

MINUTES
FREEPORT TOWN COUNCIL MEETING #10-21
HELD REMOTELY USING ZOOM TELECONFERENCING TECHNOLOGY
TUESDAY, APRIL 6, 2021
6:30 p.m.

<u>ROLL CALL OF MEMBERS:</u>	PRESENT	EXCUSED	ABSENT
Edward Bradley, 242 Flying Point Road	x		
Jake Daniele, 264 Pownal Road	x		
John Egan, 38 Curtis Road (Chair)	x		
Henry Lawrence, 93 Hunter Road	x		
Daniel Piltch, 25 Quarry Lane	x		
Douglas Reighley, 2 Harbor Ridge Road	x		
Tawni Whitney, 56 Baldwin Road (Vice Chair)	x		

Using the Zoom platform Chair Egan called the meeting to order at 6:30 p.m. He took attendance and noted that all Councilors as well as the Town Manager are here this evening. He explained how members of the public would be able to participate at several points during the agenda.

FIRST ORDER OF BUSINESS: Pledge of Allegiance

Viewing Vice Chair Whitney's flag, everyone stood and recited the Pledge.

Chair Egan mentioned he had a request that the Council can discuss. He would like to take up Tabled Item No. 51-21 which is a discussion on the Short-term Rental Ordinance and move it one notch forward in front of Other Business but after the votes of our regular agenda. He would like consent from everybody to move that item one space ahead of where it is right now. He asked if it was okay with everyone. It was fine with other Councilors so Chair Egan noted he would go ahead and amend the agenda and move Tabled Item No. 51-21 to take place on the agenda right after Item 60-21 and in front of Other Business.

SECOND ORDER OF BUSINESS: To waive the reading of the minutes of Meeting #09-21 held on March 23, 2021 and to accept the minutes as printed.

Chair Egan clarified that there is an item related to the adoption of the Solar permissions that we amended in our Land Use Ordinance and took a vote on that at our last meeting. There was a little bit of discrepancy about whether we voted on the motion or the amendment that was combined into an amended motion and we technically should have had a vote on the amendment first and then voted on the motion. From his review of the recording, it appears there was general consensus that what we took a vote on was a motion amended by Councilor Piltch to have two changes from what was on the printed agenda. Those included excluding a certain designation of zoning on Route One South and also to limit the maximum size to 10 acres and there was discussion about those particular items which then became part of Councilor Piltch's motion. When he called for the vote, he called for the vote on the amended motion which was his error. He should have called for an amendment first and then a vote on the motion as amended. We lumped them all together but he wanted to make sure for the accuracy of the record and for the Minutes for Sharon that we all agree that that was what we voted on. He asked if this is a recollection that everybody is comfortable with that what we vote on was a motion to adopt with those two amendments added to the motion? If we vote on the Minutes this evening with that clarification, the vote stands from our last meeting.

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Councilor Daniele advised that he mentioned this to the Sustainability Committee and they were slightly disappointed that we did not maintain the full 30-acre large farm. Councilor Bradley accepted Chair Egan's report on this and concurred. Chair Egan advised that with that correction on the Minutes, the Council will go ahead and take a motion to adopt those Minutes.

MOVED AND SECONDED: To accept the minutes as amended. (Reighley & Piltch) **ROLL CALL VOTE:** (7 Ayes) (0 Nays)

Chair Egan noted that the Council's process rules require us that when we have a printed item on the agenda and we make amendments to it, we actually have to have a vote on the amendments before we vote on the action item. He will do better to try to capture both of those for clarification after the public record.

THIRD ORDER OF BUSINESS: Announcements

Chair Egan announced:

- Post Road Restrictions were lifted yesterday, April 5th, 2021
- Although it is still a couple of months away, people have been asking if there will be a Spring Cleanup this year as last year's Cleanup needed to be cancelled due to the pandemic. This year, Spring Cleanup will be held Monday June 7th and Tuesday June 8th from 9:00 am – 7:00 pm and Wednesday June 9th and Thursday, June 10th from 8:00 am – 7:00 p.m.

Councilor Whitney asked if the Swap Shop at the Landfill would be open on those days? Mr. Joseph did not know but offered to get the answer for her.

- Due to the Governor's order, there are no fees being assessed for late dog registrations this year. If you haven't yet registered your dog for 2021, please stop by the Town Clerk's Office to register your dogs or you can also re-register your dogs online by going to the town's website and clicking on "online services."
- There is an organized movement of municipalities to focus on extended packaging responsibility and build some accountability for the amount of solid waste going into our landfill from original packagers and manufacturers. While the request came in after our deadline for getting on to tonight's agenda, he expects we will have someone from ecomaine here on the 27th to make a very brief 10–15minute presentation on the opportunity for Freeport to join in this with some sort of resolution. He read the summary into the public record Chair Egan noted the Council is not taking any action on this this evening. He is bringing it up to flag it for a brief presentation at our next meeting so we can hear about it and potentially discuss it and take some action on it. There is a growing list in our Sustainability Committee that is strongly endorsing to consider this.

FOURTH ORDER OF BUSINESS: Information Exchange

Councilor Bradley explained that in the last day or so there has been progress on the Island Rover matter. He has a signed access agreement and clean-up agreement from Harold Arndt and a promise of the same

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signature to the agreement by Carter Becker soon before our next meeting which would lead to the implementation of the plan that the Council has discussed at length and should occur with cooperation between the Town's Public Works and Mr. Arndt and Mr. Becker within the next week. It is good news.

Councilor Bradley advised that as a result of the very moving Citizen of the Year Program that the Council put on for Jim DeGrandpre, the Arts and Cultural Alliance of Freeport has gathered a couple of volunteers to put on a video photo montage of the event both at the Council and at the farm the next day when there was a sort of celebratory parade. It is in the final stages of presentation and his question is that ACAF will present it as a gift to the Town but how will the Town like to receive it and what would the Town like to do with it? As he understands it, there has been discussion between Cable and the ACAF volunteers about format. That is one possibility. We don't have to decide it now but he wanted to say it is underway and hear from the Council how they would like to use the gift that ACAF has created for them.

Chair Egan mentioned that we have an archive of recipients but did not know if we have any video or photographic documentation of prior awardees. It sounds like an excellent time for us to start building an archive of these presentations highlighting significant contributions from residents of our community. He would say we can hold it at the Town electronically and have a link to it on our website. He does not know how large the file would be or how easy it would be to transmit it but we can certainly make it available on our Cable Channel as well. Councilor Bradley estimated it would be a 10 or 15 minute capture of both events. His question is do we want to put it on as part of a Council meeting? Do we want to put it on as a Council sponsored, ACAF sponsored Cable program? It is really for the Council's use. ACAF will probably put it on their website but the question is does the Town have an interest and what is it and how would they like to use it? He is not expecting an answer tonight but we could think about it and it might affect the format which is the important point.

Councilor Reighley reported that the Complete Streets Committee met this morning and they have a great game plan going. Each member has tasks they can choose and work on. For example, Phil Wagner has the Taxi Stand issue and also bike racks for people to store bikes or have bike places where they can leave their bikes in town. There was a site walk on the pathway that would go from West Street down to Pine Street that was also well traveled by many members of the Committee. It is a very active group and they are doing a great job. It is a great addition to have Liz on the Complete Streets Committee.

Councilor Reighley advised that the Ordinance Committee met two times from our last meeting working on changes felt necessary to the Short-term Rental Ordinance that is before us tonight. No significant changes took place so there was not need to call for another hearing on this as felt by the Town Manager. Thanks to the Town Planner and Town Manager, Committee members and participants.

Councilor Daniele reported he attended a PACTS meeting. They do quarterly meetings and are restructuring so there were a couple of new Board members coming on so the structure is changing a bit. He will keep the Council updated when he goes to the next one. It was pretty procedural for this one.

Vice Chair Whitney noted that later tonight, Mary Davis, President of FEDC will be speaking and giving a presentation on where we are with our Downtown Revisioning work. She wanted to update everybody that there are other fun things coming out of that and really wanted to say how wonderful it is to work with the community, not only the residents but also the businesses and different groups in town. Everybody is collaborating nicely and from that good work is being done quickly. They are in the works of planning four COVID-safe events for the upcoming summer to bring a little bit of energy to Freeport. Last summer we tried to close our Main Street and we think we can do a little bit better this summer. We have been trying to get some sponsorships from different businesses in town and she is actually starting to write her very first grant. She will let Mary Davis fill the Council in with details later tonight.

FIFTH ORDER OF BUSINESS: Town Manager's Report

Mr. Joseph noted that because we have done such an efficient job already, everything he had to announce has been spoken about in Announcements. With this long agenda, he will cede the floor.

