



City of Caribou, Maine

Municipal Building
25 High Street
Caribou, ME 04736
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AGENDA Caribou City Council Regular City Council Meeting 6:00 P.M. Monday, June 8, 2015 Caribou City Council Chambers

1. Public Input
2. Declaration of Conflicts of Interest from the City Council regarding any agenda item.
3. Consider authorizing the minutes of the following meetings:
 - a) May 11, 2015 City Council Meeting 2-4
4. Consent Agenda
 - a) April 2015 Financials
 - b) May 2015 Fire Department Report 5-6
 - c) May 2015 Library Report 7-8
 - d) Approval of Licenses 9
 - e) Election Warden Appointments 10
5. ATV Club Request 11
6. Sale of Fire Truck 12
7. Abatement Recommendations from City Attorney 13
8. Caribou Stream Bridge Project 14
9. VMS Request on tax repayment agreement 15-17
10. Credit Enhancement Agreement – Troy Haney 18-33
11. Credit Enhancement Agreement – Sitel 34-49
12. Slum and Blight Removal Grant Program 50-51
13. Façade Improvement Grant Program 52-53
14. Sexual Harassment Policy – Administration Ordinance 54-59
15. Other Business

Upcoming Meeting Dates:

Public Hearing on Secession, June 11, 2015 at 6pm at Caribou Performing Arts Center
Regular City Council Meeting June 22, 2015 at 6pm
Regular City Council Meeting July 13, 2015 at 6pm



A regular meeting of the Caribou City Council was held 6:00 p.m. on Monday May 11, 2015 in Council Chambers with following members present: Mayor Gary Aiken, Deputy Mayor David Martin, Philip McDonough II, Joan L. Theriault, Shane McDougall, Tiffany J. Stewart, and Jody R. Smith.

Austin Bless, City Manager was present.

Department Manager: Penny G. Thompson, Tax Assessor.

Joshua Archer, representing the Aroostook Republican and Time Warner covered the meeting.

Council Agenda Item #1: Public Input

Vicki Conley, Caribou ATV Club President, stated that the club will be holding an ATV racing event on June 28th. This fund raising event will be held on private property. The club is requesting permission for ATVs to run along the Bowles Road for 1.28 miles. Side by side ATVs that are 60" wide or larger would have to be trailered in. Mayor Aiken suggested that it be first reviewed by the Police Chief.

Milo Haney asked for a 30 day extension on paying personal property taxes. He will be meeting with the Board of Assessors on May 13th.

Paul R. Camping, Secession Committee stated they have completed the report and are ready for the Public Hearing. The report is being reviewed by their professional team made up of an attorney and CPA, so any day, any time and place is acceptable for the hearing.

Council Agenda Item #2: Declaration of Conflicts of Interest from the City Council regarding any agenda item.

None.

Council Agenda Item #3: Consider authorizing the minutes of the following meeting:

- a) April 27, 2015 Council Meeting

Motion made by P. McDonough, seconded by J. Smith, to approve the minutes of the April 27, 2015 Council Meeting as presented. (6 yes) So voted.

Council Agenda Item #4: Consent Agenda

- a) Thursdays on Sweden
- b) April 2015 Police Department Report
- c) April 2015 Fire Department Report
- d) April 2015 Library Report
- e) RSU Budget Referendum
 - 1. Countersigned Warrant and Notice of Election for June 9, 2015
- f) Planning Board Resignation and Appointments
 - 1. Accepted Planning Board resignations: Jim Cerrato and Graham Freme
 - 2. Appointed to Planning Board: Michele Smith

Motion made by P. McDonough, seconded by D. Martin, to approve the Consent Agenda with Business Items A-F as presented. (6 yes) So voted.

Council Agenda Item #5: Secession Public Hearing – Paul Camping

Motion made by J. Smith, seconded by P. McDonough, to schedule the public hearing for 6:00 p.m on June 11th with an alternate date of June 16th at Caribou Performing Arts Center. (6 yes) So voted.

Council Agenda Item #6: Milo Haney Request

Motion made by J. Smith, seconded by D. Martin, to have Mr. Haney pay 2012 & 2013 under original agreement and authorize 30 day extension on 2014 taxes with a waiving of the interest. (6 yes) So voted.

Council Agenda Item #7: Administration Ordinance Changes

6:22 p.m. Public Hearing Opened

No public input.

6:23 p.m. Public Hearing Closed

Motion made by P. McDonough, seconded by J. Theriault to adopt Ordinance 8, 2015 Series, An Ordinance amending Chapter 2 Administration, Short Title: An ordinance modifying the City's Harassment Policy as presented. (6 yes) So Voted.

Council Agenda Item #8: 16 Sincock Street

This property has several code violations and is a dangerous building. Owner of this property, which burnt last fall, now resides in Florida. City Manager Bleess asked Council to begin the Dangerous Buildings proceedings on this property.

Motion made P. McDonough, seconded by D. Martin to initiate Dangerous Buildings proceedings pursuant to Title 17 §2851-2859 for the buildings located at 16 Sincock Street, Map 18 Lot 139 and to set a public hearing for June 22, 2015. (6 yes) So voted.

Council Agenda Item #9: City Investments

The investment committee is recommending that we invest \$3 million of the money we will be receiving back from Maine State Retirement System into 5 year CDs with Aroostook County Federal Savings & Loan at an interest rate of 3%.

The remainder of the funds coming back from Maine State, which as of November 30th, 2014 was \$453,556, would be placed into the G1-417-00 Compensated Absences account. That would bring the amount in the account to \$505,913. The cumulative total for vacation and sick bank payouts as of December 31st, 2014, was \$598,675.

Motion made by D. Martin, seconded by J. Theriault, to invest \$3 million into 5 year CDs with Aroostook Savings and Loan with interest rate of 3%. (6 yes) So voted.

There was discussion as to what should be done with the balance of the funds which is approximately \$453,556. There was discussion about offering to non-union employees the opportunity to receive a buyout of sick and vacation time that is on the City's books.

Motion made by D. Martin, seconded by J. Smith, to put the balance into the Undesignated Fund Balance account and to offer the buyout to non-union employees. (6 yes) So voted.

Council Agenda Item #10: Fire Truck

According to FEMA the fire truck must be permanently removed from emergency service. A grantee that certifies it will remove the vehicle from service, but then sells it to another fire department, or otherwise doesn't remove the vehicle from service, is considered to be in default of the grant agreement. Manager Bless suggested that the truck be put out to bid with a minimum bid of \$7,000.

Motion made by J. Theriault, seconded J. Smith to put out to bid with a minimum of \$7,000. (4 yes, 2 no (P. McDonough, S. McDougall) So voted.

Council Agenda Item #11: Municipal Building

Manager stated with proceeds from the sale of 63 Sweden Street, we would like to use the funds to make some needed improvements to the Caribou Municipal Building.

Some of the suggested improvements include repairing the brick façade, reconfiguring the main floor by moving housing and assessing to the main floor, moving vehicle registration to the clerk's office. Another option is to move council chambers and create offices out of the current council chambers.

Carpets should be replaced on the main floor and look into putting heat pumps for the building.

Motion made by P. McDonough, seconded by D. Martin, to put the money from the sale of 63 Sweden Street in the Municipal Building Fund line. (6 yes) So voted.

The Municipal Building Committee will meet and review options.

Council Agenda Item #12: Other Business

None.

Council Agenda Item #13: Executive Session pursuant to 1 MRSA §405(6)(C) to discuss economic development and real property.

6:45 p.m. Time In. Motion made by P. McDonough, seconded by J. D. Martin, to move to Executive Session pursuant to 1 MRSA §405(6)(C) to discuss economic development and real property. (6 yes) So voted.

7:36 p.m. Motion made by J. Smith, seconded by D. Martin, to move out Executive Session. (6 yes) So voted.

No action taken.

7:37 p.m. Motion made by P. McDonough, seconded by J. Smith, to adjourn meeting.

Upcoming Meeting Dates:

Regular City Council Meeting June 8, 2015 at 6:00 p.m.

Kalen Hill, Secretary Pro-Tem

**CFAD MONTHLY REPORT
MAY 2015**

Total Fire/ Rescue Calls	22	Total Amb Calls	170 inc. Air & Assists
-Alarms for Fires (33)	2	- Ground Amb.:	160
-Alarms for Rescues (66)		- Air Amb Flights:	3
-Silent Alarms	20	- Amb Assist Calls:	6 + 1 cancel
-Haz-Mat		- ALS Calls	103
-Grass Fires	4	- BLS Calls	46
-Chimney Fires		- No Transport	14
-False Alarms	1	- Long Distance Transfers	23
-10-55's	7	- Calls Turned Over:	5 = \$8,240
-Aid to Police		Total Out of Town Amb Calls	21
-Public Service	2	Total Out of Town Fire/Rescue Calls	6
		Est. Fire Loss, Caribou	\$15,000
		Est. Fire Loss, out of City	\$
Total Hours Pumped	5.5	Total Est. Fire Loss	\$15,000
Gallons of Water Used	20,825	Total Maint. Hours	
Amt. of Hose used:	550'	Total Training Hours	245.75 mhrs.
Ladders Used (in Feet):	(75' Ariel)___1___	Miles Traveled by all Units	9,492
Thermal Imaging Camera Used:	1	Fire Permits Issued	247
CO2 Meter Used:	2		
Rescue Sled & Snowmobile:		*Color Guard Training	38.5 mhrs
Rescue Boat:			
Jaws Used:		Total Fire & Amb. Calls	197

MUTUAL AID TO:

P.I.F.D.
F.F.F.D.
L.F.D.
W.F.D.
Stockholm F.D.
North Lakes FD
Crown Amb
Van Buren Amb.

MUTUAL AID FROM:

P.I.F.D.
F.F.F.D.
L.F.D.
W.F.D.
Stockholm F.D.
North Lakes FD
Crown Amb

OUT OF CITY FIRES/RESCUES

LOCATION	# OF CALLS	MAN HRS.
Woodland	3	8.75
New Sweden	3	5.75
Connor		
Westmanland		

Learn Not To Burn = 256 students; 86 + mhrs.

Scott Susi, Chief
Caribou Fire and Ambulance

**BREAKDOWN OF FIRES
For May 2015**

Situation Found	# Of Incidents	Fire Casualties	Est. Property Damage
1. Private Dwellings inc. Mobile Homes			
2. Apartments (3 or more)	1		
3. Hotels & Motels			
4. Dormitories & Boarding Homes			
5. Public Assembly (Church, Restaurant)			
6. Schools			
7. Institutions (Hospitals, Jails, Nursing Homes)	1		
8. Stores, Offices			
9. Industry, Utility, Defense			
10. Storage	1		\$15,000
11. Vacant Buildings or being Built			
12. Fires outside structure w/value (crops, timber, etc.)			
13. Fires Highway Vehicles			
14. Other Vehicles (planes, trains, etc.)			
15. Fires in brush, grass w/no value	4		

Other Incidents

16. Haz-Mat	
17. False Calls	1
18. Mutual Aid Calls	
19. Aid to Ambulance (10-55's)	7
20. Aid to Police	
21. Investigation (Smoke, CO ₂ or Alarm)	5 (2 Alarms; 1 CO; 2 Smoke)
22. Service Calls	2 (1 to PIFD; 1 – Little League)

Total Calls for the Month: ____ 22 ____



CARIBOU PUBLIC LIBRARY
CARIBOU, MAINE

To: Mayor and City Councilors
CC: Austin Bless, City Manager
From: Lisa Neal Shaw, Library Director
Date: June 2, 2015
Re: May 2015 Library Report
Dear Honorable Council Members:
Please find attached the May 2015 report of library activities.

