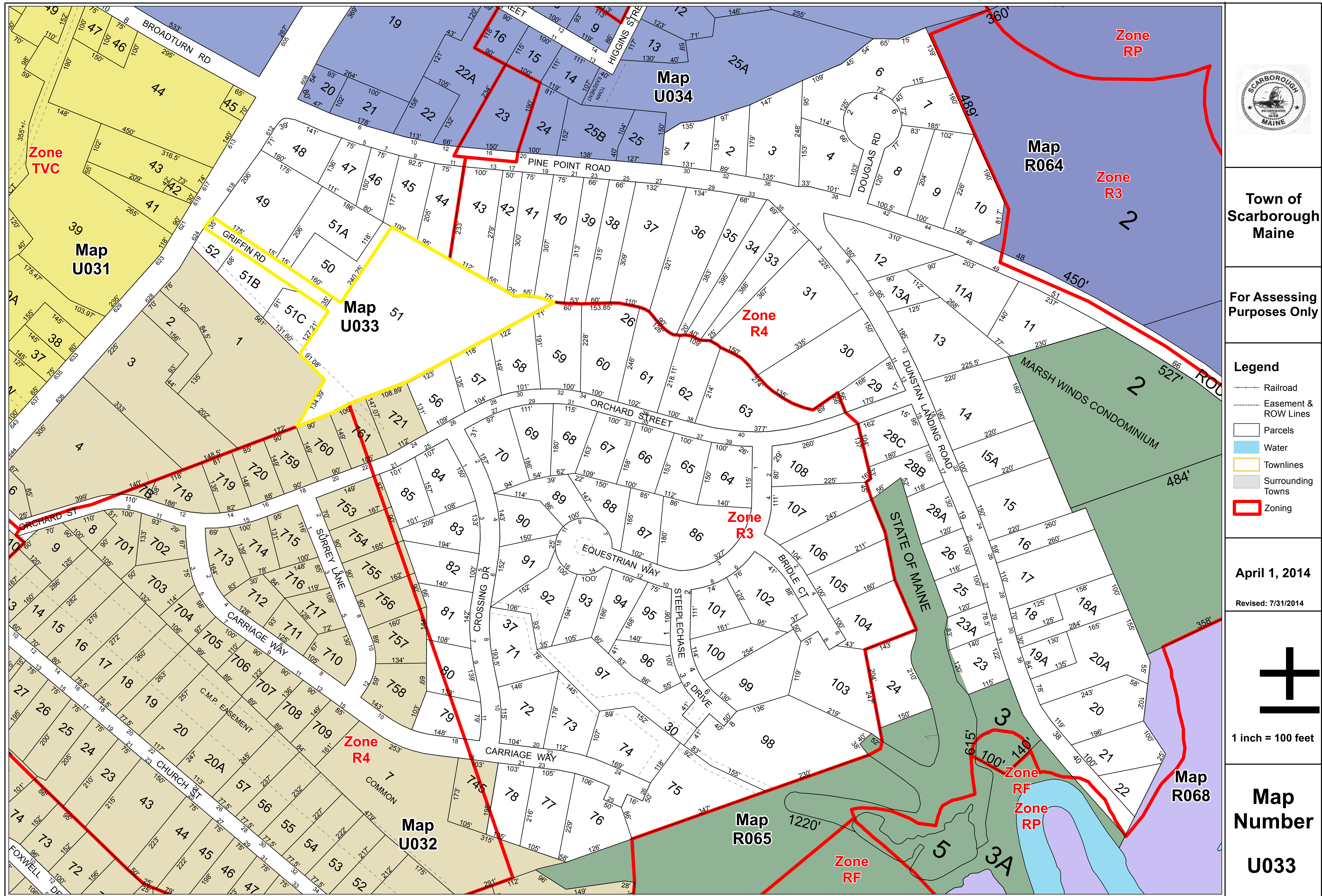
Attachment 2
Public Meeting Record

Attachment 3
Town Order

Attachment 4
TIF District Boundaries



Attachment 5
Tax Map with TIF District Boundaries



Attachment 6
Assessor's Certification

ASSESSOR'S CERTIFICATE OF ORIGINAL ASSESSED VALUE

TOWN OF SCARBOROUGH

GRIFFIN ROAD AFFORDABLE HOUSING DEVELOPMENT DISTRICT

The undersigned Assessor for the Town of Scarborough, Maine, does hereby certify that the tax map showing the boundaries of the proposed Griffin Road Affordable Housing Development District, as shown in Attachment 5, is an accurate depiction of the proposed District. The Original Assessed Value of the proposed District as of March 31, 2014 (April 1, 2013) was Two Hundred and Sixteen Thousand and Eight Hundred Dollars (\$216,800).

