

CITY COUNCIL MEETING NOTICE AND AGENDA

Notice is hereby given that the City Council of Caribou will hold a Special City Council Meeting on **Tuesday, May 29, 2018** in the Council Chambers located at 25 High Street, **6:00 pm**.



1. **Roll Call**
2. **Pledge of Allegiance**
3. **Public Input**
4. **Declaration of Potential Conflicts of Interest**
5. **Consent Agenda**
6. **Bid Openings, Awards, and Appointments**
7. **Formal Public Hearings**
8. **New Business & Adoption of Ordinances and Resolutions**
 - a. Discussion and Possible Action Regarding Tax Abatement Request by Ruby Pelletier of 70 Washburn St Pg 2
 - b. Discussion and Possible Action Regarding Tax Abatement Request by Carolyn Cossiboom of 4 Newton Ave Pg 3
 - c. Discussion Regarding Economic Development Pg 4
 - d. Discussion Regarding Downtown Main Street Committee Pgs 5-10
 - e. Discussion of Mil Rate projections Pgs 11-12
 - f. Discussion and Possible Action Regarding Final 2018 Budget Pg 13
9. **Reports of Officers, Staff, Boards and Committees**
10. **Reports and Discussion by Mayor and Council Members**
11. **Executive Session** (May be called to discuss matters identified under Maine Revised Statutes, Title 1, §405.6)
 - a. §405.6.C Real Estate & Economic Development Pg 14
 - b. §405.6.D Labor Contracts and Proposals Pg 14
12. **Next Regularly Scheduled Council Meetings – June 11, June 25**
13. **Adjournment**

If you are planning to attend this Public Meeting and, due to a disability, need assistance in understanding or participating in the meeting, please notify the City ten or more hours in advance and we will, within reason, provide what assistance may be required.

Certificate of Mailing/Posting

The undersigned duly appointed City official for the municipality of Caribou City hereby certifies that a copy of the foregoing Notice and Agenda was posted at City Offices and on-line in accordance with City noticing procedures.

BY: _____ Jayne R. Farrin, City Clerk

CARIBOU ADMINISTRATION
25 HIGH STREET
CARIBOU, ME. 04736



MEMO

TO: Caribou City Council Members
FROM: Dennis Marker, City Manager
RE: Tax Abatement Request by Ruby Pelletier
DATE: May 25, 2018

DISCUSSION AND POSSIBLE ACTION ITEM

Background

Mrs. Pelletier's home has been foreclosed upon by the city for failure to pay taxes. Mrs. Pelletier and her husband were sent all proper notices of the pending liens and actions. Mrs. Pelletier's property was advertised for bid in February 2017 along with other tax-acquired properties. No bids were received for her property. Taxes and penalties owed on the property are as follows:

Year	Principal	Interest	Costs	Total
2015	\$681.16	\$44.11	\$29.24	\$754.51
2016	\$1,028.21	\$120.35	\$73.80	\$1,222.36
2017	\$953.61	\$43.95	\$16.34	\$1,013.90
2018	\$1,575.01			\$1,575.01
Total	\$4,237.99	\$208.41	\$119.38	\$4,565.78

Mrs. Pelletier has indicated to staff that she intended to have her children pay the taxes. The finance department contacted Mrs. Pelletier's children who indicated they would not do so.

Proposal

Mrs. Pelletier is asking that the City accept a \$1,000 down payment toward the taxes and \$200 per month until she is caught up. This payment schedule would allow Mrs. Pelletier to pay off all taxes owed by 2021. She would have to pay \$891.45 per month for the rest of this year to not be delinquent in 2019.

Statutory Authority

The city's tax acquired properties policy, adopted September 8, 2014, section 6.3, states that if no acceptable bids are received for a tax acquired property, the City may negotiate sale by Quitclaim deed to the last owner of record or any abutting land owner.

Staff Recommendations.

Staff recommendation is to negotiate a sale of the property back to the applicant. Purchase price should be for the full amount of taxes and penalties owed. The timeframe for payment should be less than 30 days.