Also of note:

- The Universal Services Administrative Company (USAC) is refunding \$1260 over the state's fiscal year (July 1 2015 through June 30 2016) of the library's telephone costs. We will apply next year as well. The Maine State Library E-rate Coordinator was enormously helpful in securing this.
- I am honored to have been selected as one of six librarians in Maine for the New England Library Leadership symposium (NELLS) August 3-7 in North Andover, Massachusetts. This is funded through the New England Library Association and the Maine State Library.

Respectfully submitted,
Lisa Neal Shaw
Library Director



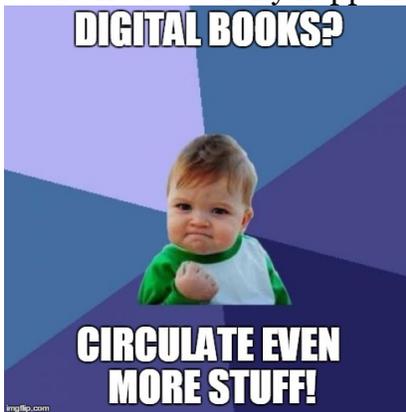
**“THIS IS THE COOLEST LIBRARY I
HAVE EVER BEEN TO IN MY LIFE!”**

[actual patron quote 6/1/2015 came in for fax
service, left with movies and a library card]



The community showed their support for the library in numerous ways in May. For example:
1360 people walked through our doors
816 hung around tables either reading, playing games, or working
18 new patrons acquired cards
266.75 of volunteer time were donated to the library
\$1580.41 has been donated to the memorial fund so far this calendar year.

We circulated **2122** books, movies, and other materials to these people this month. But even off-site activity happens:



188 ebooks and downloadable audio books were circulated
225 people accessed the Internet with handhelds and laptops
There were 357 public access computer sessions that totaled 16 days and 19 hours of usage

The Pilcrow Foundation granted us a 2:1 funding match for children's books. Philip Turner put up the initial \$200, and Pilcrow gave us another \$400 for new books for our young readers! Our story times attracted 107 attendees.

We also processed **three** passport applications and proctored **two** more tests for the United States Postal Service. Applicants for the postal service jobs were previously having to travel to **Farmington** for the test!

We look forward to seeing our fellow departments, council, and community downtown at Thursdays on Sweden this year. Our Summer Reading theme is Super Heroes!

Thank you!



OFFICE OF THE CITY MANAGER
CARIBOU, MAINE

To: Mayor and Council Members
From: Austin Bleess, City Manager
Date: June 8, 2015
Re: Approval of Licenses

The Lister-Knowlton VFW Post 9389 is requesting permission to allow the playing of cards/cribbage daily 8 am to 4 pm. They are requesting that this be added to their current blanket letter which would allow them authority to have hold this type of license until December 31, 2017.

The Par and Grill LLC has applied for renewal of their Special Amusement and Liquor Licenses.

Staff has reviewed both requests and recommends approval of these licenses.



OFFICE OF THE CITY MANAGER
CARIBOU, MAINE

To: Mayor and Council Members
From: Austin Bleess, City Manager
Date: June 8, 2015
Re: Election Warden Appointments

Jayne R. Farrin – appointment as Warden for the June 9, 2015 RSU #39 Budget Validation Referendum

Kalen Hill – appointment as Deputy Warden for the June 9, 2015 RSU #39 Budget Validation Referendum



OFFICE OF THE CITY MANAGER
CARIBOU, MAINE

To: Mayor and Council Members
From: Austin Bleess, City Manager
Date: June 8, 2015
Re: ATV Club Request

At our last meeting the Caribou ATV Club requested temporary access on the Bowles Road for a mud bog event they are holding as a fundraiser. Private land has been donated to be used for the event. The temporary access they are requesting is approximately 1.28 miles. The event will be held Sunday, June 28 starting at 8 am with the races starting at 11:30.

The Police Chief has looked at this and is okay with the request.

Staff is recommending approval of this request.



OFFICE OF THE CITY MANAGER
CARIBOU, MAINE

To: Mayor and Council Members
From: Austin Bleess, City Manager
Date: June 8, 2015
Re: Sale of Fire Truck

We have received the following bids on the fire truck:

Smith Farms Inc in Presque Isle in the amount of \$7,109.

The minimum bid price was \$7,000.

Staff recommends the council accept the bid.



OFFICE OF THE CITY MANAGER
CARIBOU, MAINE

To: Mayor and Council Members
From: Austin Bleess, City Manager
Date: June 8, 2015
Re: Abatement Recommendations

Our City Attorney is recommending we abate the personal property taxes on the following accounts:

Allison Brown, Account number 515 in the amount of \$752.06. He is recommending this because the person has filed for bankruptcy and it was discharged.

Central City Sheet Metal, Account number 63 in the amount of 1,967.76. He is recommending this because the bank has already liquidated all of the assets, and this is essentially uncollectable.

We will need Council approval on these recommendations.



OFFICE OF THE CITY MANAGER
CARIBOU, MAINE

To: Mayor and Council Members
From: Austin Bless, City Manager
Date: June 8, 2015
Re: Caribou Stream Bridge Project

In April the council approved the Parks and Rec Department to move forward with the project to build the bridge over Caribou Stream.

We received two bids on the project. They are:
PNM Construction Inc \$96,750
BMB Construction LLC \$76,900

The grant amount we received was \$29,939.54 which leaves a local share of \$46,960.46. That is \$810.54 more than what we anticipated in April.

The plan would be to use an extra \$810.54 from the RC TIF District to cover these costs. In that TIF district we have set aside \$200,000 for recreational trails. So the funds used for this project would be:

Grant:	\$29,939.54
Collins Pond Recreation Trail Acct:	\$19,420.00
RC2 TIF District:	\$27,540.46
Total Cost	\$76,900.00

Gary Marquis will be present tonight to answer any questions the Council may have.



OFFICE OF THE CITY MANAGER
CARIBOU, MAINE

To: Mayor and Council Members
From: Austin Bleess, City Manager
Date: June 8, 2015
Re: VMS Request on tax repayment agreement

On the next two pages are a letter from VMS and a copy of the signed agreement by VMS and the City as to how the back taxes are to be taken care of. Council will recall they voted to make the city applying for the CDBG grant contingent on a plan being developed between the City and VMS for repayment of back taxes both personal and real estate taxes. The Council left it up to VMS and myself to come up with an agreement.

The agreement that was reached was for tax payments to be made on past due personal property taxes before real estate taxes. VMS was at that time delinquent on personal property taxes back to 2011. With the payments that have been made so far 2011 personal property taxes have been paid in full, and a portion of the 2012 property taxes have been paid.

On approximately March 13th VMS received a courtesy letter from the City that we would be starting lien process in 30 days because of unpaid property taxes from 2014. On April 17 VMS was mailed a letter stating their property would be liened if they did not pay the property taxes by May 22nd. That letter was sent out 5 days before this agreement was signed. Liens were filed on May 22nd.

While CB Smith says the mortgage holders of the property have notified VMS they are in default of their loan I am not aware of any adverse action being taken against VMS by the mortgage holders because of this lien.

The City Council should decide whether or not they want to allow a portion of the money paid to not be applied to the oldest taxes first, that being the personal property taxes, and instead let it be applied to the real estate taxes and the lien being discharged.



VIRTUAL MANAGED SOLUTIONS
Your Source for Unique Technology Solutions

June 2, 2015

To All that may be concerned,

On April 13, 2015, during a City of Caribou council meeting, I requested support from the City of Caribou on a CDBG application for the purpose of securing jobs in Caribou at the location of Virtual Managed Solutions (VMSUS) also located in Caribou. During that council meeting the subject of personal property tax owed the City of Caribou by VMSUS was to be paid to current before CDBG funds would be dispersed by the city to VMSUS. A payment arrangement of \$1000.00 per month would be paid the city until the CDBG process was awarded and at that time VMSUS would make arrangements with its lenders to borrow additional matching funds to pay the entire amount owed the city for personal property tax.

On April 22, 2015, I signed an agreement presented by Austin Bless which formalized the payment agreement. Admittedly I did not read the entire statement that I signed in the presence of Mr. Bless. In my own naivety I did not consider that language used in the written agreement would be different than what was verbally discussed and recorded in the public hearing held on April 13, 2015.

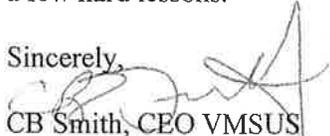
May 26, 2015 I received a letter from the city informing me of a lien placed on the building at 52 Sweden Street due to unpaid real estate tax. NMDC and CEGC have also received a copy of the lien notice and have notified me that VMSUS is in default because of this lien action. The amount in arrears was \$3805.18. A check was mailed to the city for that amount and the check memo described the taxes to be paid with the check sent to the city. We have since paid \$2000.00 more to be applied to the personal property tax owed.

I received an email from Austin Bless stating the agreement I signed prevents payments made to the city to be used for anything other than personal property tax until it is paid in full. This situation created by my naivety and Mr. Bless has put VMSUS in a strained relationship with its lenders as we are now in default because of the lien placed on the VMSUS property by the city.

I would suggest that the audio recording of the public hearing would verify that my recollection of the language expected to be present in the agreement is different than what Austin Bless has entered into the written agreement. I further suggest that the agreement be re-written with the language agreed upon in public hearing.

There is no excuse for my own naivety, but I am a work in progress so please bare with me as I learn from a few hard lessons.

Sincerely,


CB Smith, CEO VMSUS

cc: Caribou City Council Chair, NMDC, CEGC



City of Caribou, Maine

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25 High Street
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Telephone: (207) 493-3324
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April 22, 2015

To the City of Caribou,

I, CB Smith on behalf of Virtual Managed Solutions, promise to pay to the City of Caribou at least \$1,000 per month, starting on May 15th 2015 and on the same day each month. Therefore, to be applied to the past due personal property taxes first before real estate taxes. I will strive to meet the terms of this agreement. If I fail to do so I recognize that the City will be required to proceed with legal action.

CB Smith
Virtual Managed Solutions
207-561-0521

Agreed to by the City

Austin Bless
City Manager

Personal Property Account Number 429

Real Estate Account Number 3136





OFFICE OF THE CITY MANAGER
CARIBOU, MAINE

To: Mayor and Council Members
From: Austin Bleess, City Manager
Date: June 8, 2015
Re: Credit Enhancement Agreement – Troy Haney

As has been discussed with the Council, the following Credit Enhancement Agreement is being presented tonight between the City and Troy Haney DBA Haney's Building Specialties.

This agreement is for one year is for 100% of the tax increment of his property on Glenn Street.

The Council will need to approve this and authorize the City Manager to sign the necessary documents.