IN WITNESS WHEREOF, this Certificate has been executed as of this 31st day of July, 2014.

TOWN OF SCARBOROUGH ASSESSOR

By: Wd
Printed name: WILLIAM HEALY

Attachment 7
Affordability Covenants

**(District to be subject to MaineHousing LIHTC Restrictions – Please see Section 3-6
of Application)**

Attachment 8
Development Budget

GRIFFIN ROAD SENIOR HOUSING

SOURCES AND USES OF FUNDS					
SOURCES OF FUNDS	Permanent	Construction Period	Terms/Comments		
			Rate	Term	Paymnt
Amortizing Debt					
MSHA RLP	575,000		6.00%	30	\$34,500
FHLBB Debt	-		5.75%	30	\$0
<i>Subtotal Amortizing Debt</i>	575,000				\$34,500
Soft Debt					
City FedHome	1,098,246	1,098,246	-	NPV	
MSHA RLP		-	0.0%	30	\$0
MSHA Part E	-	-			
		-			
<i>Subtotal Soft Debt</i>	1,098,246	1,098,246			
Construction Loan		2,835,610			
Total Debt Financing	1,673,246	3,933,856			
City Transportation Grant	-	-			
LIHTC Syndication Proceeds	3,679,491	735,898			
Federal Historic Credit Proceeds	-	0		Total Fed	3,679,491
State Historic Credit Proceeds	-	-	-	Total Hist	-
TOTAL SOURCES	5,352,737	4,669,754			
USES OF FUNDS					
USES OF FUNDS	Total	Construction Period			
Acquisition/Demo	540,000	540,000			
Construction	3,267,354	3,267,354			
Soft Costs	500,646	500,646			
Financing Fees	133,500	122,000			
Other Soft Costs	43,088	43,088			
Development Fee	590,000	196,667			
Reserves	278,300	-			
TOTAL USES	5,352,888	4,669,754			
DEVELOPMENT CONTINGENCY (GAP)	(150)	-			

GRIFFIN RD SENIOR HOUSING

DEVELOPMENT BUDGET AND LOW INCOME HOUSING TAX CREDITS			
Development Budget	Total	4% Basis	9% Basis
ACQUISITION/DEMOLITION			
Land	540,000	-	
Buildings	-	-	-
Demolition	-	-	-
<i>Subtotal Acquisition/Demo</i>	540,000	-	-
CONSTRUCTION			
Site Work	275,000	-	275,000
Off site road improvements	133,000	-	-
Structures	2,689,480		2,689,480
Equipment/Appliances	-		-
Construction Contingency	154,874		154,874
Abatement	-		-
Furnishings (Includes Tenant Computers)	15,000		15,000
OJT Fund	-		-
<i>Subtotal Construction</i>	3,267,354	-	3,134,354
SOFT COSTS			
Permits & fees	159,696		159,696
Engineer/Survey	43,000	-	43,000
Architect	208,950	-	208,950
Real Estate Attorney	45,000		45,000
Title Insurance & Recording	12,000		12,000
Accounting/ Cost Certification	7,000	-	7,000
Const. Taxes & Insurance	25,000		25,000
<i>Subtotal Soft Costs</i>	500,646	-	500,646
FINANCING EXPENSES			
Constr. Loan Orig. Fee	12,000	-	12,000
Construction Legal & Inspection	35,000		35,000
Construction Interest	75,000	-	75,000
Other Financing Expenses	-		-
Perm. Loan Orig. Fee	11,500	-	-
<i>Subtotal Financing</i>	133,500	-	122,000
OTHER SOFT COSTS			
Market Study	5,000		5,000
Property Appraisals	5,000		5,000
Environmental Report & Testing	2,600	-	2,600
Construction Oversight	-		-
Historic Consultant	-		-
Tax Credit Fees	17,488		-
Soft Cost Contingency	5,000	-	5,000
Investor Due Diligence	-		-
TIF Consultant & Legal	-		-
Organizational Legal	8,000		-
<i>Subtotal Other</i>	43,088		17,600
DEVELOPER'S FEES			
Developer's Ovhd. & Profit	590,000	-	590,000
Consultant	-	-	-
<i>Subtotal development fees</i>	590,000	-	590,000
PROJECT RESERVES			
Rent Up & Marketing Reserve	36,000	-	-
Operating Reserve	142,206	-	-
Replacement Reserve	26,895	-	-
Prepaid Taxes & Insurance	51,600	-	-
Prepaid Monitoring	21,600	-	-
<i>Subtotal Reserves</i>	278,300	-	-
TOTAL PROJECT COST	5,352,888	-	4,364,600
ELIGIBLE BASIS			4,364,600
LESS FEDHOME			-
LIHTC ELIGIBLE BASIS			4,364,600
APPLICABLE FRACTION	100.00%		less fed HTC
QUALIFIED BASIS		-	4,364,600
QUALIFIED CT ADJUSTMENT	130%		5,673,979
CREDIT PERCENTAGE		3.24%	7.63%
ANNUAL LIHTC ELIGIBLE		-	432,925
			432,925
ANNUAL LIHTC ALLOCATED			432,925
NET PROCEEDS	85.00%	99.99%	3,679,491