CARIBOU ADMINISTRATION
25 HIGH STREET
CARIBOU, ME, 04736



MEMO

TO: Caribou City Council Members
FROM: Dennis Marker, City Manager
RE: Tax Abatement Request by Carolyn Cossiboom
DATE: May 25, 2018

DISCUSSION AND POSSIBLE ACTION ITEM

Background

Ms. Cossiboom's home has been foreclosed upon by the city for failure to pay taxes. During the May 14, 2018 City Council meeting, the Council directed staff to investigate any abatements of taxes previously granted to Ms. Cossiboom. Staff can find no application for abatement nor any city council minutes specifying that Ms. Cossiboom was granted an abatement of taxes. The Council took action in June 2017 to abate the 2016 taxes for an unidentified property, which is assumed to have been Ms. Cossiboom's property. If the Council did authorize the 2016 taxes to be abated, the property would still have gone into foreclosure, due to nonpayment of 2015 taxes.

Taxes and penalties owed on the property are currently shown as follows:

Year	Principal	Interest	Costs	Total
2015	\$96.34	\$5.96	\$16.12	\$118.42
2016	\$883.94	\$103.47	\$60.68	\$1,048.09
2017	\$803.04	\$37.01	\$16.34	\$856.39
2018	\$1,281.04			\$1,281.04
Total	\$3,064.36	\$146.44	\$93.14	\$3,303.94

If the 2016 taxes were abated, the total amount owed to date would be \$2,255.85.

The property was advertised for auction, but no bids were received on the home.

Proposal

Ms. Cossiboom is asking how much she owes so she can pay the full amount and get her home back.

Statutory Authority

The city's tax acquired properties policy, adopted September 8, 2014, section 6.3, states that if no acceptable bids are received for a tax acquired property, the City may negotiate sale by Quitclaim deed to the last owner of record or any abutting land owner.

Staff Recommendations.

Staff recommendation is first, that the Council clarify whether the action taken in June 2017 was on behalf of Ms. Cossiboom, and second, negotiate a sale of the property back to the applicant for the full amount of taxes and penalties owed. The timeframe for payment should be less than 30 days.



MEMO

TO: Caribou City Council Members
FROM: Dennis Marker, City Manager
RE: Economic Development
DATE: May 25, 2018

DISCUSSION ITEM

Economic development is the carrying out of activities that facilitate economic growth within the community. The purposes for government carrying out these activities is to help bring services and desired amenities to an area while reducing the overall tax burden on local citizens and businesses, thus improving the quality of life. As such, many communities often narrowly focus their attention on attracting sales tax dollars. There are other ways to grow the local economy.

A community's economy may be imagined as a barrel with money and goods flowing into the top as well as spilling out (See Figure 1). The barrel analogy represents a number of key concepts. First, the community is intimately linked with the rest of the world through the inflow and outflow of income and goods. Second, the community uses resources to produce the output it sells, which can be available locally or purchased elsewhere. Third, the **size of the barrel is determined essentially by the inflow of outside income, the lack of leakage of income, and the volume of resources used to produce the community's output.**¹

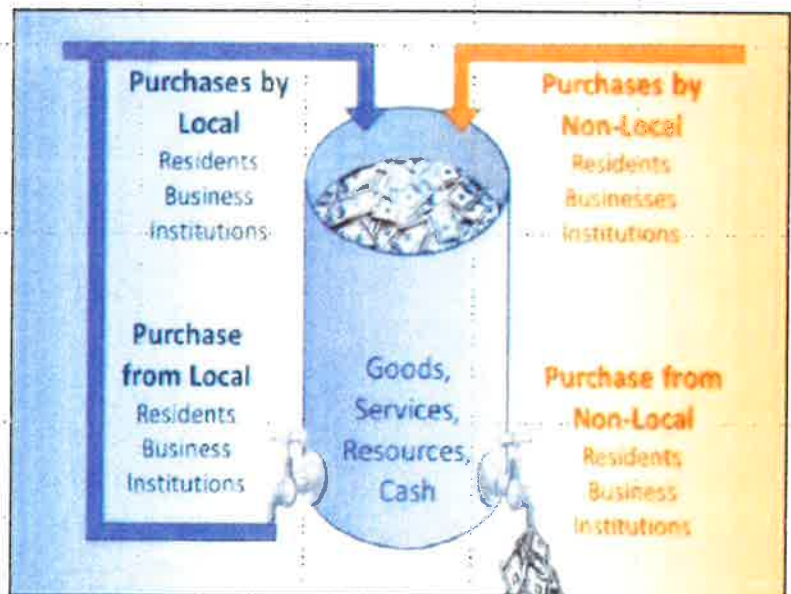


Figure 1: Conceptual Economic Flow in a Community

The following are some questions for the Council to consider as we contemplate economic development in Caribou:

- 1- How can the city help foster purchasing of goods and services by non-locals?
- 2- How can the city foster growth of local businesses (agriculture, retail, professional, industry, tourism)?
- 3- What are economic sectors of Caribou?
- 4- What resources does the city have to support those sectors?
- 5- How can the city support local businesses and residents' efforts to strengthen the economy?

¹ Community Economic Analysis: A How To Manual, Hustedde, Ronald J, et al, 1993

CITY OF CARIBOU

Downtown Team

Christina Kane-Gibson

Zanna Heidrich

Jan Murchison

Ken Murchison

Troy Haney

Jordan Rossignol

Christine Lister

Lydia Kieffer-Till

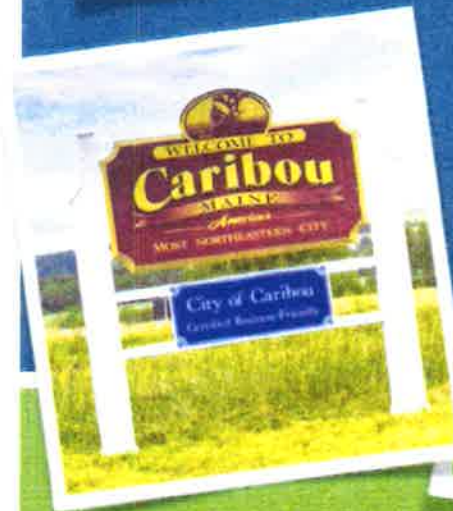
CITY OF CARIBOU

Downtown Team Goals

- **Renew Interest In & Revitalize Downtown**
- **Networking Events & Educational Opportunities**
- **Team Up with the Maine Downtown Center**
- **Find, Inspire and Create Unique Business Opportunities**

BUDGET:
Economic Development
Downtown Account - \$5,000

Fundraising & Grants





Transformation Strategies are implemented through comprehensive work in four broad areas, known as the **Four Points**.

ECONOMIC VITALITY focuses on capital, incentives, and other economic and financial tools to assist new and existing businesses, catalyze property development, and create a supportive environment for entrepreneurs and innovators that drive local economies.

DESIGN supports a community's transformation by enhancing the physical and visual assets that set the commercial district apart.

PROMOTION positions the downtown or commercial district as the center of the community and hub of economic activity, while creating a positive image that showcases a community's unique characteristics.

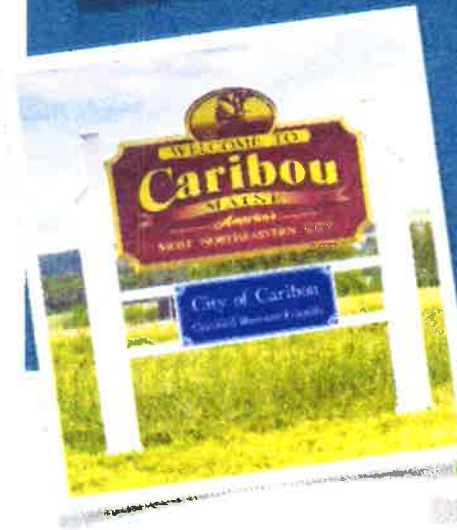
ORGANIZATION involves creating a strong foundation for a sustainable revitalization effort, including cultivating partnerships, community involvement, and resources for the district.



So many things to be proud of...

The City of Caribou is not only the most northeastern city in the United States; it sits as the central jewel in the Crown of Maine, Aroostook County. Located 345 miles NE of Boston. Caribou boasts four seasons, three nations (America, Canada and the Aroostook Band of Micmacs), two languages (English and French), and one fantastic way of life! If you love the outdoors, adventure and a collaborative community, you will love the 80 square miles that we call home!