CREDIT ENHANCEMENT AGREEMENT

THIS CREDIT ENHANCEMENT AGREEMENT (hereinafter “Credit Enhancement Agreement” or “Agreement”) dated as of _____, 2015, is hereby made between the **City of Caribou**, a municipal body corporate and politic and a political subdivision of the State of Maine (hereinafter the “City”), and **Troy Haney DBA HANEY BUILDING SPECIALTIES**, a sole proprietor, with a place of business in Caribou, Maine (hereinafter the “Company”).

WITNESSETH THAT:

WHEREAS, the City has designated an Omnibus Downtown Tax Increment Financing District as amended (hereinafter the "District") pursuant to Title 30-A M.R.S.A. Chapter 206 by vote at a City Council Meeting duly noticed and held on September 9, 2013, (the Vote”); and

WHEREAS, pursuant to the Vote the City adopted a Omnibus Development Program and Financial Plan for the District (herein the “Development Program”); and

WHEREAS, the District and the Development Program has been reviewed and approved by Maine Department of Economic and Community Development on March 7, 2014; and

WHEREAS, the Development Program authorizes the execution and delivery of a credit enhancement agreement between the City and the Company; and

WHEREAS, the City and Company desire to execute and deliver a credit enhancement agreement contemplated by and described in the Development Program, with such terms and provisions not inconsistent with the Development Program; and

WHEREAS, the City and the Company desire and intend that this Credit Enhancement Agreement be and constitute the credit enhancement agreement contemplated by and described in the Development Program; and

WHEREAS, the City designated the District, adopted the Development Program, and entered into this Agreement in order to induce the Company to complete the Project by enabling the City to contribute toward the capital cost of the Project the amounts contemplated by the Development Program and this Agreement.

NOW, THEREFORE, in consideration of the foregoing and in consideration of the mutual promises and covenants set forth herein, the parties agree as follows:

ARTICLE I

DEFINITIONS

Section 1.1. Definitions.

As used in this Agreement, unless the context otherwise indicates, the following terms shall have the following meanings:

“Act” means chapter 206 of Title 30-A of the Maine Revised Statutes and regulations adopted thereunder, as amended from time to time.

“Agreement” shall mean this Credit Enhancement Agreement between the City and the Company dated as of the date set forth above, as such may be amended by the parties hereto from time to time.

“Captured Assessed Value” shall mean the amount, stated in a percentage, of Increased Assessed Value that is retained in the District with respect to each Tax Year as specified in this Agreement during the term of the District.

“Captured Assessed Value – Haney Tract” shall mean the amount, stated in a percentage, of Increased Assessed Value that is retained in the District with respect to each Tax Year and which is attributable to the Haney Tract as specified in this Agreement during the term of the District.

“City” means the City of Caribou, Maine, a municipality duly organized and existing under the laws of the State of Maine.

“City Cost Subaccount” means that portion of the Project Cost Account of the Development Program Fund for the District as defined in the Financial Plan Section of the Development Program and established and maintained according to Article II hereof.

“City Improvements” means the improvements described in the Development Program, as such may be approved by the City from time to time.

“Company” means Troy Haney DBA Haney’s Building Specialties.

“Current Assessed Value” means the assessed value of the District certified by the municipal assessor as of April 1st of each year that the Development District remains in effect.

“Current Assessed Value – Haney Tract” means the assessed value of the Haney Tract certified by the municipal assessor as of April 1st of each year that the Development District remains in effect.

“DECD” means the Maine Department of Economic & Community Development.

“Development Program” shall have the same meaning given such term in the recitals.

“Development Program Fund” means the Downtown Municipal Development and Tax Increment Financing District Program Fund described in the Financial Plan section of the Development Program and established and maintained pursuant to Article II hereof and 30-A M.R.S. § 5227(3)(A). The Development Program Fund shall consist of a Sinking Fund (as necessary) and a Project Cost Account with at least two subaccounts.

“District” means the Downtown Tax Increment Financing District.

“Financial Plan” means the financial plan described in the “Financial Plan” section of the Development Program.

“Fiscal Year” means January 1 to December 31 or such other fiscal year as the City may from time to time establish.

“Increased Assessed Value” means, for each Tax Year during the term of this Agreement, the amount by which the Current Assessed Value – Haney Tract for such year exceeds the Original Assessed Value – Haney Tract. If the Current Assessed Value – Haney Tract is equal to or less than the Original Assessed Value – Haney Tract in any given Tax Year, there is no Increased Assessed Value in that year.

“Original Assessed Value – Haney Tract” means \$0.00, the taxable assessed value of the Haney Tract as of March 31, 2007 [April 1, 2006].

“Project” means the development of condominium space at 82 Glenn Street, Map 035 Lot 49A, to be developed in the District by the Company.

“Project Costs” means any costs incurred or expected to be incurred that are authorized by Title 30-A MRSA Section 5225, as may be amended.

“Property Tax” means any and all *ad valorem* property taxes levied, charged, or assessed against real and personal property located in the District by the City, or on its behalf.

“Sinking Fund Account” means the development sinking fund account described in the Financial Plan Section of the Development Program and established and maintained pursuant to 30-A M.R.S.A. § 5227(3)(A)(2) and Article II hereof.

“Haney Cost Subaccount” means the portion of the Project Cost Account of the Development Program Fund set aside for the Developer contemplated in this Agreement and as described in the Financial Plan section of the Development Program and established and maintained pursuant to Article II hereof.

“Haney Tract” means the property located at 82 Glenn Street, Map 035 Lot 49A, according to the current municipal records of the City.

“Tax Increment” means all property taxes assessed and paid to the City in any given Tax Year, in excess of any state, county or special district tax, upon the Captured Assessed Value of the property in the District.

“Tax Increment – Haney Tract” means all property taxes assessed and paid to the City in any given Tax Year, in excess of any state, county or special district tax, upon the Captured Assessed Value – Haney Tract.

“Tax Payment Date” means the date as determined by the City from time to time on which property taxes assessed by the City are due and payable without interest from owners of property located within the City.

“Tax Year” shall have the meaning given such term in 30-A M.R.S.A. § 5222(18), as amended, to wit: April 1 to March 31.

Section 1.2. Interpretation and Construction.

In this Agreement, unless the context otherwise requires:

(a) The terms “hereby,” “hereof,” “hereto,” “herein,” “hereunder” and any similar terms, as used in this Agreement, refer to this Agreement, and the term “hereafter” means after, and the term “heretofore” means before, the date of delivery of this Agreement.

(b) Words importing a particular gender mean and include correlative words of every other gender and words importing the singular number mean and include the plural number and vice versa.

(c) Words importing persons mean and include firms, associations, partnerships (including limited partnerships), trusts, corporations and other legal entities, including public or governmental bodies, as well as any natural persons.

(d) Any headings preceding the texts of the several Articles and Sections of this Agreement, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this Agreement, nor shall they affect its meaning, construction or effect.

(e) All approvals, consents and acceptances required to be given or made by any signatory hereto shall not be withheld unreasonably.

(f) All notices to be given hereunder shall be given in writing and, unless a certain number of days is specified, within a reasonable time.

(g) If any clause, provision or Section of this Agreement shall be ruled invalid by any court of competent jurisdiction, the invalidity of such clause, provision or Section shall not affect any of the remaining provisions hereof.

ARTICLE II

DEVELOPMENT PROGRAM FUND AND FUNDING REQUIREMENTS

Section 2.1. Creation of Development Program Fund.

The City has created and established a segregated fund in the name of the City designated as the “Downtown Tax Increment Financing District Program Fund” (hereinafter the “Development Program Fund”) pursuant to, and in accordance with the terms and conditions of, the Development Program and 30-A M.R.S.A. § 5227(3), as amended from time to time. The Development Program Fund consists of: (i) a Project Cost Account that is pledged to and charged with the payment of Project Costs as outlined in the Financial Plan of the Development Program and as provided in 30-A M.R.S.A. § 5227(3)(A)(1); and (ii) the Sinking Fund Account (as necessary) that is pledged to and charged with the payment of municipal indebtedness as outlined in the Financial Plan of the Development Program and as provided in 30-A M.R.S.A. § 5227(3)(A)(2). The Project Cost Account shall also contain two subaccount designated as the “City Cost Subaccount” (the City’s Project Cost subaccount) and the “Haney Cost Subaccount” (the Company’s Project Cost subaccount).

The Haney Cost Subaccount referred to in this Agreement shall be specific to the Haney project. Other developer project cost subaccounts may be established for other projects within the District that have qualified for tax increment financing assistance.

Section 2.2. Timing for Deposits Into Haney Cost Subaccount.

The City shall deposit the Company Tax Increment Revenues in the Haney Cost Subaccount within fifteen (15) days of each Tax Payment Date, or, if not a business day, on the next succeeding business day consistent with the terms of this Agreement.

Section 2.3. Captured Assessed Value; Deposits into Development Program Fund.

(a) Each year during the term of this Agreement, commencing with the City’s 2015 Tax Year and continuing thereafter for up to a maximum of one (1) Tax Year, the City’s 2015 Tax Year, the City shall retain in the District one hundred percent (100%) of the Increased Assessed Value – Haney Tract as Captured Assessed Value – Haney Tract.

(b) For the year during this Agreement, the City shall deposit into the Development Program Fund contemporaneously with each payment of Property Taxes during the term of this Agreement an amount equal to one hundred percent (100%) of that portion of the property tax payment constituting Haney’s Tax Increment Revenues. The Development Program Fund is pledged to and charged with the payment of costs in the manner and priority provided in 30-A M.R.S.A. § 5227(3)(B). The City shall allocate Company Tax Increment Revenues so deposited in the

Development Program Fund between the Haney Cost Subaccount of the Project Cost Account, and the City as set forth in the Table below:

Allocation of Taxes on Incremental Assessed Value

Tax Years	Company Allocation	City Allocation
2015	100%	0%

It is understood and agreed that the credit to the Company Reimbursement Account as specified above shall be due and payable solely from such Property Tax payments by Company.

Section 2.3. Use of Monies in the Development Program Fund.

Monies credited in the Development Program Fund contemplated in this Agreement that are allocable to and/or deposited in the Haney Cost Subaccount shall be in all cases be used and applied to fund fully the City’s payment obligations to Company in accordance with the terms of this Agreement.

Section 2.4. Monies Held By City

All monies actually paid by the Company to the City pursuant to this Agreement and credited to the City Cost Subaccount under the provisions hereof and the provisions of the Development Program shall be held by the City in accordance with the terms and conditions of this Agreement.

Section 2.5. Allocation of Partial Tax Payments

If in any year during the term of this Agreement, the Company fails to pay any portion of the Property Taxes assessed by the City, the Property Taxes actually paid by the Company shall be applied: (a) first to the payment of Property Taxes due on the Original Assessed Value of Company property in the District for any and all outstanding Tax Years; (b) second to payment of Property Taxes with respect to Increased Assessed Value – Haney Tract for the year or years concerned (including any delinquent taxes from prior Tax Years), and (c) third, to the extent of funds remaining, to payment of the Company’s share of Tax Increment Revenues contemplated in this Agreement to the Haney Cost Subaccount.

ARTICLE III

PAYMENT OBLIGATIONS

Section 3.1. Company Payments

Within fifteen (15) days following the payment of Property Taxes by Company on the Haney Tract, or, if not a business day, on the next succeeding business day, the City shall pay to

the Company all amounts then on deposit in the Haney Cost Subaccount, exclusive of any deduction or withholding required by Federal or State law.