SIXTH ORDER OF BUSINESS: Public Comment Period – (30 Minutes) (Non-Agenda Items Only)

Chair Egan explained how members of the public could provide comment. He opened the floor.

Tim Bowe was in the audience but experienced connection problems. The Council moved on but would come back to Mr. Bowe after getting an indication that the technology is figured out. He apologized to Mr. Bowe.

There were no other public comments provided.

SEVENTH ORDER OF BUSINESS: To take action on the following items of business as read by the Council Chairperson:

ITEM # 58-21 To consider action relative to adopting the April 6, 2021 Consent Agenda.

BE IT ORDERED: That the April 6, 2021 Consent Agenda be adopted. (Egan & Reighley)

Chair Egan reviewed the items on the Consent Agenda for members of the public.

ROLL CALL VOTE: (7 Ayes) (0 Nays)

ITEM # 59-21 To consider action relative to the proposed Capital Program for FY2022.
PUBLIC HEARING

MOVED AND SECONDED: To open the public hearing (Piltch & Reighley)

ROLL CALL VOTE: (7 Ayes) (0 Nays)

Chair Egan noted that the Council has had several conversations about this. Jessica Maloy, Finance Director is with us on the Zoom meeting to answer any questions. He explained that the Council is not adopting the Capital Program this evening. It is simply a public hearing to discuss the items held within.

Ms. Maloy had to use the Town Manager's computer since she experienced connection problems. Chair Egan advised that the Council has had a couple of workshops and a presentation by department heads as well as a summary from the Finance Director and the Town Manager so the Council has been through this at least twice and will go through it a couple more times at least prior to adoption. This is a public hearing tonight and is an opportunity for the public to make comments on the proposed Capital Improvements not only for FY 2022 but to see what is planned for subsequent years. The Town operates on a 5-year Capital Planning Budget so we can be much more predictive and on top of Capital needs as

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they are coming along and have way less surprises so there is an illustration of the next 4 years after this coming year of our Capital Improvement Program.

Ms. Maloy, as a brief overview, explained that the Capital Plan, as the Manager proposed, stands at \$1,497,000 with \$1,197,000 of that coming from our reserves and \$300,000 of that coming from our Destination TIF.

Chair Egan felt it would be helpful to members of the public who are seeing this for the first time if she could briefly explain the dynamic of how these Capital items are funded with Reserve accounts and give a couple of highlights of some of the larger department numbers.

Ms. Maloy explained that the majority of these items are funded by our reserve balances which typically get funded at a flatter level to help keep the tax rate stable rather than having to drastically increase the tax rate should we need a fire truck which is typically over a million dollars and would be a huge spike to the tax rate if we had to purchase it with non-reserve funding. Some of the larger items we are looking at this year typically occur under the Comprehensive Town Improvements. We have a \$450,000 recommended appropriation for the rebuild of the Spar Cove Road, a parking lot expansion for Hunter Road Fields and improvements to the Train Station. Outside of that under our Board and Committee requests we have two large items dealing with a Comprehensive Plan Update in the amount of \$75,000 and additional funding for Downtown Revisioning proposed at \$50,000 for FY 2022. Those are the primary big ones we have within the Capital Budget.

Chair Egan wanted to clarify that when he first got on the Council, it took him a while to understand the prudence we have with funding our entire Capital Improvement Plan with reserve accounts and that the existence of those reserve accounts is a result of discipline and diligence to fund those reserve accounts with not only savings but a regular allocation out of the Operating Budget of the Town so that as items come up and come and go on Capital need plans for all of the departments, those are able to be absorbed in the planning with the reserve accounts so while technically all of that revenue comes from the taxpayers, he wants to make it clear that we are able to fund last year it was over \$2M and this year it is over \$1.4M worth of Capital improvements without them directly affecting the mil rate and the tax burden on a manual budget basis because we have substantial reserves that we are making contributions to. It is an example of excellent financial planning and the good work by Jessica Maloy.

Ms. Maloy noted she forgot to include the street sweeper because it was split between two reserve accounts and currently totals \$280,000.

Chair Egan noted we have a list of 31 folks attending the meeting this evening and this is their chance if they are here for discussion on the Capital Budget to use the raised hand feature.

While waiting, Vice Chair Whitney asked about the budget and her focus would be on the Revisioning Budget and right now we have Phase Two is highlighted but Phase Three is put off until the next year. Chair Egan suggested tackling that in the upcoming workshop when we will have more of a back and forth. We are in the middle of a public hearing and he would like to reserve the floor for the public to participate. We are not taking any action on the Capital Budget this evening. This is a presentation on what we have formed so far but he is very anxious to hear what Vice Chair Whitney has to say about that but he thinks the Council will have a couple more sessions.

Keith McBride advised that he appreciates the emphasis that has been put on economic development planning going forward and brings to the Council's attention that there are two items where requests are pending for funding that FEDC supports pretty strongly. One of them is the Downtown Revisioning Plan

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and feel that the remaining \$100,000 be put into FY 2022 to get that project done in an appropriate timeframe and to keep people engaged while they are engaged. He knows that Mary Davis will be making a presentation later on the agenda with help from Councilor Whitney and the Council will see that the progress that has been made has been outstanding. He encouraged the Council to continue the important economic development and community planning effort that has been begun by the Arts and Cultural Alliance with the Meeting House Arts Project. He is aware they are bringing forward a TIF funding request. He has spoken to the Council numerous times about how the development of an additional arts and cultural asset on Main Street is a critical component of what he thinks will become a part of our new revisioned downtown. Their Board has voiced pretty strong support for the continued funding of that project. It would be a shame at this point to lose the opportunity that we are so close to having completed. He knows they are expensive but feels they are important economic initiatives and we are making such great progress on both of them. He thanked the Council for its consideration of this.

MOVED AND SECONDED: To close the public hearing. (Piltch & Reighley)
ROLL CALL VOTE: (7 Ayes) (Nays)

Chair Egan asked after tonight's agenda item, if there is another date that we can share with the public so they can sense the adoption timeline of the Capital Budget? Ms. Maloy advised that further discussion on the Capital Plan will be April 27 as well as the physical adoption of the Capital Plan.

Mr. Joseph noted that he tried to reach Tim Bowe but he has no audio feed. He will follow up with him. Chair Egan apologized for not being able to connect with Mr. Bowe.

Councilor Bradley had a question about process. When the proposed Capital improvements were originally presented, the ACAF TIF request was included in the Capital Budget. Tonight, for the public hearing, it wasn't. He asked if the ACAF people should have been here tonight to talk about its program, progress and its current TIF request. Will they get a chance to do that on the 27th? Mr. Joseph mentioned that they can but his understanding was that it was going to come up in the workshop tonight. Councilor Bradley is trying to be transparent with them. He asked this question earlier, where is the TIF request and the answer was well, it was in the original and he thought there would be an opportunity and then tonight's public hearing and he doesn't see another one. He wants to make sure they get a chance to come in and explain why they are asking for it and what they are doing to raise their own funds to more than match the request they have made from the Town. Chair Egan noted they would have an opportunity to do so at the workshop, assuming that the numbers are ready to share and there is a presentation ready to be available this evening. He expects them to participate in the workshop tonight. If not possible, Jessica just indicated we have another workshop on the 27th. He doesn't think there needs to be a lengthy presentation but certainly the dollar request and the context from which it is coming could be shared. Councilor Bradley advised that he could certainly do that because he is very familiar with the numbers but Nancy Salmon, President would like to make that presentation to the Council. He asked David Webster who is in the audience to let Nancy know tonight would be an opportunity for her. He pointed out that she is in the audience.

Mr. Joseph advised that typically we would have that in the workshop only if it was raised as an issue by the Council. It may be premature. He doesn't know if the Council wants them to participate or not. We have gotten the documentation and the request was pretty clear cut for discussion. This is the first time we have had the first workshop after the public hearing because of the schedule and that is why it usually is on the agenda before the public hearing. Chair Egan mentioned he just heard Councilor Bradley say he wants it to be under discussion although we don't have anything included in our materials on that specific request. He does not believe there will be opposition to hearing about what that information is this evening if it is available. Mr. Joseph added that that information was included along with the original

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Capital Program so it should be in everybody's possession. He could put it up on the screen when we get to it if we need to.

ITEM # 60-21

To consider action relative to setting a public hearing to discuss proposed amendments to Village Commercial Districts- Freeport Zoning Ordinance.