Developers Collaborative Predevelopment LLC

5/8/14

Attachment 9
Captured Assessed Value Calculations

TIF Year	Tax Year- April 1	Total added Valuation	Captured Valuation	Non-Captured Valuation	Estimated Mill Rate	Tax Assessment on Valuation Increment	Total Captured Revenue	Captured Revenue to Developer Project Account	Captured Revenue to Municipal Project Account
1	2015	\$0	\$0	\$0	15.21	\$0	\$0	\$0	\$0
2	2016	\$1,583,200	\$1,583,200	\$0	15.67	\$24,808	\$24,808	\$12,404	\$12,404
3	2017	\$1,601,200	\$1,601,200	\$0	16.14	\$25,843	\$25,843	\$12,921	\$12,921
4	2018	\$1,619,380	\$1,619,380	\$0	16.62	\$26,920	\$26,920	\$13,460	\$13,460
5	2019	\$1,637,742	\$1,637,742	\$0	17.12	\$28,042	\$28,042	\$14,021	\$14,021
6	2020	\$1,656,287	\$1,656,287	\$0	17.64	\$29,211	\$29,211	\$14,605	\$14,605
7	2021	\$1,675,018	\$1,675,018	\$0	18.17	\$30,427	\$30,427	\$15,214	\$15,214
8	2022	\$1,693,936	\$1,693,936	\$0	18.71	\$31,694	\$31,694	\$15,847	\$15,847
9	2023	\$1,713,044	\$1,713,044	\$0	19.27	\$33,013	\$33,013	\$16,506	\$16,506
10	2024	\$1,732,342	\$1,732,342	\$0	19.85	\$34,386	\$34,386	\$17,193	\$17,193
11	2025	\$1,751,833	\$1,751,833	\$0	20.45	\$35,816	\$35,816	\$17,908	\$17,908
12	2026	\$1,771,520	\$1,771,520	\$0	21.06	\$37,306	\$37,306	\$18,653	\$18,653
13	2027	\$1,791,403	\$1,791,403	\$0	21.69	\$38,856	\$38,856	\$19,428	\$19,428
14	2028	\$1,811,485	\$1,811,485	\$0	22.34	\$40,470	\$40,470	\$20,235	\$20,235
15	2029	\$1,831,768	\$1,831,768	\$0	23.01	\$42,151	\$42,151	\$21,076	\$21,076
16	2030	\$1,852,254	\$1,852,254	\$0	23.70	\$43,901	\$43,901	\$21,951	\$21,951
17	2031	\$1,872,944	\$1,872,944	\$0	24.41	\$45,723	\$45,723	\$22,862	\$22,862
17 Year TIF Total		\$27,595,356	\$27,595,356	\$0		\$548,568	\$548,568	\$274,284	\$274,284