All payments made to Company contemplated in this Agreement shall be utilized consistent with this Agreement and the Act.

Section 3.2. Manner of Payments.

The payments provided for in this Article III shall be paid in immediately available funds directly to the Company in the manner provided hereinabove for its own use and benefit.

Section 3.3. Obligations Unconditional.

Subject to compliance with the terms and conditions of this Agreement, the Obligations of the City to make the payments described in this Agreement in accordance with the terms hereof shall be absolute and unconditional, and the City shall not suspend or discontinue any payment hereunder or terminate this Agreement for any cause, other than by court order or by reason of a final judgment by a court of competent jurisdiction that the District is invalid or otherwise illegal.

Section 3.4. Limited Obligation.

The City's obligations of payment hereunder shall be limited obligations of the City payable solely from Tax Increment Revenues attributable to the Haney Tract and any earnings thereon, pledged under this Agreement. The City's obligations hereunder shall not constitute a general debt or a general obligation on the part of the City or a general obligation or charge against or pledge of the faith and credit or taxing power of the City, the State of Maine, or of any municipality or political subdivision thereof, but shall be payable solely from the Tax Increment Revenues received by the City, and any earnings thereon.

This Agreement shall not directly or indirectly or contingently obligate the City, the State of Maine, or any other municipality or political subdivision to levy or to pledge any form of taxation whatever therefore or to make any appropriation for payment due under this Agreement, excepting the City's obligation to assess property taxes upon the Project and to appropriate the Tax Increment Revenues, and earnings thereon, pledged under this Agreement.

ARTICLE IV

FURTHER INSTRUMENTS

The City shall, upon the reasonable request of the Company, from time to time execute and deliver such further instruments and take such further action as may be reasonable and as may be required to carry out the provisions of this Agreement; provided, however, that no such instruments or actions shall pledge the credit of the City, materially disadvantage the City, or materially change this Agreement.

ARTICLE V

LIENS

The City shall not create any liens, encumbrances or other interests of any nature whatsoever, nor shall it hypothecate the Haney Cost Subaccount or any funds therein or revenues resulting from investment of funds therein, other than those interests created in favor of the Company hereunder; provided, however, nothing herein shall prohibit creation of real and personal property tax liens on the Company's property in accordance with, and entitled to the priority provided under, Maine law.

ARTICLE VI

ACCESS TO BOOKS AND RECORDS.

All books, records and documents in the possession of the City relating to the District, the Development Program, the Agreement and the monies, revenues and receipts on deposit or required to be deposited into the Development Program Fund contemplated by this Agreement shall be open to inspection by the Company, its agents and employees during normal business hours upon 48 hours written notice.

ARTICLE VII

DEFAULTS AND REMEDIES

Section 7.1. Events of Default.

Each of the following events shall constitute and be referred to in this Agreement as an "Event of Default":

(a) Any failure by the City to pay any amounts due to the Company when the same shall become due and payable;

(b) Any failure by the City to credit to the Haney Cost Subaccount as and when due;

(c) Any failure by the City or the Company to observe and perform in all material respects any respective covenant, condition, agreement or provision contained herein on the part of the City or the Company respectively to be observed or performed which failure is not cured within thirty (30) days following written notice thereof;

(d) If a receiver, conservator or liquidator is appointed for the Company by any court of competent jurisdiction; or if the Company should file a voluntary petition in bankruptcy or fail to

have a have a petition in bankruptcy dismissed within a period of 90 consecutive days following its filing; or if a court of competent jurisdiction orders the winding up or liquidation of the Company.

Section 7.2. Remedies on Default.

Whenever any Event of Default referred to in Section 7.1 hereof shall have occurred and be continuing for a period of thirty (30) days after a party's receipt from the other party of written notice of an Event of Default by the party, the other party may (a) specifically enforce the performance or observance of any obligations, agreements or covenants of the defaulting party under this Agreement and any documents, instruments and agreements contemplated hereby or to enforce any rights or remedies available hereunder or (b) suspend its performance under this Agreement for so long as the Event of Default continues or remains uncured.

Section 7.3. Remedies Cumulative.

No remedy herein conferred upon or reserved to the Company or City is intended to be exclusive of any other available remedy or remedies but each and every such remedy shall be cumulative and shall be in addition to the remedy given under this Agreement or now or hereafter existing at law, in equity or by statute. Delay or omission to exercise any right or power accruing upon any default or to insist upon the strict performance of any of the covenants and agreements herein set forth or to exercise any rights or remedies upon the occurrence of a default shall not impair any such right or power or be considered or taken as a waiver or relinquishment for the future of the rights to insist upon and to enforce, from time to time and as often as may be deemed expedient, by injunction or other appropriate legal or equitable remedy, strict compliance by either party with all of the covenants and conditions hereof, or of the rights to exercise any such rights or remedies, if such default be continued or repeated.

Section 7.4. Agreement to Pay Attorney's Fees and Expenses.

Notwithstanding the application of any other provision hereof, in the event a party should default under any of the provisions of this Agreement and the other party shall require and employ attorneys or incur other expenses or costs for the collection of payments due or to become due or for the enforcement of performance or observance of any obligation or agreement on the part of the party herein contained, the prevailing party in any litigation to enforce the provisions of this Agreement shall be entitled to be reimbursed for reasonable attorneys fees from the party in default.

Section 7.5. Tax Laws.

The parties acknowledge that all laws of the State now in effect or hereafter enacted with respect to taxation of property shall be applicable and that the City, by entering into this Agreement, is not excusing any non-payment of taxes by Company. Without limiting the foregoing, the City and the Company shall always be entitled to exercise all rights and remedies regarding assessment, collection and payment of taxes assessed on Company's property.

Section 7.6. Failure of Company to timely pay property taxes.

Should the Company fail to pay its assessed Property Taxes for the Haney Tract for two consecutive years the City is under no further obligation for payments to the Company, except in the case of a pending property tax valuation appeal. In the case of a pending property tax valuation appeal, the Company shall pay any uncontested amount by the Property Tax due date and the remainder immediately upon resolution of the appeal

ARTICLE VIII

TERM

Section 8.1. Effective Date

Except as otherwise provided in this Agreement, this Agreement shall remain in full force and effect and shall expire upon the end of Tax Year 2015 or upon the payment of all amounts due to the Company hereunder and the performance of all obligations on the part of the City and Company hereunder (the "Term").

Section 8.2. Expiration of Term.

Upon the expiration of the Term, or the earlier termination of this Agreement, and following full payment of all amounts due and owing to the Company hereunder or provision for payment thereof, the City and the Company shall each execute and deliver such documents and take or cause to be taken such actions as may be necessary to evidence the termination of this Agreement. No such expiration or termination shall affect any rights or obligations then outstanding.

ARTICLE IX

ASSIGNMENT AND PLEDGE OF COMPANY'S INTEREST

Section 9.1. Consent to Pledge and/or Assignment.

The City hereby acknowledges that the Company may pledge and assign its right, title and interest in, to and under this Agreement as collateral for financing for the Project, although no obligation is hereby imposed on the Company to make such assignment or pledge. Recognizing this possibility, the City does hereby consent and agree to the pledge and assignment of all the Company's right, title and interest in, to and under this Agreement and in, and to the payments to be made to Company hereunder, to third parties as collateral or security for indebtedness or otherwise, on one or more occasions during the term hereof.

Section 9.2. Pledge, Assignment or Security Interest.

The City hereby consents to the pledge, assignment or granting of a security interest by

the Company of its right, title and interest in, to and under this Agreement to any lender which is financing the Project in whole or part.

Section 9.3. Assignment

The Company shall have the unrestricted right to transfer and assign all or any portion of its rights in, to and under this Agreement, at any time, and from time to time, as Company may, in its sole discretion, deem appropriate.

ARTICLE X

NO ADDITIONAL DEVELOPMENT

It is understood and agreed that any additional development within the District by Company not within the scope of the original Project or any additional development within the District by any person other than the Company shall be outside the scope of this Agreement. The City shall have no obligations to make any payments into the Development Program Fund from any increased revenues received by the City from assessments made against such additional development.

ARTICLE XI

MISCELLANEOUS

Section 11.1 Successors.

In the event of the dissolution of the Company or any sale or other transfer of all or substantially all of the Project, the covenants, stipulations, promises and agreements set forth herein, by or on behalf of or for the benefit of such party shall bind or inure to the benefit of the successors and assigns thereof from time to time and any entity, officer, board, commission, agency or instrumentality to whom or to which any power or duty of such party shall be transferred.

Section 11.2 Parties in Interest.

Except as herein otherwise specifically provided, nothing in this Agreement expressed or implied is intended or shall be construed to confer upon any person, firm or corporation other than the City and the Company or its assigns any right, remedy or claim under or by reason of this Agreement, it being intended that this Agreement shall be for the sole and exclusive benefit of the City and the Company; provided, however, that if the payment obligations of the City to the Company hereunder are held by a final and binding proceeding to be illegal or invalid, this Agreement shall terminate. In such event all obligations of the parties shall terminate, and no party shall have any further liability to the other hereunder.

Section 11.3 Severability.

In case any one or more of the provisions of this Agreement shall, for any reason, be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Agreement and this Agreement shall be construed and enforced as if such illegal or invalid provision had not been contained herein.

Section 11.4 No Personal Liability of Officials of the City.

No covenant, stipulation, obligation or agreement of the City contained herein shall be deemed to be a covenant, stipulation or obligation of any present or future elected or appointed official, officer, agent, servant or employee of the City in his or her individual capacity and neither the members of the City Council, City Council members nor any official, officer, employee or agent of the City shall be liable personally with respect to this Agreement or be subject to any personal liability or accountability by reason hereof.

Section 11.5 Counterparts.

This Agreement may be executed in any number of counterparts, each of which, when so executed and delivered, shall be an original, but such counterparts shall together constitute but one and the same Agreement.

Section 11.6 Governing Law.

The laws of the State of Maine shall govern the construction and enforcement of this Agreement in all respects.

Section 11.7 Notices.

All notices, certificates, requests, requisitions or other communications by the City or the Company pursuant to this Agreement shall be in writing and shall be sufficiently given and shall be deemed given when mailed by first class mail, postage prepaid, addressed as follows:
If to the City:

City of Caribou
Attn: City Manager
25 High Street
Caribou, Maine 04736

With copies, which shall not constitute notice, to:

Solman & Hunter, P.A.
P.O. Box 665
Caribou, Maine 04736

and

Eaton Peabody
Attn: Jonathan A. Pottle, Esq.
80 Exchange Street
P.O. Box 1210
Bangor, ME 04402-1210

If to the Company:

Haney's Building Specialties
236 Van Buren Road
Caribou, ME 04736

With a copy, which shall not constitute notice, to:

Either of the parties may, by notice given to the other, designate any further or different addresses to which subsequent notices, certificates, requests or other communications shall be sent hereunder.

Section 11.8 Amendments.

This Agreement may only be amended with the concurring written consent of both of the parties hereto.

Section 11.9 Benefit of Assignees or Pledges.

The City agrees that this Agreement is executed in part to induce assignees or pledgees to provide financing for the Project and accordingly all covenants and agreements on the part of the City as to the amounts payable hereunder are hereby declared to be for the benefit of any such assignee or pledgee from time to time of the Company's right, title and interest herein.