BE IT ORDERED: That a Public Hearing be scheduled for April 27, 2021 at the Town Council meeting starting at 6:30p.m. via Zoom to discuss the following proposed amendments to the Freeport Zoning Ordinance:

- 1) Adding "Mixed Use Development" as a permitted use subject to Site Plan Review in Section 413. Village Commercial "VC-I"; Section 414. Village Commercial II "VC-II"; Section 415. Village Commercial III "VC-III"; and, Section 416. Village Commercial IV "VC-IV".
- 2) Changing the maximum building height to "up to three stories, with a maximum height of 45 feet" in Section 413. Village Commercial "VC-I"; Section 414. Village Commercial II "VC-II"; and, Section 415. Village Commercial III "VC-III".
- 3) Changing the minimum land area per dwelling unit requirement to zero in Section 413. Village Commercial "VC-I"

BE IT FURTHER ORDERED: That copies be distributed equally between the Town Clerk's Office, the Town Manager's Office and the Freeport Community Library for inspection by citizens during normal business hours, by appointment, and the notice be placed on Freeport's local cable channel 3 and the Town's website. (Whitney & Reighley)

Chair Egan explained that our Planner will go over the details on this and the Council has a summary sheet in its packets. This is the culmination of an enormous amount of work by our Planning Board with input from other Boards about trying to make our Zoning Ordinance more friendly for potential change in use and to more align with the revisioning process that is going on to allow for different kinds of activities and things in the downtown. It is also a chance to make the Ordinance more friendly to builders and developers who want to propose uses in our downtown. That is the reason for this. This work has come out of a long extensive process. We are just setting a public hearing this evening and will not be voting on this matter.

Ms. Pelletier screen shared her presentation and explained that the Planning Board had a workshop with Keith McBride and members of FEDC back in December. FEDC brought forward some ideas for the Planning Board to consider that they felt were limiting factors to development such as building heights, land per dwelling unit and the new use of Mixed-use Development. The Planning Board talked about it in January and formalized some language and then they had a public hearing. They did get some participation at the Public Hearing and tweaked the language based upon the comments made at the Public Hearing. They go two letters in advance and had four people actively participating in the discussion at the meeting. She pointed out Village Commercial I, Village Commercial II and Village Commercial III in her slides. The VC IV is one of our newer zones and pointed it out. For all four districts the proposal is to add the use of Mixed-use Development. The Building Height is three stories but give some flexibility to allow a height to go up to 45 feet. Finally, to reduce the land per dwelling unit from 2,000 sq. ft. down to zero. In the village if you have a lot, it needs to be at least 8,000 sq. ft. or about a quarter of an acre. If you have multiple units, now you would need 2,000 sq. ft. Under the change, you would need zero. Other standards are not proposed to be changed such as setbacks and parking standards.

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They would all still apply. She explained the heights and how it is calculated and showed existing buildings. The Mixed-use Development might be familiar to the Council. It amended it a year ago. It is amended to be a structure with at least one residential unit and at least one other permitted use that is permitted in the district in one structure. In the Village Commercial II, III and IV, this is a new concept. In the Village Commercial I we essentially allowed mixed use but kind of in a different way. We would allow a commercial use on the first floor but residential was allowed on a floor other than the first floor. This will clarify it and we wouldn't care which floor the residential is on or which floor the commercial is on.

One other thing that came into play was that there was a lot of talk about height and how it is going to fit in and sometimes the impacts height has. The Board talked a lot about the Design Review Ordinance because most of the subject area is within the Design Review District and we do have standards for new buildings, constructed buildings or altered buildings so there is a height standard the Board would have to consider for compatibility. Although we are increasing it to give developers the flexibility to hopefully fit more affordable units, there would be some guidance as opposed to height and how it can fit in for a new structure.

Councilor Reighley mentioned that in the past the 35-foot height was how high our fire ladders could go. He asked if Chief Jordan is comfortable with this new height and the equipment we have. Ms. Pelletier replied that he is.

Chair Egan thanked Ms. Pelletier and noted that this is the first of what is likely to be several suggested changes and amendments to our Land Use Ordinance as Freeport changes its uses and pivots on its identity. We will need to address these types of things in other parts of the Land Use Ordinance coming forward in the near future. We are setting a public hearing for the 27th.

ROLL CALL VOTE: (7 Ayes) (0 Nays)

ITEM #51-21

To consider action relative to enactment of proposed Freeport Ordinance Chapter 61: Short-term Residential Rental Registration Ordinance.

BE IT ORDAINED: That Chapter 61: Short-term Residential Rental Registration Ordinance be enacted.

(This was tabled at the March 16 Council meeting. It is related to the adoption of the Short-term Residential Rental Registration Ordinance. We have an opportunity to adopt this Ordinance which has had a lot of effort and work from various committees and a significant number of the public. It has certainly taken a long route to get to this part. Prior to any discussion about this, we had a mention of this at our Ordinance Committee meeting.)

Chair Egan advised that Councilor Reighley participated extensively and directed a huge amount of work to get this Ordinance to where it is today. We have also had a lot of input and feedback from the public that Councilor Reighley has a current listing so there is an appearance of conflict. We discussed this at the Ordinance Committee and he wanted to confirm this evening what the status is of that.

Councilor Reighley advised that last year he operated a Short-term Rental and found it to be a great experience. It helped him to contribute in the writing of this Ordinance but he is no longer doing short-

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term rentals. It is still listed and has not been removed. He is not accepting any reservations and will be removing his listing from the Listing Service.

Chair Egan pointed out that the Council has heard what is identical to what Councilor Reighley said at the Ordinance Committee meeting that he has a plan to remove it although it is not down as of this evening. There is a potential for the appearance of a conflict there but it is up to us to decide if that issue is substantive enough clarification of such conflict. He just wants to clarify it because we have had a significant amount of input from the public.

Councilor Piltch advised that nothing Councilor Reighley has said impacted his rental or anyone else's rental so he feels that the discussions we are having are about all of the rentals together in town. He is okay with him participating in discussions and a vote and being a part of what we are doing here. Councilor Bradley did not agree with Councilor Piltch. He thinks Councilor Reighley's participation as the Chair of the Ordinance Committee for two years while this ordinance has gone through this very detailed and elaborate discussion has affected his rental and everybody else's rental. It seems to him that you can't break out that it didn't affect his so there is an appearance of a conflict. What we do about it is up to the Council but to say there is no appearance of conflict because of that participation it seems to him is wrong. That is his narrow interpretation of conflict and he does not want to be the conflict cop but he disagrees with the way Councilor Piltch is looking at this.

Chair Egan added that we did get a bit of clarification. He asked the Manager to make sure we know what this is and the feedback from our Town Attorney was that ultimately the Council could decide by vote whether or not this was an element of conflict which could then require the conflicted Councilor to not vote on the item. If we don't have a consensus here, we can proceed to a motion and a vote on whether or not Councilor Reighley can vote on this action. Mr. Joseph asked Councilor Reighley if not renting any more is a permanent thing. Councilor Reighley advised that he has no plans to rent in the future so it is a permanent change.

Chair Egan pointed out that we do not have a consensus but we have the ability to take a vote on whether or not the presentation of that information is enough to require the Councilor to recuse himself from the vote.

MOVED AND SECONDED: To vote confirming that Doug Reighley has a conflict of interest that would keep him from voting on the Ordinance. (Bradley)

Councilor Bradley said to Councilor Reighley and the Council that he does not feel great saying this but it doesn't have anything to do with any individual or personal feelings. It has to do with our reputation as the Council and the transparency of the actions we take. That is what appearance of conflict deals with in his view. If anyone feels differently, that is fine and he is not suggesting how you should vote but, in his mind, it creates an appearance of conflict given Councilor Reighley's substantial role in developing this ordinance and would subject us to criticism if he were to vote on it.

Councilor Daniele asked if Councilor Piltch or Councilor Reighley could discuss the process by which they worked on this Ordinance? Was everything vetted through the group or did people come up with ideas? If they talk about the process a bit, it would alleviate some concerns that it was a one-person show saying it should be a hosted/non-hosted specifically would be his one to talk about. Councilor Piltch advised that he was the one that lobbied to remove the distinction of hosted/non-hosted. It was his personal opinion. Councilor Reighley advised that all meetings have been very public and they had good representation from interested parties. Some of them had a strong opinion one way and they listened to everyone. A former member of the Committee also operates a short-term rental and found that regulation

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was very beneficial. They proceeded on through the general public and many of the members were at every meeting. New people who came along were invited to speak and share their positions and consideration. Whether he operated the short-term rental or not, his position was to be open and above board with everything that took place.