Attachment 10
Estimated Tax Shifts

TIF Year	Tax Year- April 1	Total Added Valuation	Sheltered Valuation	Avoided Formula Impacts on Municipality from Sheltering of Valuation			
				Avoided Loss of State Aid to for Education	Avoided Loss of State Municipal Revenue Sharing	Avoided Increase in County Tax	Total Avoided Impacts
1	2015	\$0	\$0	\$0	\$0	\$0	\$0
2	2016	\$1,583,200	\$1,583,200	\$12,444	\$562	\$929	\$13,935
3	2017	\$1,601,200	\$1,601,200	\$12,585	\$568	\$962	\$14,116
4	2018	\$1,619,380	\$1,619,380	\$12,728	\$575	\$997	\$14,300
5	2019	\$1,637,742	\$1,637,742	\$12,873	\$581	\$1,032	\$14,486
6	2020	\$1,656,287	\$1,656,287	\$13,018	\$588	\$1,069	\$14,675
7	2021	\$1,675,018	\$1,675,018	\$13,166	\$594	\$1,107	\$14,867
8	2022	\$1,693,936	\$1,693,936	\$13,314	\$601	\$1,146	\$15,062
9	2023	\$1,713,044	\$1,713,044	\$13,465	\$608	\$1,187	\$15,259
10	2024	\$1,732,342	\$1,732,342	\$13,616	\$615	\$1,229	\$15,460
11	2025	\$1,751,833	\$1,751,833	\$13,769	\$622	\$1,273	\$15,664
12	2026	\$1,771,520	\$1,771,520	\$13,924	\$629	\$1,318	\$15,871
13	2027	\$1,791,403	\$1,791,403	\$14,080	\$636	\$1,365	\$16,081
14	2028	\$1,811,485	\$1,811,485	\$14,238	\$643	\$1,413	\$16,294
15	2029	\$1,831,768	\$1,831,768	\$14,398	\$650	\$1,463	\$16,511
16	2030	\$1,852,254	\$1,852,254	\$14,559	\$657	\$1,515	\$16,731
17	2031	\$1,872,944	\$1,872,944	\$14,721	\$665	\$1,569	\$16,955
17 Year TIF Total		\$27,595,356	\$27,595,356	\$216,899	\$9,791	\$19,575	\$246,265

This model is based on 100% of incremental valuation captured within the TIF District and 50% of captured revenues are for the municipal development fund and 50% for the developer project fund.

Attachment 10-A -- Tax Shift Formulas

To calculate the state education subsidy tax shift: The current state education subsidy formula is adjusted each year that the District is in effect to include the increased valuation within the municipality based on the annual Captured Assessed Value. All other factors affecting the subsidy calculation are held constant. The difference in the actual education subsidy and the adjusted education subsidy represents the projected state education subsidy tax shift for that year.

To calculate the state revenue sharing tax shift: Collect the following information, available from the State Treasurer's office and at http://www.maine.gov/treasurer/revenue_sharing/index.html:

- Projected total municipal revenue sharing pool for the current fiscal year.
- Municipality's "current factor".
- Municipality's "computed number," and the three figures used to calculate the current computed number: Municipality's population, local assessment, and State valuation.

1. Calculate the *Aggregate Computed Number*:

$$\frac{\text{Computed Number}}{\text{Current Factor}}$$

2. Calculate the *Adjusted Local Computed Number*:

$$\frac{\text{Municipal Population} \times \text{Local Assessment}}{\text{State Local Valuation} + \text{Projected Annual CAV}}$$

3. Calculate the *Adjusted Aggregate Computed Number*:

$$\text{Aggregate Computed Number} - \text{Computed Number} + \text{Adjusted Local Computed Number}$$

4. Calculate the *State's Adjusted Current Factor*:

$$\frac{\text{Adjusted Local Computed Number}}{\text{Adjusted Aggregate Computed Number}}$$

5. Calculate *Municipality's Current Projected Revenue Sharing*:

$$\text{Projected Total Municipal Revenue Sharing Pool} \times \text{Municipality's Adjusted Current Factor}$$

6. *Calculate the Projected Municipal Revenue Sharing for each year:*

Step 5 in given TIF District year – Step 5 in the Base Year

Note that the Projected Municipal Revenue Sharing calculation for the base year should be the same as the Municipality's Current Projected Revenue Sharing.

To calculate the County tax shift: Collect the following information

- From Maine Revenue Services, obtain the most recent State County Valuation and the State Local Valuation.
- From the County office obtain the County Tax Levy and the County budget for the current year and for five or more years past.

1. *Calculate the Current Municipal Percent of County Value:*

$$\frac{\text{Current State Local Valuation}}{\text{Current State County Valuation}}$$

2. *Calculate the Projected County Budget:* Using the current County budget and historic County budgets, calculate the average annual increase in the county budget. Using the average annual increase, project the annual budget for each year of the TIF District.

3. *Calculate the Municipal Share of County Tax without CAV:*

$$\text{Current Percentage of County Value} \times \text{Projected County Budget}$$

4. *Adjust the projected State County Valuation and the State Municipal Valuation to include the projected CAV.*

5. *Using values from Step Four, calculate the Adjusted Municipal Percent of County Value.*

6. *Calculate the average Municipal Share of County Tax with the CAV:*

$$\text{Adjusted Municipal Percent of County Value} \times \text{Projected County Budget}$$

7. *Calculate the County Tax Shift:*

$$\text{Municipal Share of County Tax with CAV} - \text{Municipal Share of County Tax without CAV}$$

Repeat for each year's Projected Annual CAV.