Section 11.10 Integration.

This Agreement completely and fully supersedes all other prior or contemporaneous understandings or agreements, both written and oral, between the City and the Company relating to the specific subject matter of this Agreement and the transactions contemplated hereby.

Section 11.11 No Obligation to Build Project

The Company and the City agree, and the City hereby acknowledges that the Company shall have no obligation to go forward with the capital projects referred to herein or in the

Development Program. All such projects are subject to final approval by the Company. Failure of Company to go forward with the capital projects referred to herein shall result in termination of this Agreement.

Section 11.12 Authority of City

The Company and the City waive any right which either may have to contest, and shall not take any action to challenge, the other's authority to enter into, perform or enforce the Agreement or to carry out the Development Program or the validity or enforceability of this Agreement, the District or the Development Program. The City and the Company shall each utilize their respective best efforts to uphold the District, the Development Program, this Agreement and the City's authority to enter into this Agreement and the validity and enforceability of the District, the Development Program and this Agreement, including without limitation opposing, to the extent permitted by law, any litigation or proceeding challenging such authority, validity or enforceability.

Section 11.13 Indemnification.

The Company shall at its own expense defend, indemnify, and hold harmless the City, its officers, agents, and employees from and against any and all liability, claims, damages, penalties, losses, expenses, or judgments relating in any manner to, or arising out of the Development Program or this Agreement, except to the extent that such liability, claims, damages, penalties, losses, or expenses, result in whole or in part from any negligent act or intentional omission of the City, its officers, agents, employees or servants. Company shall, at its own cost and expense, defend any and all suits or actions, just or unjust which may be brought against City upon any such above-mentioned matter, claim or claims, including claims of contractors, employees, laborers, materialmen, and suppliers. In cases in which the City is a party, the City shall have the right to participate at its own discretion and at its own expense and no such suit or action shall be settled without prior written consent of the City. Notwithstanding any other provision of this Agreement, this section shall survive any termination of this Agreement.

In the event of any litigation or proceeding challenging this Agreement or the authority of the parties to enter into or perform hereunder, the Company shall indemnify and hold harmless the City against all costs, including the cost of defense and legal fees resulting from such challenges. Provided, however, that if the Company assumes the defense of all challenges, the City agrees to let the Company's attorney represent both parties at Company's expense.

IN WITNESS WHEREOF, the City and the Company have caused this Agreement to be executed in their respective corporate names and their respective corporate seals to be hereunto affixed and attested by the duly authorized officers, all as of the date first above written.

CITY OF CARIBOU

Witness

By _____
Austin Bless, City Manager
Duly Authorized

HANEY’S BUILDING SPECIALTIES

Witness

By _____
Name:
Its:
Duly Authorized



OFFICE OF THE CITY MANAGER
CARIBOU, MAINE

To: Mayor and Council Members
From: Austin Bleess, City Manager
Date: June 8, 2015
Re: Credit Enhancement Agreement – Sitel

On the following pages is the Credit Enhancement Agreement that we have worked out with Sitel.

The Agreement allows for Sitel to receive up to \$5,000 per year for 5 years (2015-2019) for bringing in the new jobs and making the improvements to the building. For years 2020-2024 they have to keep at least 100 people employed at the Caribou location or they would have to repay a portion of the credits they received.

For example: if in Tax Year 2021 the Company can only certify 95 Full Time Employees at the Project site the Company shall repay 5% of the Company Allocation in 2016.

As of today they have 300 employees working at the location in Downtown. In talking with other local businesses and restaurants their presence has had a great positive impact on their businesses.

The Council will need to take action on this agreement and approve the City Manager to sign the agreement.

CREDIT ENHANCEMENT AGREEMENT

THIS CREDIT ENHANCEMENT AGREEMENT (hereinafter “Credit Enhancement Agreement” or “Agreement”) dated as of _____, 2015, is hereby made between the **City of Caribou**, a municipal body corporate and politic and a political subdivision of the State of Maine (hereinafter the “City”), and **SITEL OPERATING CORPORATION**, a Delaware corporation, with a place of business in Caribou, Maine (hereinafter the “Company”).

WITNESSETH THAT:

WHEREAS, the City has designated an Omnibus Downtown Tax Increment Financing District as amended (hereinafter the "District") pursuant to Title 30-A M.R.S.A. Chapter 206 by vote at a City Council Meeting duly noticed and held on September 9, 2013, (the Vote”); and

WHEREAS, pursuant to the Vote the City adopted a Omnibus Development Program and Financial Plan for the District (herein the “Development Program”); and

WHEREAS, the District and the Development Program has been reviewed and approved by Maine Department of Economic and Community Development on March 7, 2014; and

WHEREAS, the Development Program authorizes the execution and delivery of a credit enhancement agreement between the City and the Company; and

WHEREAS, the City and Company desire to execute and deliver a credit enhancement agreement contemplated by and described in the Development Program, with such terms and provisions not inconsistent with the Development Program; and

WHEREAS, the City and the Company desire and intend that this Credit Enhancement Agreement be and constitute the credit enhancement agreement contemplated by and described in the Development Program; and

WHEREAS, the City designated the District, adopted the Development Program, and entered into this Agreement in order to induce the Company to complete the Project by enabling the City to contribute toward the capital cost of the Project the amounts contemplated by the Development Program and this Agreement.

NOW, THEREFORE, in consideration of the foregoing and in consideration of the mutual promises and covenants set forth herein, the parties agree as follows:

ARTICLE I

DEFINITIONS

Section 1.1. Definitions.

As used in this Agreement, unless the context otherwise indicates, the following terms shall have the following meanings:

“Act” means chapter 206 of Title 30-A of the Maine Revised Statutes and regulations adopted thereunder, as amended from time to time.

“Agreement” shall mean this Credit Enhancement Agreement between the City and the Company dated as of the date set forth above, as such may be amended by the parties hereto from time to time.

“Captured Assessed Value” shall mean the amount, stated in a percentage, of Increased Assessed Value that is retained in the District with respect to each Tax Year as specified in this Agreement during the term of the District.

“Captured Assessed Value – Sitel Tract” shall mean the amount, stated in a percentage, of Increased Assessed Value that is retained in the District with respect to each Tax Year and which is attributable to the Sitel Tract as specified in this Agreement during the term of the District.

“City” means the City of Caribou, Maine, a municipality duly organized and existing under the laws of the State of Maine.

“City Cost Subaccount” means that portion of the Project Cost Account of the Development Program Fund for the District as defined in the Financial Plan Section of the Development Program and established and maintained according to Article II hereof.

“City Improvements” means the improvements described in the Development Program, as such may be approved by the City from time to time.

“Company” means Sitel Operating Corporation.

“Current Assessed Value” means the assessed value of the District certified by the municipal assessor as of April 1st of each year that the Development District remains in effect.

“Current Assessed Value – Sitel Tract” means the assessed value of the Sitel Tract certified by the municipal assessor as of April 1st of each year that the Development District remains in effect.

“DECD” means the Maine Department of Economic & Community Development.

“Development Program” shall have the same meaning given such term in the recitals.

“Development Program Fund” means the Downtown Municipal Development and Tax Increment Financing District Program Fund described in the Financial Plan section of the Development Program and established and maintained pursuant to Article II hereof and 30-A M.R.S. § 5227(3)(A). The Development Program Fund shall consist of a Sinking Fund (as necessary) and a Project Cost Account with at least two subaccounts.

“District” means the Downtown Tax Increment Financing District.

“Financial Plan” means the financial plan described in the “Financial Plan” section of the Development Program.

“Fiscal Year” means January 1 to December 31 or such other fiscal year as the City may from time to time establish.

“Increased Assessed Value” means, for each Tax Year during the term of this Agreement, the amount by which the Current Assessed Value – Sitel Tract for such year exceeds the Original Assessed Value – Sitel Tract. If the Current Assessed Value – Sitel Tract is equal to or less than the Original Assessed Value – Sitel Tract in any given Tax Year, there is no Increased Assessed Value in that year.

“Original Assessed Value – Sitel Tract” means \$1,114,800.00, the taxable assessed value of the Sitel Tract as of March 31, 2007 [April 1, 2006].

“Project” means the renovation and development of office space at 63 Sweden Street, Map 031 Lot 032, to be developed in the District by the Company.

“Project Costs” means any costs incurred or expected to be incurred that are authorized by Title 30-A MRSA Section 5225, as may be amended.

“Property Tax” means any and all *ad valorem* property taxes levied, charged, or assessed against real and personal property located in the District by the City, or on its behalf.

“Sinking Fund Account” means the development sinking fund account described in the Financial Plan Section of the Development Program and established and maintained pursuant to 30-A M.R.S.A. § 5227(3)(A)(2) and Article II hereof.

“Sitel Cost Subaccount” means the portion of the Project Cost Account of the Development Program Fund set aside for the Developer contemplated in this Agreement and as described in the Financial Plan section of the Development Program and established and maintained pursuant to Article II hereof.

“Sitel Tract” means the property located at 63 Sweden Street, Tax Map 031 Lot 032 according to the current municipal records of the City.

“Tax Increment” means all property taxes assessed and paid to the City in any given Tax Year, in excess of any state, county or special district tax, upon the Captured Assessed Value of the property in the District.

“Tax Increment – Sitel Tract” means all property taxes assessed and paid to the City in any given Tax Year, in excess of any state, county or special district tax, upon the Captured Assessed Value – Sitel Tract.

“Tax Payment Date” means the date as determined by the City from time to time on which property taxes assessed by the City are due and payable without interest from owners of property located within the City.

“Tax Year” shall have the meaning given such term in 30-A M.R.S.A. § 5222(18), as amended, to wit: April 1 to March 31.

Section 1.2. Interpretation and Construction.

In this Agreement, unless the context otherwise requires:

(a) The terms “hereby,” “hereof,” “hereto,” “herein,” “hereunder” and any similar terms, as used in this Agreement, refer to this Agreement, and the term “hereafter” means after, and the term “heretofore” means before, the date of delivery of this Agreement.

(b) Words importing a particular gender mean and include correlative words of every other gender and words importing the singular number mean and include the plural number and vice versa.

(c) Words importing persons mean and include firms, associations, partnerships (including limited partnerships), trusts, corporations and other legal entities, including public or governmental bodies, as well as any natural persons.

(d) Any headings preceding the texts of the several Articles and Sections of this Agreement, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this Agreement, nor shall they affect its meaning, construction or effect.

(e) All approvals, consents and acceptances required to be given or made by any signatory hereto shall not be withheld unreasonably.

(f) All notices to be given hereunder shall be given in writing and, unless a certain number of days is specified, within a reasonable time.

(g) If any clause, provision or Section of this Agreement shall be ruled invalid by any court of competent jurisdiction, the invalidity of such clause, provision or Section shall not affect any of the remaining provisions hereof.

ARTICLE II

DEVELOPMENT PROGRAM FUND AND FUNDING REQUIREMENTS

Section 2.1. Creation of Development Program Fund.