Councilor Daniele asked if Councilor Reighley ever disclosed running a short-term rental at any Ordinance meeting? Councilor Reighley advised that yes, he did. Vice chair Whitney asked Councilor Reighley when he planned on taking his listing down. It would give her a lot of assurance that it is not his intention to continue. Councilor Reighley advised that it is called the “when he gets around to it” program. He has many other things on his plate. Councilor Lawrence said here we are again with another perceived possible perception of conflict of interest. We all do things in this town and he doesn’t know how we could get down to zero. It is one of those conflicts but when we look at conflict of interest, there is a monetary value there and he does not see how this would create a huge gain for a Councilor if they wanted to do that.

Chair Egan seconded Councilor Bradley’s motion that is on the floor. Councilor Bradley repeated his motion: That the Council find that Doug Reighley had a conflict of interest with respect to the development of the Short-term Rental Ordinance and that he be recused from voting on it in this meeting.

Councilor Piltch clarified that a yes vote would require that he recuse himself

ROLL CALL VOTE: (1 Abstention-Reighley) (1 Aye-Bradley) (5 Nays)

Chair Egan mentioned this was a good discussion and he was glad to have that clarified. There has been a number of members of the public asking about this and he feels we just explained how we have gone about our process. It was not a unanimous vote.

TABLED ITEM from March 16, 2021 Town Council Meeting:

ITEM # 51-21 To consider action relative to enactment of proposed Freeport Ordinance Chapter 61: Short-term Residential Rental Registration Ordinance.

BE IT ORDAINED: That Chapter 61: Short-term Residential Rental Registration Ordinance be enacted. (Daniele & Reighley)

Chair Egan explained there was a considerable amount of discussion at a very lengthy Ordinance Committee meeting last week and there was, as Councilor Reighley mentioned at the top of the meeting, an effort to try and respond to residents’ requests on both sides of this issue as well as the history of the committee members in going through in terms of what had been discussed. Part of the effort he believes was to make tweaks on the Ordinance but not substantive changes which would have required the item to go back through another public hearing. He believes we need to clarify that a couple of amendments were made at the Ordinance Committee meeting which may be viewed and determined to be substantive enough to require a public hearing. He asked Mr. Joseph to articulate those.

Mr. Joseph explained that we had a very short review after last week’s Ordinance Committee meeting with the Town Attorney. There were two issues raised when Staff discussed with the Attorney. He forwarded a copy of that out to the Council this evening. The two specific issues raised as substantive amendments which he thinks are accurate calls and good catches which would require an additional public hearing and that is pursuant to the Town’s Charter. He offered to go over those two but it is

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important to note that the public hearing will have to be held only if the Council decides to go forward with those two recommendations of the Ordinance Committee. Otherwise, there would be no need to have another public hearing. One of those two is the elimination of a 16-person event at a Short-term Rental. There is some concern from residents which he feels supports that change going back out to public hearing. The second item is the change from the Council as the enforcement authority to the Zoning Board of Appeals as the enforcement authority which is the second substantive change. The Town Attorney and Staff are actually recommending that that be reverted to the Council for administrative reasons. Chair Egan noted to clarify the ordinance language that went through the public hearing and arrived at the Committee last week did not include those two items. They were added on as a result of the discussions and so that is the first decision that we have. The first question is the language that is not in dispute which is the language that limits less than 16 people in any use of a short-term rental, is that substantial enough to where the Council would like to include that in the amended language? If so, it has the potential, if not definite effect, of requiring an additional public hearing which is three weeks from this evening. Councilor Reighley asked what time Mr. Joseph sent out his e-mail tonight. Mr. Joseph replied that he received it at 6:30 and sent it out at 6:33 p.m.

Chair Egan pointed out that it is a meaningful item for certain residents so this will be our first item for discussion if we want to include that or not include that. Councilor Piltch mentioned he received a ton of feedback on the ordinance as a whole. He would be comfortable removing that cap from the discussion tonight with the understanding that we may take it up in Ordinance as a possible amendment to the Ordinance if we were to enact it. For the record, he thinks it is a good idea but feels there are questions around how we structure it and what language we use to make it clear that owners are welcome to have 16 people at their house, of course, and a couple of other little nuances that we should work through.

Councilor Reighley noted the Ordinance Committee will review this Ordinance in a year's time and make suggestions for changes so if the Council is comfortable having it removed, they will monitor it and see if it is necessary to add it. Councilor Daniele asked somebody to clarify the occupancy limits and the language says "guests". He asked what guest entails? Councilor Piltch addressed his questions. The 2 per bedroom and 2 additional would relate to overnight guests so if you have 4 bedrooms, you can sleep 10 people there. Councilor Reighley added that it is for the short-term renter, not the homeowner. Councilor Lawrence asked how this would be policed? If they are having a party and they are drinking, do we want to force them to drive on the roads to go home? He would say it is better to have them sleep there rather than have them driving on the roads. He feels there are other things that still need to be worked on. It would be nice to have the definition of the fees added before we vote on it so it is not after the fact. He feels the penalty rate is pretty excessive. If you can't get something corrected in 30 days, it becomes a huge amount of money quickly. He would like to table this. Also, the date of the 21st, owners already have people scheduled in for this summer and he thinks it is going to be a big summer. He thinks this should be enacted later in the fall when it is not as big a deal because the season is ending at that point. He prefers to slow down and get it right. He knows it has been in the works for a long time but feels it needs to have more discussion. Chair Egan pointed out that in discussions at the Ordinance Committee, if there are rental owners who have already booked a stay and for some reason other than the potentially the cap on the number of people, it is in violation of the ordinance. If those bookings were made prior to the adoption of the Ordinance that we are saying is July 1, that there would be a non-enforcement of those bookings that were in violation of the Ordinance. He believes that has already been addressed.

Councilor Reighley believes there should be a statement in here that people who have booked reservations prior to the enactment of the Ordinance that is not in compliance with the Ordinance, those reservations are allowed. Councilor Lawrence asked how this could be policed. Mr. Joseph noted that is why it was removed. Councilor Piltch had a thought that as we ask for the initial registration, we can also ask the applicant to list any bookings at the time of that registration. We will then know those bookings

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were made before the Ordinance was in place and it is difficult to enforce. Councilor Lawrence feels this should be moved to an adoption date sometime after October. The big ones seem to be the noise and the trash and he thinks we already have ordinances for that.

Chair Egan pointed out that first we are trying to get a handle on whether or not we are going to accept the draft out of the committee that has the limit on 16 or waive that and potentially have a vote on this Ordinance this evening. That is at the top of the decision tree. Do we want to have the occupancy limit that was put in there by the Committee which would trigger a public hearing and a second reading of this in three weeks on the 27th?

MOVED AND SECONDED: To strike the 16-person occupancy limit from the Ordinance and allow potentially a vote on this this evening. (Reighley & Piltch)

Councilor Daniele advised that he has gotten a lot of comments that people still feel that they did not know about the original public hearing. People seem to be more clued in now so having another public hearing even if we adopt it as is, at least people will have a chance to speak their piece. Vice Chair Whitney advised that she received as many e-mails about this as she did about Danny Wentworth.

Councilor Bradley discussed that from the beginning with the Ordinance Committee taking a hard look at this until tonight, there has been a process of turning this from something focused on violations and punitive actions to complaints which will be registered and taken into account for renewal. In that process people in his district that are concerned about what is going on on earth in this summer season have lost most of the teeth. This one was to address one remaining issue that would have teeth which was you could not have an event in District 2 and now you are going to take that away. At the very least, he suggested keeping it in and holding the public hearing if you are going to take it out and then make a decision after you have heard from both sides because he thinks the Council will hear good points from both sides. He has certainly heard good points from both sides in the e-mails he has received.

ROLL CALL VOTE: (2 Ayes-Piltch & Whitney) (5 Nays)

Chair Egan clarified that the motion failed. As presented, the language from the Committee's meeting last week now includes the less than 16 occupancy limit in the Short-term Rental Ordinance and by a ruling from our attorney is a substantial enough change from what was at the Public Hearing. This inclusion of this item really puts us in a place now where we will need to schedule a public hearing on the 27th where we can hear from the general public on where we are with this language now.

Councilor Reighley would like the Council to discuss the second point which is the movement to have the Board of Appeals hear violations rather than the Council and see if that language is favored by the Council. Mr. Joseph searched the language received from the Town Attorney.

Councilor Daniele asked if the Council should add anything now that we could then take out later and not require another public hearing later? Chair Egan mentioned that we have had the opportunity to add more things in but our order process would allow the Council to take public input during the public hearing and as long as we are adopting language that is concurrent with what was being said that evening, he believes the Council can amend the language at the public hearing and adopt it and vote on it. It is after the public hearing closes and then at a subsequent meeting there is additional language, he believes that is the prohibition the attorney is referencing as it relates to the 16+ occupancy.