Attachment 11
Agreement for Reimbursement of Operating Expenses

AGENDA
SCARBOROUGH TOWN COUNCIL
WEDNESDAY – SEPTEMBER 3, 2014
REGULAR MEETING – 7:00 P.M.

Order No. 14-78. Move approval on the new request for a Food Handlers License from Exit 42 Donuts, LLC, d/b/a Dunkin Donuts, located at 284 Payne Road.

Town of Scarborough, Maine

Town Clerk's Office

259 US ROUTE ONE

PO BOX 360

SCARBOROUGH, MAINE • 04070-0360

TO: Town Council Members

FROM: Yolande P. Justice, Town Clerk

DATE: August 29, 2014

RE: Request for a Food Handlers License

The following applicant is seeking approval on a new request for a Food Handlers License:

- Exit 42 Donuts, LLC, d/b/a Dunkin Donuts, located at 284 Payne Road.

The completed application is on file with Clerk's Office and there are no outstanding issues and it is recommended that this license be approved.

AGENDA
SCARBOROUGH TOWN COUNCIL
WEDNESDAY – SEPTEMBER 3, 2014
REGULAR MEETING – 7:00 P.M.

Order No. 14-79. Move approval on the new request for a Combined Massage Establishment/Massage Therapist License from Leslie Girmscheid, d/b/a Leslie Girmscheld Massage Therapy, located at 11 Farmhouse Road

Town of Scarborough, Maine

Town Clerk's Office

259 US ROUTE ONE

PO BOX 360

SCARBOROUGH, MAINE • 04070-0360

TO: Town Council Members

FROM: Yolande P. Justice, Town Clerk

DATE: August 29, 2014

RE: New Request for a Combination Massage Establishment/Massage Therapy License

The following applicant is requesting approval on a Combined Massage Establishment/Massage Therapist License:

- Leslie Girmscheid, d/b/a Leslie Girmscheid Massage Therapy, located at 11 Farmhouse Road.

Applicant is in compliance with the requirements of the Town Clerk's Office and there are no outstanding issues. The completed application is on file with Clerk's Office.

It is recommended that this license be granted.

AGENDA
SCARBOROUGH TOWN COUNCIL
WEDNESDAY – SEPTEMBER 3, 2014
REGULAR MEETING – 7:00 P.M.

Order No. 14-80. Move approval on the request to place the referendum question to purchase a new Fire Truck on the local Ballot for the November 4, 2014, Municipal Elections.

BOND ORDER TO Request to place the referendum question to purchase a new Fire Truck on the Municipal Ballot for the November 4, 2014, Municipal Election.

BE IT ORDERED by the Town Council of the Town of Scarborough, Maine, in Town Council assembled, as follows:

That under and pursuant to the provisions of Title 30-A, Sections 5724 and 5772, as amended, and the Charter of the Town of Scarborough, Maine, the purchase of a new Fire Truck replacing the existing 25 year old Fire Truck, as budgeted in the 2015 Municipal Capital Equipment Budget by the Town Council, is hereby approved; and,

That a sum not to exceed \$585,000 is hereby appropriated to provide for the cost of this Fire Truck; and,

To fund said appropriation, the Treasurer and the Chairman of the Town Council are hereby authorized to issue, at one time or from time to time, general obligation securities of the Town of Scarborough, Maine, including temporary notes in anticipation of the sale thereof, in an aggregate principal amount not to exceed \$585,000 and the discretion to fix the date(s), maturity(ies), denomination(s), interest rate(s), place(s) of payment call(s) for redemption, form(s), and other details of said securities, including execution and delivery of said securities against payment therefor, and to provide for the sale thereof, is hereby delegated to the Treasurer and the Chairman of the Town Council.

BE IT FURTHER ORDERED, that the following referendum question shall be submitted to the voters of the Town of Scarborough, Maine at the next regular municipal election to be held November 4, 2014:

Referendum Question No. 1:

Shall the Order entitled “**ORDER AUTHORIZING ISSUANCE OF UP TO \$585,000 IN BONDS OF THE TOWN TO FUND THE COST OF A NEW FIRE TRUCK**” be approved?