The City has created and established a segregated fund in the name of the City designated as the “Downtown Tax Increment Financing District Program Fund” (hereinafter the “Development Program Fund”) pursuant to, and in accordance with the terms and conditions of, the Development Program and 30-A M.R.S.A. § 5227(3), as amended from time to time. The Development Program Fund consists of: (i) a Project Cost Account that is pledged to and charged with the payment of Project Costs as outlined in the Financial Plan of the Development Program and as provided in 30-A M.R.S.A. § 5227(3)(A)(1); and (ii) the Sinking Fund Account (as necessary) that is pledged to and charged with the payment of municipal indebtedness as outlined in the Financial Plan of the Development Program and as provided in 30-A M.R.S.A. § 5227(3)(A)(2). The Project Cost Account shall also contain two subaccount designated as the “City Cost Subaccount” (the City’s Project Cost subaccount) and the “Sitel Cost Subaccount” (the Company’s Project Cost subaccount).

The Sitel Cost Subaccount referred to in this Agreement shall be specific to the Sitel project. Other developer project cost subaccounts may be established for other projects within the District that have qualified for tax increment financing assistance.

Section 2.2. Timing for Deposits Into Sitel Cost Subaccount.

The City shall deposit the Company Tax Increment Revenues in the Sitel Cost Subaccount within fifteen (15) days of each Tax Payment Date, or, if not a business day, on the next succeeding business day consistent with the terms of this Agreement.

Section 2.3. Captured Assessed Value; Deposits into Development Program Fund.

(a) Each year during the term of this Agreement, commencing with the City’s 2015 Tax Year and continuing thereafter for up to a maximum of ten (10) Tax Years to and including the City’s 2024 Tax Year, the City shall retain in the District one hundred percent (100%) of the Increased Assessed Value – Sitel Tract as Captured Assessed Value – Sitel Tract.

(b) Each year during this Agreement, the City shall deposit into the Development Program Fund contemporaneously with each payment of Property Taxes during the term of this Agreement an amount equal to one hundred percent (100%) of that portion of the property tax payment constituting Sitel Operating Corporation’s Tax Increment Revenues. The Development Program Fund is pledged to and charged with the payment of costs in the manner and priority provided in 30-A M.R.S.A. § 5227(3)(B). Each year the Company must certify that as of April 1 of the given year Company employed at least 100 Full Time Employees of the Company working at the Project Site. The City shall allocate Company Tax Increment Revenues so deposited in the Development

Program Fund between the Sitel Cost Subaccount of the Project Cost Account, and the City as set forth in the Table below:

Allocation of Taxes on Incremental Assessed Value

Tax Years	Company Allocation	City Allocation
2015 to 2019	Up to \$5,000 per Tax Year	Amount over \$5,000 per Tax Year
2020 to 2024	0%	100%

It is understood and agreed that the credit to the Company Reimbursement Account as specified above shall be due and payable solely from such Property Tax payments by Company.

(c) Each year during the second five Tax Years (2020 to 2024) the Company must certify that as of April 1 of the given year Company employed at least 100 Full Time Employees of the Company working at the Project Site. If during this time period Company is unable to certify there are at least 100 Full Time Employees of the Company working at the Project Site, Company shall reimburse the City 1% for each Full Time Employee below 100 Full Time Employees, such reimbursement percentage to be applied to the Company Allocation actually provided in the fifth previous Tax Year (in the 2015 to 2019 Tax Year range) which shall then be returned to the City.

For example: if in Tax Year 2021 the Company can only certify 95 Full Time Employees at the Project site the Company shall repay 5% of the Company Allocation in 2016.

The City shall retain one hundred percent of any City Tax Increment Revenues after Tax Year 2019 associated with the Increased Assessed Value – Sitel Tract; the Company is not entitled to reimbursement of any portion of these City Tax Increment Revenues.

Section 2.3. Use of Monies in the Development Program Fund.

Monies credited in the Development Program Fund contemplated in this Agreement that are allocable to and/or deposited in the Sitel Cost Subaccount shall be in all cases be used and applied to fund fully the City’s payment obligations to Company in accordance with the terms of this Agreement.

Section 2.4. Monies Held By City

All monies actually paid by the Company to the City pursuant to this Agreement and credited to the City Cost Subaccount under the provisions hereof and the provisions of the Development Program shall be held by the City in accordance with the terms and conditions of this Agreement.

Section 2.5. Allocation of Partial Tax Payments

If in any year during the term of this Agreement, the Company fails to pay any portion of the Property Taxes assessed by the City, the Property Taxes actually paid by the Company shall be applied: (a) first to the payment of Property Taxes due on the Original Assessed Value of Company property in the District for any and all outstanding Tax Years; (b) second to payment of Property Taxes with respect to Increased Assessed Value – Sitel Tract for the year or years concerned (including any delinquent taxes from prior Tax Years), and (c) third, to the extent of funds remaining, to payment of the Company’s share of Tax Increment Revenues contemplated in this Agreement to the Sitel Cost Subaccount.

ARTICLE III

PAYMENT OBLIGATIONS

Section 3.1. Company Payments

Within fifteen (15) days following the payment of Property Taxes by Company on the Sitel Tract, or, if not a business day, on the next succeeding business day, the City shall pay to the Company all amounts then on deposit in the Sitel Cost Subaccount, exclusive of any deduction or withholding required by Federal or State law.

All payments made to Company contemplated in this Agreement shall be utilized consistent with this Agreement and the Act.

Section 3.2. Manner of Payments.

The payments provided for in this Article III shall be paid in immediately available funds directly to the Company in the manner provided hereinabove for its own use and benefit.

Section 3.3. Obligations Unconditional.

Subject to compliance with the terms and conditions of this Agreement, the Obligations of the City to make the payments described in this Agreement in accordance with the terms hereof shall be absolute and unconditional, and the City shall not suspend or discontinue any payment hereunder or terminate this Agreement for any cause, other than by court order or by reason of a final judgment by a court of competent jurisdiction that the District is invalid or otherwise illegal.

Section 3.4. Limited Obligation.

The City's obligations of payment hereunder shall be limited obligations of the City payable solely from Tax Increment Revenues attributable to the Sitel Tract and any earnings thereon, pledged under this Agreement. The City's obligations hereunder shall not constitute a general debt or a general obligation on the part of the City or a general obligation or charge against or pledge of the faith and credit or taxing power of the City, the State of Maine, or of any municipality or political subdivision thereof, but shall be payable solely from the Tax Increment Revenues received by the City, and any earnings thereon.

This Agreement shall not directly or indirectly or contingently obligate the City, the State of Maine, or any other municipality or political subdivision to levy or to pledge any form of taxation whatever therefore or to make any appropriation for payment due under this Agreement, excepting the City's obligation to assess property taxes upon the Project and to appropriate the Tax Increment Revenues, and earnings thereon, pledged under this Agreement.

ARTICLE IV

FURTHER INSTRUMENTS

The City shall, upon the reasonable request of the Company, from time to time execute and deliver such further instruments and take such further action as may be reasonable and as may be required to carry out the provisions of this Agreement; provided, however, that no such instruments or actions shall pledge the credit of the City, materially disadvantage the City, or materially change this Agreement.

ARTICLE V

LIENS

The City shall not create any liens, encumbrances or other interests of any nature whatsoever, nor shall it hypothecate the Sitel Cost Subaccount or any funds therein or revenues resulting from investment of funds therein, other than those interests created in favor of the Company hereunder; provided, however, nothing herein shall prohibit creation of real and personal property tax liens on the Company's property in accordance with, and entitled to the priority provided under, Maine law.

ARTICLE VI

ACCESS TO BOOKS AND RECORDS.

All books, records and documents in the possession of the City relating to the District, the Development Program, the Agreement and the monies, revenues and receipts on deposit or required to be deposited into the Development Program Fund contemplated by this Agreement shall be open to inspection by the Company, its agents and employees during normal business hours upon 48 hours written notice.

ARTICLE VII

DEFAULTS AND REMEDIES

Section 7.1. Events of Default.

Each of the following events shall constitute and be referred to in this Agreement as an “Event of Default”:

(a) Any failure by the City to pay any amounts due to the Company when the same shall become due and payable;

(b) Any failure by the City to credit to the Sitel Cost Subaccount as and when due;

(c) Any failure by the City or the Company to observe and perform in all material respects any respective covenant, condition, agreement or provision contained herein on the part of the City or the Company respectively to be observed or performed which failure is not cured within thirty (30) days following written notice thereof;

(d) If a receiver, conservator or liquidator is appointed for the Company by any court of competent jurisdiction; or if the Company should file a voluntary petition in bankruptcy or fail to have a petition in bankruptcy dismissed within a period of 90 consecutive days following its filing; or if a court of competent jurisdiction orders the winding up or liquidation of the Company.

Section 7.2. Remedies on Default.

Whenever any Event of Default referred to in Section 7.1 hereof shall have occurred and be continuing for a period of thirty (30) days after a party's receipt from the other party of written notice of an Event of Default by the party, the other party may (a) specifically enforce the performance or observance of any obligations, agreements or covenants of the defaulting party under this Agreement and any documents, instruments and agreements contemplated hereby or to enforce any rights or remedies available hereunder or (b) suspend its performance under this Agreement for so long as the Event of Default continues or remains uncured.

Section 7.3. Remedies Cumulative.

No remedy herein conferred upon or reserved to the Company or City is intended to be exclusive of any other available remedy or remedies but each and every such remedy shall be cumulative and shall be in addition to the remedy given under this Agreement or now or hereafter existing at law, in equity or by statute. Delay or omission to exercise any right or power accruing upon any default or to insist upon the strict performance of any of the covenants and agreements herein set forth or to exercise any rights or remedies upon the occurrence of a default shall not impair any such right or power or be considered or taken as a waiver or relinquishment for the future of the rights to insist upon and to enforce, from time to time and as often as may be deemed expedient, by injunction or other appropriate legal or equitable remedy, strict compliance by either party with all of the covenants and conditions hereof, or of the rights to exercise any such rights or remedies, if such default be continued or repeated.

Section 7.4. Agreement to Pay Attorney’s Fees and Expenses.

Notwithstanding the application of any other provision hereof, in the event a party should default under any of the provisions of this Agreement and the other party shall require and employ attorneys or incur other expenses or costs for the collection of payments due or to become due or for the enforcement of performance or observance of any obligation or agreement on the part of the party herein contained, the prevailing party in any litigation to enforce the provisions of this Agreement shall be entitled to be reimbursed for reasonable attorneys fees from the party in default.

Section 7.5. Tax Laws.

The parties acknowledge that all laws of the State now in effect or hereafter enacted with respect to taxation of property shall be applicable and that the City, by entering into this Agreement, is not excusing any non-payment of taxes by Company. Without limiting the foregoing, the City and the Company shall always be entitled to exercise all rights and remedies regarding assessment, collection and payment of taxes assessed on Company's property.

Section 7.6. Failure of Company to timely pay property taxes.

Should the Company fail to pay its assessed Property Taxes for the Sitel Tract for two consecutive years the City is under no further obligation for payments to the Company, except in the case of a pending property tax valuation appeal. In the case of a pending property tax valuation appeal, the Company shall pay any uncontested amount by the Property Tax due date and the remainder immediately upon resolution of the appeal

ARTICLE VIII

TERM

Section 8.1. Effective Date

Except as otherwise provided in this Agreement, this Agreement shall remain in full force and effect and shall expire upon the end of Tax Year 2024 or upon the payment of all amounts due to the Company hereunder and the performance of all obligations on the part of the City and Company hereunder (the “Term”).