Councilor Bradley, following up on what Chair Egan just said, asked if there could be an intervening Ordinance Committee meeting where things like Councilor Daniele talked about could come up and be

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added into the public hearing before it was held if such things existed. Chair Egan noted it is possible but he will point out that we have had a number of Ordinance Committee meetings, the last one being over 3 hours long and there has been a significant amount of input provided. It is certainly possible for that Committee to meet again before our next meeting and so some of those items could be proposed. Any conditions or new materials added to the Ordinance would have to be voted on by the Committee prior to the Thursday before the 27th so it could be properly entered into the agenda as part of the Public Hearing on the 27th. Mr. Joseph suggested that any changes that get made from an Ordinance Committee meeting be published in the normal public hearing publication so 10 days in advance and that would be the end of next week. If the Ordinance Committee wants to meet and go over this again, he suggested doing it next week so we can have a final draft that is posted two weeks in advance like we would normally do for the public hearing. Where there are questions about substantive or non-substantive changes, he thinks we need to do it. Chair Egan asked Mr. Joseph to discuss what he has highlighted. Mr. Joseph explained that this is just talking about the two items we talked about. He read the parts into the public record. He suggested adding that the Statute that creates Boards of Appeals give the Town broad authority to assign Boards of Appeals the right to hear appeals if the Council creates it in an Ordinance but it doesn't give any language that allows the Council to dictate executive authority such as that Staff or Town Council would have to the Board of Appeals. Chair Egan added that it seems pretty clear if we are going to have a public listening to whether or not to revoke will be by the Council and not the Board of Appeals. Mr. Joseph clarified that the Council could set the Board of Appeals up to have a role in this ordinance but it would be an appellate role and not necessarily an executive role. Chair Egan mentioned the Council could also make that decision about revoking the registration and empower Mr. Joseph to make that decision as well. Mr. Joseph agreed and explained that any executive authority within the Town structure whether it is him, the Codes Officer or the Council acting in an executive role could make that decision and the Council could make it appealable to the Board of Appeals.

Councilor Bradley advised that the Board of Appeals has to hear the appeal, it can't be the agency of the first instance but either the Town Manager or the CEO could be the first instance agency and refer its appeal to the Board of Appeals. He likes either of those because he doesn't like the idea of something like he said/she said oriented as whether there was garbage and noise coming before the Town Council on any type of basis but he would also suggest having the CEO being both the enforcement officer and the decision maker is a very tough job. If we are going to pick between the two, his recommendation would go with the Town Manager. Vice Chair Whitney agreed. She feels the CEO is overworked as it is and this seems like a pretty big task to add to his plate. Councilor Piltch's vision is that the CEO collects the complaints and makes an early determination on their validity and submits them to the Council and says, here is a STR property that has had 37 complaints. In his opinion they are valid and the Council can do what it wants with them. He feels that is the Council's responsibility to do it and not what he would take on eagerly. He would not want that decision to happen on a phone call behind closed doors. Chair Egan noted those are two points that are likely to be discussed and further ironing at a subsequent Ordinance Committee meeting. Councilor Piltch mentioned he would like an opportunity for the public to weigh in with further comments and would like the Council to hear that further comment so if we have folks weigh in at the Ordinance Committee meeting, he would ask that they come back to a public hearing again. Being on the Ordinance Committee, he does not know there are changes he would suggest right now before recommending to bring it back to the Council. He wants the Council to hear the comments so suggested not having the Ordinance Committee meeting. We might have some tweaks to make but we can make them at our next Council meeting. Councilor Daniele agreed with Councilor Piltch. He feels small changes can be line itemed in during the meeting. Vice Chair Whitney agreed that there has been so much good work done and we are really still not that far apart. This is a big deal and it matters to a lot of people in this town. She agrees the Council needs to hash it out together and wishes we could do it at the Town Hall.

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Councilor Reighley feels it would be beneficial for the Ordinance Committee if people who wish to comment, they could also submit it in writing to the e-mail accounts and the Council would have a chance to review and reflect upon them. It helps to make the decision process a lot better. Councilor Bradley added that if the Council thinks it doesn't need another Ordinance Committee meeting, he doesn't need to make a motion to compel the Council to have one. He would leave it up to Leadership to decide. Mr. Joseph clarified that we have the notice that will go out to public hearing from which we can make no substantive changes without holding another public hearing. The 16-person limit stays in place but it also includes the Zoning Board and did not make any of the changes we suggested there. He thinks we have some other minor recommendations that we were going to bring back to the Council tonight and it might be good to get them on the table so people will know they will be discussed at the next meeting.

Councilor Reighley advised that Chair Egan and he would like to see if they have reservations prior to the enactment of the Ordinance that are in violation of the Ordinance, they are waived. It is the date of the bookings versus the date of the enforcement and adoption of the Ordinance dynamic. Chair Egan felt we did not have to accept the Ordinance Draft at the public hearing up or down in full without any edits. Mr. Joseph advised the Council can make edits but they cannot be substantive. For example, changing Board of Appeals to Town Council, Town Manager with appeals to Board of Appeals or the alternatives that were just thrown out. The minor things can all happen at the next meeting. Chair Egan mentioned what the fees will be and we are hiding the ball saying it will relate to a fee schedule but we haven't released what the fee schedule is. He feels the Council needs to be much more transparent about what those fees are and even if it is a draft fee schedule, it should be included with the publication of the Draft Ordinance.

Councilor Bradley added that it seems to him that the Council could put up for discussion and decision at the public hearing the question as to whether the initial decision should be made by the Town Manager or the CEO and subsequently by the Appeals Board or the Town Council. That would be a topic that would be noticed and whatever the Council decided as a result of that input would not be a change that would require another public hearing. Mr. Joseph advised that we could do that if we provided language for both of those options and made it clear that the Council would choose one of them. Councilor Bradley advised that that is what he is suggesting. Mr. Joseph explained that if that is the will of the Council, he can put something together but he would need a little clarity on what it would look like before the public notice would be put in the paper next week.

Councilor Lawrence asked someone to explain to him why we have insurance requirements for short-term rentals and we don't for hotels or Bed & Breakfasts, etc. Councilor Piltch explained that the intent is we have people coming to town as visitors and renting out space in someone else's house or their house. It is not a conventional business like a hotel would be. They are not concerned with insurance on the property. The issue is if something were to happen to the renters is they got injured or something. Their only recourse would be to go to the person that rented them the property so we would want the visitors to have sufficient recourse to say, I rented this property and they said they had smoke detectors and the house burned down. I want to take some action. This would be a bit of a back stop for them. It is a delicate issue and there are a lot of concerns about it. It may come out, but that is what they are trying to do. Chair Reighley asked Councilor Lawrence why Airbnb has insurance provided in their rental arrangement with the people who are securing short-term rentals? Councilor Lawrence noted they already have insurance. Councilor Reighley advised that they do already have it and that is all someone has to supply is the fact that they go through an agency. They have it for a reason and that is the reason why we are requesting to have insurance. Councilor Lawrence feels it should be a personal thing. Councilor Bradley is not sure he is right but would bet that every B&B in Freeport has insurance because we think of the B&Bs as a regular business whereas these short-term rentals are things that people do occasionally or once in a while and are just people that gain a little bit of income. Councilor Lawrence just didn't get it but noted he wanted to hear the parking issue. How is this going to be enforced? Will they have no parking signs?

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They can't park on the street. Councilor Reighley explained that on the registration form, they will lay out their parking. Chair Egan mentioned that it would not be enforced until there is a complaint. If the complaint is that there is a public safety blockage or some other blockage, that is when it will be documented. Councilor Lawrence noted that we are trying to fix a problem whether we have one or not. He does not agree with it. Councilor Daniele added that we have to set the limit somewhere and this is the right way to go. Councilor Piltch mentioned that the parking in particular, in his mind there are two separate issues. When you go to register the STR, you say it will have this many bedrooms and one of the things that will be looked at is where are they going to park. If they have a one car driveway and expect 10 people they will be asked where they will park. On the registration issue is when people actually show up. If they are there during the day and are not overnight guests, they can have up to 16 people potentially. Where they park is regulated by our Town Parking Ordinance. If there is a valid parking space on the street, they can use it. If cars are blocking the street, neighbors can call the police. We are not changing that but adding when you register, you should have sufficient off-street parking for the number of guests expected.