Economic Development
Vitality
Community
Historic Preservation
Promotion



City of Caribou

Events & Marketing | 55 Bennett Drive, 04736 | 207.493.5319



Main Street Meeting #1 - May 2018

Christina Kane-Gibson
Zanna Heidrich
Jan Murchison
Ken Murchison

Troy Haney
Jordan Rossignol
Christine Lister
Lydia Kieffer-Till

Discussion of what the Main Street Movement is and how it works:

- Four Points Approach:

Economic Vitality
Design
Promotion
Organization

- How it could work in Caribou

Economic Vitality -

New biz, entice entrepreneurs

Identify long range projects to focus resources: Riverfront Resort

Design

Cohesive marketing and branding

Walkability, beautification

Work with existing local businesses to market Downtown

Promotion

Collaborative events

Business Networking Events

Fundraising

Organization

Strengthen stakeholder relationships

Strengthen businesses

Business Support Ideas

City/Downtown News - Real Estate, Opportunities etc.

Rental Assistance

Facade Grant Improvements

Events & Networking

Clean-up Teams - local churches, businesses, organizations
make it a competition - prizes and recognition

- Importance of Training & Networking
 - Importance of Training / Workshops / Networking / Field Trips
 - Materials
 - Upcoming workshops - Lewiston in June
- Brainstorming Session
 - Riverfront
 - Research and Marketing Campaign
 - Business List/Directory
 - Build and send regular updates and opportunities - Public Info
 - Co-Op Farmers & Open Market Nights
 - How to get involvement? Wellness and not just products to sell
 - Fundraisers
 - Family/Organization Support via "Adopt a Planter"
 - Caribou Planters
 - Networking Nights
 - Support for Businesses looking to locate here
 - Jordyn's struggles, how to "get creative" , how to offer support
 - \$\$\$ - grants, infrastructure, CDBG, USDA, NMDC
 - Why people choose Caribou - tell those stories
 - Zanna choosing Caribou after research
 - Signage Discussion - where is Downtown? Should there be a district
 - Easily accessible information
 - Real Estate and Commercial one-sheets
 - web - social
 - Business Training Sessions - New Ventures? Library?
- Next Steps
 - Presentation to Council
 - Select Meeting Time - Tuesday at 6:30pm seems to work
 - SWOT analysis, goals outline , focus on 1 or 2 - don't take on too much
 - Budget & Fundraising

Discussion

<https://nebusinessmedia.uberflip.com/i/974022-april-30-2018/0?>

<https://www.youtube.com/watch?v=6JnbRN8mRrM&feature=youtu.be>



TAX ASSESSMENT OFFICE

CARIBOU, MAINE

To: City Manager Dennis Marker & Caribou City Council
From: Penny Thompson, Tax Assessor
Date: May 24, 2018
Re: Update on the 2018 tax commitment process

The tax assessment department plans to finish establishing valuation numbers for the 2018 tax year prior to the second meeting in June. As of this memo, the work is not yet complete. Here are a few updates from Augusta and the impact to us locally:

The Business Equipment Tax Exemption program underwent changes that will be effective for the 2018 tax year. More businesses will be eligible for a tax exemption on equipment. This has the potential to decrease the amount of taxable equipment value and increase the BETE exempt value and subsequent state reimbursement.

In 2017, there was a total of \$17,769,900 in taxable personal property value and \$7,756,000 in exempt business personal property value which yielded a BETE reimbursement of \$99,164.14.

The State of Maine will reimburse municipalities for the loss of revenue due to the \$20,000 homestead exemption at a rate of 62.5% for 2018. This is an increase from the 50% reimbursement in 2017.

In 2017, the City of Caribou granted a total of 2,062 homestead exemptions for a total exempt value of \$40,506,100 and a reimbursement of \$484,047.90. This number includes 69 that were partial exemptions because the total property value was less than \$20,000.

Title 36, MRSA Section 576 requires that the State Tax Assessor establish 100% valuation per acre for each forest type, by economic region, for parcels classified under the Tree Growth Tax Law for the tax year 2018. The 2018 Tree Growth Tax Law Valuation Schedule was published on May 8, 2018. The rates for Aroostook County were reduced in all three categories: softwood, mixed wood and hard wood.