Section 8.2. Expiration of Term.

Upon the expiration of the Term, or the earlier termination of this Agreement, and following full payment of all amounts due and owing to the Company hereunder or provision for payment thereof, the City and the Company shall each execute and deliver such documents and take or cause to be taken such actions as may be necessary to evidence the termination of this Agreement. No such expiration or termination shall affect any rights or obligations then outstanding.

ARTICLE IX

ASSIGNMENT AND PLEDGE OF COMPANY'S INTEREST

Section 9.1. Consent to Pledge and/or Assignment.

The City hereby acknowledges that the Company may pledge and assign its right, title and interest in, to and under this Agreement as collateral for financing for the Project, although no obligation is hereby imposed on the Company to make such assignment or pledge. Recognizing this possibility, the City does hereby consent and agree to the pledge and assignment of all the Company's right, title and interest in, to and under this Agreement and in, and to the payments to be made to Company hereunder, to third parties as collateral or security for indebtedness or otherwise, on one or more occasions during the term hereof.

Section 9.2. Pledge, Assignment or Security Interest.

The City hereby consents to the pledge, assignment or granting of a security interest by the Company of its right, title and interest in, to and under this Agreement to any lender which is financing the Project in whole or part.

Section 9.3. Assignment

The Company shall have the unrestricted right to transfer and assign all or any portion of its rights in, to and under this Agreement, at any time, and from time to time, as Company may, in its sole discretion, deem appropriate.

ARTICLE X

NO ADDITIONAL DEVELOPMENT

It is understood and agreed that any additional development within the District by Company not within the scope of the original Project or any additional development within the District by any person other than the Company shall be outside the scope of this Agreement. The City shall have no obligations to make any payments into the Development Program Fund from any increased revenues received by the City from assessments made against such additional development.

ARTICLE XI

MISCELLANEOUS

Section 11.1 Successors.

In the event of the dissolution of the Company or any sale or other transfer of all or substantially all of the Project, the covenants, stipulations, promises and agreements set forth herein, by or on behalf of or for the benefit of such party shall bind or inure to the benefit of the successors and assigns thereof from time to time and any entity, officer, board, commission,

agency or instrumentality to whom or to which any power or duty of such party shall be transferred.

Section 11.2 Parties in Interest.

Except as herein otherwise specifically provided, nothing in this Agreement expressed or implied is intended or shall be construed to confer upon any person, firm or corporation other than the City and the Company or its assigns any right, remedy or claim under or by reason of this Agreement, it being intended that this Agreement shall be for the sole and exclusive benefit of the City and the Company; provided, however, that if the payment obligations of the City to the Company hereunder are held by a final and binding proceeding to be illegal or invalid, this Agreement shall terminate. In such event all obligations of the parties shall terminate, and no party shall have any further liability to the other hereunder.

Section 11.3 Severability.

In case any one or more of the provisions of this Agreement shall, for any reason, be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Agreement and this Agreement shall be construed and enforced as if such illegal or invalid provision had not been contained herein.

Section 11.4 No Personal Liability of Officials of the City.

No covenant, stipulation, obligation or agreement of the City contained herein shall be deemed to be a covenant, stipulation or obligation of any present or future elected or appointed official, officer, agent, servant or employee of the City in his or her individual capacity and neither the members of the City Council, City Council members nor any official, officer, employee or agent of the City shall be liable personally with respect to this Agreement or be subject to any personal liability or accountability by reason hereof.

Section 11.5 Counterparts.

This Agreement may be executed in any number of counterparts, each of which, when so executed and delivered, shall be an original, but such counterparts shall together constitute but one and the same Agreement.

Section 11.6 Governing Law.

The laws of the State of Maine shall govern the construction and enforcement of this Agreement in all respects.

Section 11.7 Notices.

All notices, certificates, requests, requisitions or other communications by the City or the Company pursuant to this Agreement shall be in writing and shall be sufficiently given and shall be deemed given when mailed by first class mail, postage prepaid, addressed as follows:

If to the City:

City of Caribou
Attn: City Manager
25 High Street
Caribou, Maine 04736

With copies, which shall not constitute notice, to:

Solman & Hunter, P.A.
P.O. Box 665
Caribou, Maine 04736

and

Eaton Peabody
Attn: Jonathan A. Pottle, Esq.
80 Exchange Street
P.O. Box 1210
Bangor, ME 04402-1210

If to the Company:

Sitel Operating Corporation
3102 West End Ave., Suite 900
Nashville, TN 37203
Attn: Law Department

With a copy, which shall not constitute notice, to:

Either of the parties may, by notice given to the other, designate any further or different addresses to which subsequent notices, certificates, requests or other communications shall be sent hereunder.

Section 11.8 Amendments.

This Agreement may only be amended with the concurring written consent of both of the parties hereto.

Section 11.9 Benefit of Assignees or Pledges.

The City agrees that this Agreement is executed in part to induce assignees or pledgees to provide financing for the Project and accordingly all covenants and agreements on the part of the City as to the amounts payable hereunder are hereby declared to be for the benefit of any such assignee or pledgee from time to time of the Company's right, title and interest herein.

Section 11.10 Integration.

This Agreement completely and fully supersedes all other prior or contemporaneous understandings or agreements, both written and oral, between the City and the Company relating to the specific subject matter of this Agreement and the transactions contemplated hereby.

Section 11.11 No Obligation to Build Project

The Company and the City agree, and the City hereby acknowledges that the Company shall have no obligation to go forward with the capital projects referred to herein or in the Development Program. All such projects are subject to final approval by the Company. Failure of Company to go forward with the capital projects referred to herein shall result in termination of this Agreement.

Section 11.12 Authority of City

The Company and the City waive any right which either may have to contest, and shall not take any action to challenge, the other's authority to enter into, perform or enforce the Agreement or to carry out the Development Program or the validity or enforceability of this Agreement, the District or the Development Program. The City and the Company shall each utilize their respective best efforts to uphold the District, the Development Program, this Agreement and the City's authority to enter into this Agreement and the validity and enforceability of the District, the Development Program and this Agreement, including without limitation opposing, to the extent permitted by law, any litigation or proceeding challenging such authority, validity or enforceability.

Section 11.13 Indemnification.

The Company shall at its own expense defend, indemnify, and hold harmless the City, its officers, agents, and employees from and against any and all liability, claims, damages, penalties, losses, expenses, or judgments relating in any manner to, or arising out of the Development Program or this Agreement, except to the extent that such liability, claims, damages, penalties, losses, or expenses, result in whole or in part from any negligent act or intentional omission of the City, its officers, agents, employees or servants. Company shall, at its own cost and expense, defend any and all suits or actions, just or unjust which may be brought against City upon any such above-mentioned matter, claim or claims, including claims of contractors, employees, laborers, materialmen, and suppliers. In cases in which the City is a party, the City shall have the right to participate at its own discretion and at its own expense and no such suit or action shall be settled without prior written consent of the City. Notwithstanding any other provision of this Agreement, this section shall survive any termination of this Agreement.

In the event of any litigation or proceeding challenging this Agreement or the authority of the parties to enter into or perform hereunder, the Company shall indemnify and hold harmless the City against all costs, including the cost of defense and legal fees resulting from such challenges. Provided, however, that if the Company assumes the defense of all challenges, the City agrees to let the Company's attorney represent both parties at Company's expense.

SECTION XII

CITY COSTS.

The Company shall pay or reimburse the City for all reasonable fees, expenses and other charges of the City and its consultants, including the City's attorneys and the City's Consultant, in connection with the negotiation, execution and approval of this Agreement and the negotiation, approval and approval of the Development Program. The amount of these fees shall not exceed \$500. If this is not done, the City shall deduct such payment due from credit enhancement payments due the Company. Notwithstanding any other provision of this Agreement, this section shall survive any termination of this Agreement.

IN WITNESS WHEREOF, the City and the Company have caused this Agreement to be executed in their respective corporate names and their respective corporate seals to be hereunto affixed and attested by the duly authorized officers, all as of the date first above written.

CITY OF CARIBOU

By _____
Austin Bless, City Manager
Duly Authorized

Witness

SITEL OPERATING CORPORATION

By _____
Name:
Its:
Duly Authorized

Witness



OFFICE OF THE CITY MANAGER
CARIBOU, MAINE

To: Mayor and Council Members
From: Austin Bleess, City Manager
Date: June 8, 2015
Re: Slum and Blight Removal Grant Program

As part of our Downtown TIF Program we have set aside a fair amount of money to do project such as slum and blight removal. This would help us to clean up a number of slum and blight properties, both commercial and residential, that are within our Downtown TIF District.

On the following page is a proposed Slum and Blight Removal Grant Program I am asking the Council to implement.



Caribou Slum and Blight Removal Grant Program

The Slum and Blight Removal Grant Program is a proposed partnership between the City of Caribou and the private sector to remove blighted properties within our designated Downtown TIF District from our community and improve property values.

Process

The City of Caribou will determine an application process for selecting property each year to receive the grant. Owners of buildings within the Downtown TIF District would apply to the city for grant assistance in removing the blighted buildings. The grant amount for each project would be capped at \$10,000 or 50% of the project costs whichever is less. At least two quotes or bids should be received by applicant before work is done. Copies of bids shall accompany the grant application. Grants would only be paid after the work has been completed to the satisfaction of the city and proof of payment to the contractor or landfill has been received by the city.

The property owner would be responsible for ensuring all appropriate rules and regulations, including state and federal, would be followed in the removal of the building. No buildings would be allowed to be buried on site, as per City Ordinance. A demolition permit would have to be obtained from the City of Caribou as well.

Applications would be ranked on the blighting influences on the neighborhood, the level of blight, and whether or not there is a reuse of the property that has been identified.

Funding

Funding for this would come from the Downtown TIF District. As part of this district the City has set aside approximately \$1,000,000 over the life of the district for slum and blight removal. Annual funding would be subject to approval by the City Council during the normal budgeting process. Slum and Blight removal done by the City for city owned or tax acquired property in the district may reduce the amount of available funding in any given year.

Eligibility

In order to be eligible for the grant the applicant must be the owner of the property. Applicant must be current on all city taxes and bills from the Caribou Utilities District. If the property has been declared dangerous by the Caribou City Council in accordance with MRSA Title 17 §2851, as it may be amended from time to time, the applicant shall not be eligible for this grant.

Decisions

All decisions will be made by the City Manager in consultation with the Code Enforcement Officer, Police Chief, and Fire Chief.



OFFICE OF THE CITY MANAGER
CARIBOU, MAINE

To: Mayor and Council Members
From: Austin Bleess, City Manager
Date: June 8, 2015
Re: Façade Improvement Grant Program

As part of our Downtown TIF Program we have set aside a fair amount of money to do project such as façade improvement grants. A Façade Improvement Grant Program would help to improve the look of commercial and mixed use buildings in our designated Downtown TIF District.

On the following page is a proposed Façade Improvement Grant Program I am asking the Council to implement.



Caribou Façade Improvement Grant Program

The Façade Improvement Grant Program is a proposed partnership between the City of Caribou and the private sector to improve the façades of commercial and mixed use properties within our designated Downtown TIF District. The program offers grant funds to be matched by an equal or greater investment of private funds for the purpose of restoring/renovating commercial storefronts and replacing deteriorated or poor quality commercial signs and awnings.