Chair Egan moved the Council on. We have now tabled this item and set it for a Public Hearing and adoption on April 27. Mr. Joseph mentioned he needed permission to do some alternates. Councilor Reighley suggested asking for recommendations from the Town Attorney. Mr. Joseph clarified that the 16-person limit on an event will stay in there. The question about the Zoning Board. Does the Council want just the version that the Town Attorney is recommending or some alternatives? Chair Egan advised that the Council is going to clarify that the Board of Appeals will hear the appeal and that the Ordinance needs to nominate who is making the Executive Decision about whether or not to revoke it. Mr. Joseph read the language in the Ordinance. Chair Egan noted the Council had consensus on that it would be the Manager's Executive Decision and it could then be appealed to the Board of Appeals. Mr. Joseph mentioned that if that is the intent, he can make that change. Councilor Bradley asked if we could just present it in the alternative for purposes of the Public Hearing so that whatever you heard at the Public Hearing would inform whatever decision you made that night and you wouldn't need another public hearing. Mr. Joseph agreed that this is what Councilor Bradley suggested before about two alternate pieces of language. Councilor Bradley suggested putting them up as alternatives without saying which we are going to adopt. We will hear from people at the Public Hearing what they prefer and Councilors as well. You would then vote on the language you want. Whatever you vote on, you will have noticed it at the public hearing and you won't have to have another public hearing the next week. Mr. Joseph agrees that should provide sufficient public notice.

**ROLL CALL VOTE TO TABLE THIS AND SET A PUBLIC HEARING ON
APRIL 27 FOR ITEM #51-21 AND CONSIDER IT FOR PUBLIC HEARING AND
ADOPTION. (6 Ayes) (1 Nay-Egan)**

OTHER BUSINESS:

1. Update on request from Kirk and Kate Goddard for Consent Agreement with the Town Council

Chair Egan explained that this item was last talked about in Executive Session. It has been moving along through a deliberative process both at the Staff level and as the Council heard in the Executive Session. There is a general consensus of an agreement between the parties and the response from the Town, meaning the direction from the Council about where those issues are going to go.

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Mr. Joseph explained that there is at least universal agreement between both parties and on the concepts there is agreements between the parties easily on this. The first item when we talked about this last week, there are two parcels that had been divided and transferred that created a technical subdivision violation because of the parcels being transferred from party to party instead of from party to another exempt party. Chair Egan explained that there have been a series of lot divisions over a long period of time. State Law allows division and transfer of lots, one lot every five years unless you are dividing off to an immediate family member. There has been a pattern of dividing lots off the master parcel. The Goddards were under the impression that they were following allowable activities and procedures and had gotten feedback from a prior Codes Officer to that effect. There was some undisputed evidence of a particular date of when some things were filed which did create a technical violation so the purpose of the Consent Agreement is to move forward with their plan for use of the master parcel as well its divided lots and for the Town to not pursue the violation.

Mr. Joseph displayed a map showing the parcels involved off Cranberry Ridge Road owned by Kirk and Kate Goddard. The parcels being talked about are 71-2 and 71-4 that were the technical subdivision violations. There is agreement between the Town and the Goddards and are in the audience that those would be acknowledged by the Town that they do not constitute a subdivision violation and no further action would be taken by the Town on that violation. There is a question about 4 Piebald which is part of Lot 71 and there is a right-of way issue to the driveway of 4 Piebald that both parties are in agreement on how that can be addressed which is an administration correction. There is also a question about 71-4 which is on Cranberry Ridge Road with a right-of-way that both parties are in agreement on how that can be addressed. There is broad agreement between the parties on how Parcel 71, the 17-acre parcel plus how it says Piebald Point called the "Hatchet Lot" they have been referring to which is the parcel that has 4 Piebald Point on it and how they can be divided in the future. He thinks they can be further divided in the near future. There is broad agreement between the parties on that. There may be a couple of minor questions left he does not think are significant about the permitting the conversion of Lot 71-3 which is 3 Piebald Point and 4 Piebald Point which is the Hatchet Lot which is part of Lot 71. One or possibly both of those may need to get as change of use to a single-family residence which is permitted. They have heard from the Goddards that they would like some assurance built in the Consent Agenda that that would be allowable which he thinks the Town is fine with.

Beyond that there was language forwarded over this evening from Mary Costigan who is the Goddards' attorney with suggested language which he has not had time to fully review. He looked it over and feels there are a few points that the Town Staff and Town Attorney may need some clarification on and may want to negotiate a little further on but he doesn't feel they are substantive and he doesn't feel there is any other violation being claimed beyond what both parties have agreed would be addressable.

Chair Egan wanted to summarize that the last time we had a discussion about this, one of the points we were trying to clarify was the date on which 4 Piebald Point Lot was to be conveyed as well as the conversion to a single-family residence on 71-3. We now can see that those lots are now to be created and the agreement from the Council in its Executive Session was that we were in agreement to allow those to be created and converted and become conforming lots but the last conversion of 4 Piebald Point was "the 2021" conveyance and that any further division of the 17-acre remaining parcel would have to wait for an additional five years before there is any further division. He doesn't believe there was any dispute about that fact so it was not clear several weeks ago but is clear now on both sides. He would like to ask the Council, while we do not have the final form in agreement, 85%-90% of the items between us in this particular issue are in agreement without dispute and without any further discussion. The details left to be ironed out are minor and not substantive in nature and to allow the Council to authorize the Manager and our Attorney to make those final edits and have Council Leadership review it and execute it and not make the Goddards wait another three weeks for an action at our meeting on the 27th.

MOVED AND SECONDED: To authorize the Manager to work with our Attorney and the Goddard's Attorney to iron out these very few last details and have the final agreement presented to Council Leadership for execution knowing we have resolved the primary issues and have come to agreement on what happened in the past is in the past. (Bradley & Lawrence)

Councilor Reighley advised that the Goddards have done everything the Council wanted them to do and suggested taking the vote.

Councilor Bradley wanted to be sure he understands that the minor details can be resolved by discussion. There will be no more inspections. No more CEO review of anything at the Goddards unless it is new or unless they do something they haven't done yet. None of the old stuff comes back up for review by Nick or anybody else. Mr. Joseph noted the only thing there is a difference right now on and we need to do some research in the historical records because he has seen conflicting accounts about whether 3 and 4 Piebald Point properties are currently permitted as single-family residences or if they are non-residential accessory buildings. There is concern on the Goddards' part about how those get converted. What he is hearing from Councilor Bradley is that they can be converted. There is nothing standing in the way but they would need a change of use on those properties. He thinks there is some dispute there on whether it needs to happen. It is not tied to the two subdivision violations that cascaded down and created all the other subdivision violations. There is unanimous agreement that those are not an issue moving forward. The change in use does need to happen but that is his opinion and may not be how we get out of this when we review the files.

Councilor Bradley mentioned that the Goddards and the Town have been at this a long time and agrees with Chair Egan that it would be nice to put it to rest and give people a break from this kind of uncertainty about this. He wants to be sure that before we leave this, we are saying to the Goddards that once we get this Consent Agreement done, we are not going to send Nick in there to review the buildings and assess the condition under some set of rules that have come up since they did it. We are going to rely on what Fred did. The buildings are all permitted and they may have to go through a technical process of converting use but that won't involve a substantive review, examination or inspection on standards that were not in place when those buildings were created. Mr. Joseph replied that on 3 and 4 Piebald, that is an open question. He does not want to commit to that. He doesn't think it is happening but at the same time he thinks in one of the properties it is fine and ready to go. The other is a question about whether it was permitted as a residence or an out building and needs to be converted through an application and a permit process. That is just something that needs to happen before No. 4 Piebald could get transferred even if this Consent Agreement was not a thing. We would put all those things in a Consent Agreement that the Goddards and the Town would agree to.

Councilor Bradley confessed he was not sure what the condition is going forward but just to say it would be very disappointing if we found out we went through this whole process of discussing all these technical violations and kept the Goddards going for a year or more and then to find out we have a whole new set of issues that result from a new set of conditions that identified since we have done this. He hopes it won't. Mr. Joseph is being cautious but there are no new conditions that will be found. Nothing that has not been on the table for discussion is on the table for discussion now or will be in the future. Once this Consent Agreement, assuming there is agreement between the parties involved is reached, it clarifies the background of every single parcel involved here so it gives them the security they are looking for. Councilor Bradley appreciated that assurance.

ROLL CALL VOTE: (7 Ayes) (0 Nays)

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Attorney Mary Costigan mentioned the permits for 3 and 4 Piebald. This is an issue they have been talking about for a year and it is along the lines of permits issued by the former CEO but not necessarily in the same style that the current CEO would do. The way the property had been developed, Kirk would build the accessory structure and Fred would inspect it. There was agreement that once that lot became a separate lot and there is no longer another primary building on the site, it became the primary building and he could add a kitchen and it would become a single-family. We have a C of O for 4 Piebald that says it is a single family. A C of O for 3 Piebald, he never changed the language on the permit. We have a signature at the top that says for entire structure but forgot to delete language that said no kitchen. Her clients want to move forward and they already have permits. There is language she drafted in the Consent Agreement that recognizes these as single-family rather than having to go through a process. They are requesting no more process and recognition that they are permitted single-family lot.