EXPLANATION AND RECOMMENDATION: Approval of this Order would authorize the issuance of up to \$585,000 in bonds of the Town to provide funds to replace Engine 3 which is a 1990 E-One. The current vehicle has been providing service to the Town of Scarborough for 25 years and is housed at the Pleasant Hill Fire Station. The current vehicle has served its useful life and is due to be replaced as outlined in the department’s Apparatus Replacement Schedule. The Town Council recommends approval of this question.

FINANCIAL STATEMENT

1. Total Indebtedness:

A. Bonds outstanding and unpaid:	\$ 97,895,000
B. Bonds authorized and unissued:	\$ 6,781,225
C. Bonds to be issued if this Article is approved:	\$ 585,000

2. Costs:

At an estimated maximum interest of 3.50%

for a maximum fifteen (15) year maturity,
the estimated costs of this bond issue will be:

Principal:	\$ 585,000
Interest:	<u>\$ 133,088</u>
Total Debt Service	\$ 718,088

3. Validity:

The validity of the bonds and of the voters' ratification of the bonds may not be affected by any errors in the above estimates. If the actual amount of the total debt service for the bond issue varies from the estimate, the ratification by the electors is nevertheless conclusive and the validity of the bond issue is not affected by reason of the variance.

S/ Ruth D. Porter
Town Treasurer

AGENDA
SCARBOROUGH TOWN COUNCIL
WEDNESDAY – SEPTEMBER 3, 2014
REGULAR MEETING – 7:00 P.M.

Order No. 14-81. Move approval on the request to place the referendum question to fund a town-wide revaluation on the local Ballot for the November 4, 2014, Municipal Elections.

BOND ORDER TO Request to place the referendum question to fund a town-wide revaluation on the Municipal Ballot for the November 4, 2014, Municipal Election.

BE IT ORDERED by the Town Council of the Town of Scarborough, Maine, in Town Council assembled, as follows:

That under and pursuant to the provisions of Title 30-A, Sections 5724 and 5772, as amended, and the Charter of the Town of Scarborough, Maine, funding of a town-wide revaluation, as budgeted in the 2015 Municipal Capital Equipment Budget by the Town Council, is hereby approved; and,

That a sum not to exceed \$478,900 is hereby appropriated to provide for the cost of this town-wide revaluation; and,

To fund said appropriation, the Treasurer and the Chairman of the Town Council are hereby authorized to issue, at one time or from time to time, general obligation securities of the Town of Scarborough, Maine, including temporary notes in anticipation of the sale thereof, in an aggregate principal amount not to exceed \$478,900 and the discretion to fix the date(s), maturity(ies), denomination(s), interest rate(s), place(s) of payment call(s) for redemption, form(s), and other details of said securities, including execution and delivery of said securities against payment therefor, and to provide for the sale thereof, is hereby delegated to the Treasurer and the Chairman of the Town Council.

BE IT FURTHER ORDERED, that the following referendum question shall be submitted to the voters of the Town of Scarborough, Maine at the next regular municipal election to be held November 4, 2014:

Referendum Question No. 2:

Shall the Order entitled “**ORDER AUTHORIZING ISSUANCE OF UP TO \$478,900 IN BONDS OF THE TOWN TO FUND THE COST OF A TOWN-WIDE REVALUATION**” be approved?

EXPLANATION AND RECOMMENDATION: Approval of this Order would authorize the issuance of up to \$478,900 in bonds of the Town to provide funds for a full town-wide revaluation. It has been nearly 20 years since the last full town-wide revaluation with interior inspections in Scarborough. It is apparent that many properties have changed dramatically over the years, yet a large number of homes haven’t been inspected since 1995. A revaluation would provide the opportunity to audit the Town’s physical inventory of properties promoting greater equity in assessments. The Town Council recommends approval of this question.

FINANCIAL STATEMENT

1. Total Indebtedness:

A. Bonds outstanding and unpaid:	\$ 82,735,000
B. Bonds authorized and unissued:	\$ 5,877,725
C. Bonds to be issued if this Article is approved:	\$ 478,900

2. Costs:

At an estimated maximum interest of 2.00%
for a maximum twenty (20) year maturity,
the estimated costs of this bond issue will be:

Principal:	\$ 900,000
Interest:	<u>\$ 181,162</u>
Total Debt Service	\$ 1,081,162

3. Validity:

The validity of the bonds and of the voters' ratification of the bonds may not be affected by any errors in the above estimates. If the actual amount of the total debt service for the bond issue varies from the estimate, the ratification by the electors is nevertheless conclusive and the validity of the bond issue is not affected by reason of the variance.

S/ Ruth D. Porter
Town Treasurer