Process and Guidelines

The City of Caribou will determine an application process for selecting property each year to receive the grant. This grant may be used for a variety of façade improvements including, but not limited to, painting, window or door repairs/replacements, signage, awnings, tuckpointing, and storefront restorations. Grant funds will be awarded on a competitive basis; Small and large projects are eligible for funding. At least two quotes or bids should be received by applicant before work is done or materials are ordered. Copies of bids shall accompany the grant application.

The grant amount for each project would be capped at \$10,000 or 50% of the project costs whichever is less. Each applicant may only be awarded one grant per calendar year.

Building projects must be designed by a qualified design professional and signs must be produced by a professional sign maker.

Applicant must obtain all necessary approvals and/or permits from the City of Caribou. Furthermore, no Façade Improvement Grant shall be made unless and until the proposed improvement work has been reviewed and approved by City staff.

Grants would only be paid after the work has been completed to the satisfaction of the city and proof of payment to the contractor or vendor for materials. If the work is to be done by the building owner, only materials are grant eligible.

Funding

Funding for this would come from the Downtown TIF District. As part of this district the City has set aside approximately \$1,000,000 over the life of the district for façade improvement. Annual funding would be subject to approval by the City Council during the normal budgeting process.

Eligibility

In order to be eligible for the grant the applicant must be the owner of the property. Business owners leasing or renting space are encouraged to work with their building owner to develop an application. Applicant and lessees must be current on all city taxes and bills from the Caribou Utilities District. If the property has been declared dangerous by the Caribou City Council in accordance with MRSA Title 17 §2851, as it may be amended from time to time, the applicant shall not be eligible for this grant.

Decisions

All decisions will be made by the City Manager, or his designee or any applicable committee, in consultation with the Code Enforcement Officer and Building Official.



OFFICE OF THE CITY MANAGER
CARIBOU, MAINE

To: Mayor and Council Members
From: Austin Bless, City Manager
Date: June 8, 2015
Re: Administration Ordinance Changes

The Department of Justice is requiring more changes be made to our sexual harassment policy in addition to those that were recently approved. The ordinance is on the following pages.

We need to introduce the ordinance tonight. A public hearing will be held on June 22nd and the Council may act on the ordinance at that time.

Ordinance No. 9, 2015 Series
City of Caribou
County of Aroostook
State of Maine

AN ORDINANCE AMENDING CHAPTER 2 ADMINISTRATION

Short Title: An ordinance modifying the City's Harassment Policy

The City Council of the City of Caribou, County of Aroostook, State of Maine, pursuant to the requirements of the City of Caribou Charter, Section 2.11 (1) does ordain the following:

Section: Harassment Policy of Chapter 2, Administration, of the Caribou City Ordinances shall be modified to read as follows:

SEXUAL HARRASSMENT POLICY

It is the intent of the City of Caribou to provide a work environment that is free from discrimination or harassment. Therefore, it is the policy of the City that any form of sexual and verbal harassment, including both verbal and physical, is unacceptable conduct in the workplace and will not be tolerated from any source, including supervisors, co-workers and non-employees. Employees are encouraged to assist the City with its goal of maintaining a workplace free of sexual ~~and verbal~~ harassment and with its commitment to deal seriously with allegations of sexual ~~and verbal~~ harassment when they arise.

Sexual Harassment Is Illegal under State and Federal Law. Per State Law MRSA; Title 26.

It is illegal for any employee to sexually harass another employee, and for any supervisory employee to permit any act of sexual harassment in the workplace by anyone, whether or not an employee.

Definition of Sexual Harassment under State and Federal Law per State Law MRSA; Title 26..

Unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct of a sexual nature constitute sexual harassment when:

1. this conduct explicitly or implicitly affects an individual's employment~~submission to such conduct is made either explicitly or implicitly a term or condition of an individual's employment;~~
2. submission to, or rejection of such conduct by an individual is used as the basis for employment decisions affecting such individual; or
3. such conduct has the purpose or effect of substantially interfering with an individual's work performance or creating an intimidating, hostile, or offensive working environment.

Description of Sexual Harassment¹.

- A. Physical assaults of a sexual nature such as:
 - 1. Rape, sexual battery, molestation or attempts to commit these assaults; and
 - 2. intentional physical conduct which is sexual in nature, such as touching, pinching, patting, grabbing, brushing against another's body, or poking another employee's body.
- B. Unwanted sexual advances, propositions or other sexual comments, such as:
 - 1. sexually-oriented gestures, noises, remarks, jokes or comments about a person's sexuality or sexual experience directed at or made in the presence of any employee who indicates or has indicated in any way that such conduct in his/her presence is unwelcome;
 - 2. Preferential treatment or promise of preferential treatment to an employee for submitting or attempting to solicit any employee to engage in sexual activity for compensation or reward; and
 - 3. subjecting or threatening to subject, an employee to unwelcome sexual attention or conduct or making performance of an employee's job more difficult because of that employee's sex.
- C. Sexual or discriminatory displays or publications anywhere in the organization by employees such as:
 - 1. displaying pictures, posters, calendars, graffiti, objects, promotional materials, reading materials, or other materials that are sexually suggestive, sexually demeaning, or pornographic, or bringing into the work environment or possessing any such material to read, display or view at work.
 - 2. Reading or otherwise publicizing in the work environment material that are in any way sexually demeaning or pornographic; and
 - 3. Displaying signs or other material purporting to segregate an employee by sex in any area of the workplace (other than restrooms and similar semi-private lockers/ changing rooms.)

D. Sexual harassment can occur in a variety of circumstances, including but not limited to the following:

- 1. The victim as well as the harasser may be a woman or a man. The victim does not have to be of the opposite sex.
- 2. The harasser can be the victim's supervisor, an agent of the employer, a supervisor in another area, a co-worker, or a non-employee.

¹ The descriptions in this Section are not meant to be exhaustive.

3. The victim does not have to be the person harassed but could be anyone affected by the offensive conduct.

4. Unlawful sexual harassment may occur without economic injury to or discharge of the victim.

5. The harasser's conduct must be unwelcome.

Resolving Harassment

Any employee who believes he or she has been harassed should take the following steps to resolve the problem:

1. If an employee finds someone's behavior offensive, they may attempt to resolve the behavior by calmly but firmly informing the individual that they find the behavior offensive and requesting that the behavior cease. However, an employee who believes he or she has been subjected to offensive behavior is not required to confront the offending individual before registering a complaint.

~~2. If the harassment continues and/or the employee does not feel comfortable discussing the behavior with the individual(s) involved, or if they believe some employment consequence may result from his/her confrontation with the individual whose behavior offends them, they should~~ They may register a complaint orally or in writing with any supervisor, the Equal Employment Opportunity Officer (EEO Officer), or with the City Manager.

Any supervisory or management level employee, including the City Manager, who receives an oral or written complaint of sexual harassment from an employee must report the complaint to the City's EEO Officer within five (5) business days of receiving such a complaint. Any supervisory employees who fail to meet this requirement may be subject to discipline.

Any supervisory or management level employee, including the City Manager, with actual knowledge of what he or she believes is conduct that has or may contribute to a sexually hostile work environment must report his or her knowledge of this conduct to the City's EEO Officer within five (5) business days of obtaining such knowledge. Any supervisory or management level employees who fail to meet this requirement will be subject to discipline.

Within twenty (20) days of the EEO Officer's receipt of a complaint of sexual harassment or receipt of information from a supervisor about sexual harassment, the EEO Officer shall inform the alleged victim of harassment that the allegations of sexual harassment will be promptly investigated.

An independent investigator who does not work for the City and who has expertise in investigating harassment complaints will investigate all complaints of sexual harassment promptly and objectively.

During the course of a sexual harassment investigation, the person who is the alleged victim of sexual harassment is not required to meet with the alleged sexual harasser, work with the alleged sexual harasser, or discuss the allegations of harassment in the presence of the alleged sexual harasser.

The City will provide the results of sexual harassment investigations to the alleged victim of harassment in writing as soon as possible, but in no event later than thirty (30) workdays after the commencement of the investigation, unless a written explanation is provided to the alleged victim as to the reason(s) that the investigation could not be completed within thirty (30) workdays.

Confirmed instances of ~~verbal or~~ sexual harassment will be dealt with by utilizing whatever disciplinary action the City deems appropriate, up to and including termination.

For this harassment policy “supervisory employee,” “supervisor” and “management level employee” are defined to include: (a) any employee who possesses the authority to direct the work activities of at least one other employee and (b) any employee who has the authority to hire, fire, promote, transfer, or discipline another employee.

[Legal Recourse through the Maine Human Rights Commission or the U.S. Equal Employment Opportunity Commission.](#)

With regard to a sexual harassment complaint, if the employee does not want to make the report internally, the employee may make the complaint to the Maine Human Rights Commission ([MHRC](#)) or the U.S. Equal Employment Opportunity Commission ([EEOC](#)). [Contact information for the MHRC and EEOC is as follows: which is located at the State House Station 51, Augusta, Maine, 04333, telephone number 289-2326.](#)

[Maine Human Rights Commission](#)
[51 State House Station](#)
[Augusta, ME 04333-0051](#)
[Ph. 207-624-6290](#)
www.maine.gov/mhrc

[U.S. Equal Employment Opportunity Commission](#)
[John F. Kennedy Federal Building](#)
[475 Government Center](#)
[Boston, MA 02203](#)
[Ph. 1-800-669-4000](#)
www.eeoc.gov

Any complaint must be filed with the MHRC or EEOC within 300 Commission within 180 days of the last act of harassment. Once a signed charge form has been received by the MHRC or EEOC Commission, an investigation will be conducted and a determination will be made by the MHRC or EEOC Commission of whether or not there are reasonable grounds to believe sexual harassment occurred.

If the MHRC or EEOC Commission determined that sexual harassment did occur, it will attempt to resolve the situation between you and your employer through informal means. If informal means of resolution are unsuccessful, the MHRC or U.S. Department of Justice Commission counsel may file a civil action in court on your behalf in Superior Court seeking appropriate relief for you. Regardless of whether the MHRC or EEOC determine that sexual harassment occurred, the employee who believes he or she was the victim of sexual harassment may file a civil action in court.

Maine Human Rights Act Protection against Retaliation for Complaining about Sexual Harassment.

Any employee who opposes conduct he or she believes in good faith violates Title VII of the Civil Rights Act of 1964, 42 U.S.C. § 2000e, *et seq.*, as amended which includes but is not limited to reporting, complaining about or filing a claim concerning sexual harassment with the City, filing an EEOC or MHRC charge, and/or participating in any manner in an investigation or proceeding or hearing under Title VII, shall not be subjected to retaliation.

This notice is provided to all employees in compliance with 26 M.R.S.A. 807(2). If anyone has any questions regarding this notification, please ask your supervisor, the EEO Officer, or contact the City Manager.

This ordinance, being introduced on _____, 2015 and a public hearing being held on _____, 2015 was duly passed by the City Council of the City of Caribou, Maine, this _____ day of _____ 2015.

Gary Aiken, Mayor

David Martin, Councilor

Shane McDougall, Councilor

Tiffany Stewart, Councilor

Philip J. McDonough II, Councilor

Jody Smith, Councilor

Joan Theriault, Councilor

Attest:

Jayne R. Farrin, City Clerk