Chair Egan asked if 3 Piebald has all the requirements of a single-family dwelling and if it has a kitchen? Attorney Costigan replied that it does. The permit for 3 Piebald C of O was dated on the same day that property was transferred to Kate as a separate lot. Mr. Joseph asked if they were inspected with the qualifications to make a dwelling unit when the C of O was issued. Attorney Costigan noted that she could confirm to the best of her understanding that was how it worked.

Councilor Daniele asked if before it was transferred, should those things have been in place? Attorney Costigan explained that that is why the approval happened on the same day. Councilor Daniele asked if all the work got done right after it was transferred? Attorney Costigan explained that the appliances were put in to make it a single-family dwelling. It is her understanding that the appliances were installed the day it was transferred. Mr. Joseph assumes we won't agree to something that is not mutually agreeable to both sides and that is the only issue that is still on the table for discussion. He doesn't see it as a stumbling block. It will be his goal to get it resolved quickly.

Update on Downtown Visioning Project

Vice Chair Whitney introduced Mary Davis, President of FEDC and Mr. Joseph put up the presentation. Ms. Davis mentioned that they had a great last couple of weeks. She reminded everybody why they are doing this Freeport Downtown Visioning work. She thanked the amazing group of volunteers and Freeport residents for giving their feedback.

Councilor Piltch mentioned that he has been involved but over the past few weeks he has stepped away and kept his distance.

Ms. Davis explained that on March 20 they conducted a Town Walk that she will talk about a little later. On May 18 they will be in front of everyone to talk about what the Early Action Plan is all about. She explained the Town Walk. Five locations were chosen to walk to and 80 people attended of all ages. They were given a clipboard with papers that had questions. She felt the conversations were powerful. There were lots of ideas provided by people really engaged and wanted their thoughts heard. She mentioned that they are now in the messy fun part of the project where they take everybody's feedback. Visit Freeport sent out a survey and asked what people wanted in Freeport. They said they come for restaurants and food. They now have visitor feedback, business feedback and community member feedback. The folks at Principle are very busy reading and are coming up with possible actions that they could take right away to make a difference. They are going to be bringing in the Chairs of the Planning Board and Project Review Board and the community connectors in the next ten days so they get an early sneak peek about what these early action plan proposals are.

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The next focus would be to get the drafted Early Action Plan to the public. It will be on the website and go in e-mails. The idea is to get it out to the community so they have a month to look at it and a month to respond on it so by the time they get to the May 18th public meeting, the community will have a lot of opportunity to see it and respond to it and tell them if they are on track or off track. The whole idea is to get everybody involved. Their Early Action Plan will allow them to take action so people can see immediate responses and outcomes so they keep the continued momentum going that they can make the changes wanted in the downtown. Principle has a lot of ideas from a lot of other towns they worked with and it will be accumulated into this Early Action Plan. The rest of the ideas do not go away. They remain as ours and the information remains as ours and we can pull them out whenever we want to. The idea is that we want these first sets of actions that will be discussed in May to be able to put into place quickly. The last slide shows what the project plan looked like when they came to the Council and asked for money. She is happy to say they are pretty much right on the target of where they are supposed to be. They had a huge commitment from volunteers to get this done and saved Freeport a lot of money by having these folks do the volunteer work and that was our agreement with Principle to begin with. They had public participation that gave them over 1,100 data points. Principle tells them that that is pretty unusual. They have a lot of momentum of change. When you get a lot of people involved in a process like this, action starts to happen even before the project is done because people see the opportunities that exist and that is already happening and she is very pleased to see it. She is happy that they took this effort to do this project. Phase One is funded and will be done on time. Phase Two is in the budgeting so they will be able to start that as planned the first part of June. The third phase of the project is not budgeted in this year's budget. She understands budgeting in towns. At FEDC they have started talking about if the Town cannot budget this, they will try to find funds other ways to get the third phase done because they want to keep the momentum going so that we come out of this in January of next year with a full and complete plan and design and everything associated with it.

Councilors thanked Ms. Davis. Vice Chair Whitney mentioned that she saw a sneak peek of the first ideas and felt they energize them so much. There are low-cost solutions that can make a huge difference in our town.

Fund Balance Update:

Jessica Maloy explained that annually she needs to report to the Council on the Town's General Fund Balance and the levels as they report them in the financial statements. As of June 30, 2020 as stated in Statement 3 of our Financial Statements the Town had \$5,096,893 in unassigned fund balance. Our policy states that the General Fund will hold 1 1/2 months of the Town's RSU and County Fund Balance and those portions that related to Freeport in particular. If this amount exceeds 5% over that minimum, they typically come to Council with a recommendation on what to do with what is considered the excess Fund Balance. As a brief overview there are six Fund Balance designations within our financial statements. We have our non-expendable fund balance which cannot be spent because it is in hard form like inventory and that currently as of June 30 was \$11,439. Then we have restricted fund balance and committed fund balance which is restricted at the Town level and it takes Council policy setting to change and it is currently at \$1,522,543. They also have committed reserves which are similar to committed but it is just another designation because they are reserve funds and is \$582,967. Our assigned fund balance is what we discussed earlier tonight in regards to what the Council sent out of Fund Balance to go towards future reserves and that is currently as of June 30th was \$600,000. Everything else is unassigned. That unassigned balance as of June 30, 2020 is currently \$1,037,521 over our maximum allowed unassigned fund balance. She brings forth to the Council a recommendation that the Council transfer \$750,000 of that excess into the Capital Reserves and leave the remaining \$287,521 in our General Fund Balance to help reduce taxes. Of the \$750,000 she would recommend that \$200,000 go to the Board and Committee

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Reserves, \$250,000 to the Municipal Facility Reserve, \$250,000 to the Comprehensive Town Improvement Reserve and \$50,000 to the Police Reserve. These amounts will help build those reserve account balances to more appropriate levels. In comparison to what our benchmarks are which she included in her memo that the Council should have in their packets.

Chair Egan did not believe the Council needs the action this evening although we could have some brief discussion on the suggested allocations of the transfer of the \$750,000 which Jessica just outlined. She explained that typically, if this transfer is approved and desired by Council, it is done outside of the budget process. She usually comes to the Council in the January timeframe to do this so the reserve levels are at a good point for the upcoming Capital Budget year. She has been delayed with the time it took to complete the audit as well as the pandemic in getting the budget established. It seems like the timing is correlated this year but this is done separately from the Capital Budget.

Chair Egan suggested having a bit of conversation. He didn't think the Council was taking action on this this evening but it is laid out clearly. Councilor Bradley noted that Jessica has a 1.5 months budget minimum of \$386,069. He understands that this relates to a previous Council's determination is the minimum amount Jessica ought to keep as committed but not excess and asked her if this is correct? Jessica advised that it is what a prior Council established as a minimum amount that should be held in unassigned fund balance for use in an emergency situation. Councilor Bradley asked if this is done every year or as a cumulative amount? Jessica advised that it is done every year and this year they looked at the FY21 balance of the Town, RSU and County to come to come to the total budget of \$30,928,548 and broke that down over 12 months and times by 1½ to get the minimum amount. Next year it will be based off what is established from an operating budget for FY22. Councilor Bradley asked if she doesn't use it because there is no emergency, where does it go? Jessica advised that it stays cumulative within that fund balance which is what the Council sees as the audited fund balance for 6/30 of the \$5,096,893. Councilor Bradley noted that the next number is \$193,303 and it says allowed. Is this a policy that requires the Council to do that or is it a discretionary amount we could add to the \$386,069? Jessica advised that it is 1.5 months budget at the minimum level with an additional 5% allowed so that creates the maximum amount that should stay in our unassigned fund balance per Town policy. She mentioned the Council could go to the minimum amount of \$3,866,069. You could compare that to the minimum amount versus the maximum. Councilor Bradley noted the policy doesn't say we should stay at the maximum amount. It says we could go to the maximum amount and if we want to add 5%, it is okay. Otherwise, you have the fund balance exceeding the maximum of \$1.37. Jessica agreed. Councilor Bradley wants to say that we are very conservative and as people have said, it has put us in a very good position financially and he has no dispute with that but as Chair Egan said earlier, all this money ultimately comes from the taxpayer. He wants to be sure we are not keeping more money than we need to keep in accounts that we don't have projected use for. The taxpayer doesn't need to pay for such a conservative policy. He has gone through this in some detail and if Chair Egan doesn't want to do it now, he can do it with Jessica between now and the meeting. When he looks at the moneys and the way we allocate, it brings us to a high benchmark in almost every case. He has a bunch of questions about if that is so conservative, we are not giving the taxpayer a fair break. He doesn't know but would like to hear an explanation why that conservative level at this point makes that amount of sense. Maybe there are great reasons for it and he wouldn't have any reason to know but he would like to have those questions answered before we make a decision to take all this money and keep it away from the taxpayer. If we take the 287 and add the 193, we would be up to a half million dollars that we could use to reduce taxes if he is right. Jessica mentioned that she wanted to clarify one comment as far as these amounts bringing us to our high benchmarks. The 12/31 reserve balances are as of December 31. There have been changes. One of the things that gets done after the point of the audit and this year did not happen before 12/31, it happened in February. It was the transfer of the funds that were expended for reserves that need to come out of reserve balances and pay back the General Fund for paying for those throughout the course of the past year. She is getting at that at the end of the