In 2017, the City of Caribou had 23 parcels in the Tree Growth Tax Law program with a total of 1,326.30 acres.

The maximum rate of interest that can be charged per Title 36, MRSA Section 505.4 has been set for the 2018 taxable year at 8.00%. From 2010 to 2017, the maximum rate has been 7.00%.

The 2018 County Tax Bill of \$486,816.00 is due on September 1, 2018. For reference, the 2017 County Tax Bill was \$444,434.25.

The RSU#39 District Budget meeting was held on May 16, 2018. I see from the budget document online that the total to be raised by the City of Caribou for the 2018 - 2019 school year is anticipated to be \$3,187,420.50.

The City of Caribou tax year is January 1 to December 31 and the RSU#39 is July 1 to June 30. Therefore, the actual amount to be raised in the 2018 tax commitment will be half of last year's bill of \$3,647,912 and half of the anticipated amount above.

January 1 to June 30, 2018	\$3,647,912 / 2	\$1,823,956
July 1 to June 30, 2019	\$3,187,421 / 2	\$1,593,710
	TY 2018 Appropriation	\$3,417,666

The total TY 2017 appropriation for RSU#39 was \$3,647,970.

On June 12, 2018 there will be a district wide referendum vote to validate the budget approved at the May 16, 2018 district budget meeting. The referendum will be a "Yes" or "No" question.

The revenue sharing projections are available on the Office of the State Treasurer's website. The City of Caribou tax year is January 1 to December 31 and the State of Maine is July 1 to June 30. Therefore, the projected amount would be half each from the State's FY 2018 & FY 2019.

FY 2018 Projection	\$561,504.91 / 2	\$280,752.45
FY 2019 Projection	\$577,384.59 / 2	\$288,692.30
	TY 2018 Projection:	\$569,444.75

The budgeted amount of revenue sharing in the adopted City of Caribou 2018 Revenue Budget is \$561,504. The amount received in 2017 was \$562,985.21.

As always, please let me know if you have any questions about real estate or business personal property valuation.

CARIBOU ADMINISTRATION
25 HIGH STREET
CARIBOU, ME. 04736



MEMO

TO: Caribou City Council Members
FROM: Dennis Marker, City Manager
RE: Final 2018 Budget
DATE: May 25, 2018

DISCUSSION and POSSIBLE ACTION ITEM

The Expense and Capital Budget was approved by the City Council on December 11, 2017. This budget was approved based on actual anticipated expenses. It should also be noted that there are a couple unanticipated expenses that did not make it into the expense budget. These are city administration of the airport and the River Road repairs. Some of these costs can be covered by available rainy-day funds but the total amounts will not be known until the end of the fiscal/calendar year.

The Revenue budget was approved by Council in March 2018. The revenue budget assumed there was no change in taxable valuation and the mil rate did not change. Based on information provided in Penny's memo, it appears the mil rate can stay the same for next year but the city will need to dip into its rainy day funds to cover all anticipated expenses. How much dipping cannot be determined until the final valuation is set in late June.

This item is placed on the Council agenda to give the Council an opportunity to review and make any final adjustments it deems appropriate before the Final Budget is published on May 31. The documents are available on-line under the city's budget page.

**CARIBOU ADMINISTRATION
25 HIGH STREET
CARIBOU, ME. 04736**



MEMO

TO: Caribou City Council Members
FROM: Dennis Marker, City Manager
RE: Executive Sessions
DATE: May 25, 2018

DISCUSSION and POSSIBLE ACTION ITEM

It is proposed that the City Council have three executive sessions

1. Executive Session under Maine Revised Statutes, Title 1, §405.6.C to discuss real estate and economic development items pertaining to Porvair Filtration Group.
2. Executive Session under Maine Revised Statutes, Title 1, §405.6.C to discuss real estate and economic development items pertaining to Miss Jordyn's Preschool.
3. Executive Session under Maine Revised Statutes, Title 1, §405.6.D to discuss labor contracts and proposals with the City Manager pertaining to upcoming union negotiations.