

April 8, 2013

13-08 wksp

A workshop meeting of the Caribou City Council was held at 5:00 p.m. on Monday, April 8, 2013, in Council Chambers with the following members present: Mayor Gary Aiken, Deputy Mayor Kenneth G. Murchison, Jr., Philip McDonough II, David Martin, Joan L. Theriault, and David R. Genthner, Sr.

Austin Bless, City Manager and Tony Mazzucco, Assistant City Manager were present.

Department Manager: Elizabeth O'Bar, Tax Assessor was present.

Also attending was Alain Ouellette from Northern Maine Development Commission.

Time Warner Cable covered the meeting.

Item#1: Executive Session to discuss a Personnel Issue pursuant to MRSA Title 1 Section 405 (6)(A).

5:00 p.m. Motion made by P. McDonough, seconded by D. Martin, to move to executive session to discuss a Personnel Issue pursuant to MRSA Title 1 Section 405 (6)(A). (5 yes) So voted.

5:45 p.m. Motion made by K. Murchison, seconded by P. McDonough, to move out of executive session. (5 yes) So voted.

No action taken.

Item#2: TIF Workshop – Immediately following the executive Session or at 6:00 p.m., whichever is later.

Alain Ouellette, from Northern Maine Development Commission (NMDC), reviewed, explained, and discussed Tax Increment Financing (TIF).

- To better understand a TIF it is necessary to understand local taxes
- A TIF is one tool to promote job growth and assist the expansion of businesses
- It can help shelter new captured value by excluding it from the total municipal value that is reported to the state.
- Within a TIF District the values are frozen.
- Allowable project costs are capital costs including construction, improvement and site work, demolition, repair and/or remodeling, purchase of machinery and equipment, professional services, town administrative expenses, relocation costs, organizational costs, and certain infrastructure.
- Mr. Ouellette reviewed the TIF amendment process.
- The Bouchard TIF was discussed and what the captured assessed value may be used for.
- Funding mechanisms include municipal bonds and credit enhancement agreements (CEA).
- TIFs may be designated for up to 30 years.
- Following a revaluation the original assessed value (OAV) can be amended.
- CEAs should be looked at on a case by case basis.
- Mr. Ouellette recommends that the City invite members of the Department of Economic & Community Development (DECD) to Caribou for a work session.
- A map of the Downtown TIF was reviewed.

April 8, 2013

13-08 wksp 2

- LD 563 - An Act to Clarify Tax Increment Financing has been introduced this Legislative session.
- Currently CEAs are not allowed in the Downtown TIF.

Council Consensus: Council wants greater flexibility in the Downtown TIF and to pursue an amendment to the TIF to obtain this flexibility.

Item#3: If Necessary: Executive Session to discuss an Economic Development project pursuant to MRSA Title 1 Chapter 13 Section 405 (6)(C).

This Executive Session was not held.

Upcoming Meeting Dates:

Regular City Council Meeting, April 22, 2013 at 7:00 p.m.

Regular City Council Meeting, May 13, 2013 at 7:00 p.m.

Workshop adjourned 6:43 p.m.

Jayne R. Farrin Secretary