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year when our audit is all done, we then know exactly how much we expended from the fiscal year on our Capital Reserve projects. Once those numbers are finalized, she then has to transfer the money that Council appropriated in the reserves and transfer back to the General Fund to pay back where those funds actually came from. We don't pay out of our reserve funds. It is a transfer that happens once a year and that transfer did not occur before December 31 so the balances seen here are inflated. They are not reflecting what we spent out of Capital Funds for FY 20. Councilor Bradley felt that made sense and asked if she could give him a list of what those reductions were in those reserves so he can figure out where that puts us along the scheme of high and low? Jessica agreed.

Councilor Reighley asked Councilor Bradley when he last served on the Council, were we working on a 5-year plan back then? Councilor Bradley replied yes but to be honest, he doesn't think they had the discipline that exists now. It is very good that we do. He likes the process and the comfort but it is a natural instinct to salt away money so that you can have it to use for discretionary things and that would happen in any company and any company would take a hard look at what those things are and how much money and capital is accumulated so that they are not raising too much money or giving enough of a dividend to the shareholder. In this case it is the taxpayer that is the shareholder and he would like to be sure we don't overtax them to overfund these accounts. It is a fair question to ask and he is sure the Council knows what it is doing but he likes to be comfortable when he raises his hand and says yes. Mr. Joseph advised that this is a recurring question that they get quite a bit. This is always the right thing to do.

Councilor Reighley asked if COVID impacted our revenues this year? Mr. Joseph advised that they have been looking at that. It is not enormous but every impact they anticipated seeing at the budget process last year has happened such as State Revenue sources. Some things have not happened in terms of revenue impacts like car registrations have not tailed off and house building and new tax valuation is through the roof. Our reserves performance in terms of savings have been awful. Interest income has been one of the worst things during the pandemic. We had enough reserved so we didn't skip any projects that we had planned. His personal kind of choke point of when we are reserving too much money is when we exceed any benchmark. It means you are socking away money that you are going to look for something to spend it on in the future. If we are at the benchmark, in his opinion it means we have saved enough for everything we have in the Capital Program. If we have things in the Capital Program that are excessive, then the benchmarks are a bad target to be saving for.

Councilor Bradley asked if there is another way to look at it and that is to say total up all of the proposed expenditures in that 4 or 5 year plan and ask how close to the reserve is that, knowing you have the opportunity in the intervening 3 or 4 years to add more to the reserve if you find you are falling short? He looked at this and subject to what Jessica is going to show what has been spent out. When you look at what you are doing, it seems to him that there is almost enough money in every reserve for everything being projected for the next 5 years. That to him is very conservative to his point of view but it may not be for others. He mentioned it may not even be right. Mr. Joseph offered that it was not wrong but he has a different point of view. Next year if we still have everything in the bank that we need and we haven't spent it, we won't put anything in reserves above and beyond the benchmark. It is the political will of the seven on the Council where we go on that. Councilor Bradley feels there must be some standard in Municipal life that says when you accumulated this amount of what you need for the next 5 years of proposed expenditures, you are doing fine and you don't need to accumulate more cash. He doesn't know if that is right or wrong.

Chair Egan added that the standard from the Municipal Peer Group that Jessica is a part of is what we are looking at which is an extremely conservative reserve so we can tackle the items identified in the Capital Plan which come up through the Department Heads, the Manager and get entered in to that Capital Plan

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so we can allocate all of those with zero public bonding. That is the other component of this. Before we had the bridge vote, and we had that on a bond because of where it fell in our budget cycling, with the amount of reserves we had, we could have likely afforded that \$634,000 out of reserves and done some shuffling and likely had a couple of lean years and been able to do that. Because of where it fell, we made the political decision to have the public participate in that process which he feels was the right way to go because of the enormous success we had in the election. The other component for municipalities likely bigger than Freeport would be for funding Capital items with bonds and we usually don't do that because we have this substantially conservative reserve estimate. There is no right way to look at this but in terms of the question about what is the standard, Jessica is reflecting to us from her perspective what the standard is which is to be prepared for anything and not shock your taxpayer. Jessica advised that she has had communities reach out and ask how we are doing this because they want to get something like this established so they are not impacting their residents year over year for some of these items.

She advised Councilor Bradley that she sent Mr. Joseph the amount of balances so he can screen share what those adjusted balances are. Councilor Bradley thanked her for indulging him, he will keep looking.

MOVED AND SECONDED: To move the allocation of the \$1,037,521 into an allocation of \$750,000 to the Capital Budget, \$287,521 to the General Fund to reduce the tax burden. Additionally, the \$750,000 is allocated as presented in the memo. (Reighley & Lawrence)

Councilor Bradley advised that he is not ready to vote on this. He thinks there are questions to be answered before there is a vote on this. There are two ways to look at it and Council ought to think about it and also think about the taxpayer as well as this conservative policy. It is his view. He will vote against it. He doesn't know how the Council could know now.

Councilor Piltch asked Jessica if the Council allocates the funds to the different reserves, he assumes it is always possible to shuffle those around at a later date. Jessica agreed that they can be shuffled around.

Councilor Daniele noted that right now we are exceeding the maximum. What happens if we leave it there for a month or two? Mr. Joseph advised that the Council would be breaking its own policy and it is not good practice.

Councilor Piltch mentioned that as Jessica is proposing, we would leave \$287,521 in fund balance to reduce taxes so we are not transferring that out but when we get to the Operating Budget, we are saying let's use that money instead of raising that money in taxes. It won't be there in the next fiscal year. We are going to remove the money from the fund by spending it as opposed to reallocating. Mr. Joseph advised that the Council could put the same amount in reserve and take more out of fund balance to get to a lower level of fund balance and return more to pay down the tax rate next year or put less in reserves and maybe taking more out of fund balance to pay down the taxes next year. The only thing he would caution on paying down taxes is using it as a one-year source of revenue. It looks good this year but the tax rate springs back up next year so when we do that, we want to keep in mind use smaller increments over multiple years and make sure we have the funding next year to do that. We can't send a large chunk to the taxpayers to pay down the taxes because next year you start in a hole. Councilor Bradley added unless you have a year like this one and we haven't talked about increase property tax because the town is on fire. You look at the whole picture. You don't just pick out one moment in time and say, oh yeah, I can make my reserve account as good as I want it to be. He feels the Council should be thinking about it. Jessica added that actually part of the \$287,521, will remain in the unassigned balance so what the recommendation in the motion put forward will do is allow the Council to amend the policy and instead of it just being 1½ months minimum budget with a 5% allowed, it will allow the Council to be outside of

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its policy. It is the approval to have more in the fund balance than is what our current policy states which is why she has to come to the Council annually. Through the course of the Operating Budget currently the Council has \$600,000 that it annually assigns for future projects. If the Council wanted, it could increase that to \$887,521 but recognize that in the next year that \$287,521 goes away and if you increased your services to reflect that increased funding, you would have to make up that \$287,521 somewhere unless we have another bumper year. Last year we used \$180,000 and typically only do around \$75,000 but we did a one-time use because we had another issue. Now we are struggling because it was essentially a loss in revenue and we don't have that balance in the impact fee account to use again and now we are trying to find expenses to cut in the amount of \$100,000.

Mr. Joseph advised that there is no need for the Council to act on this tonight. The Council will act on it eventually and the deadline is June 30th.

ROLL CALL VOTE: (1 Nay-Bradley) (6 Ayes)

Workshop on 5-year Capital Program

Mr. Joseph advised that Town department heads are here that have items on the Capital Program. This typically is where the Council will ask questions before approving or not approving items in the Capital Budget. The Council can make suggestions or amendments. This will be adopted at the last meeting in April. We are on a compressed schedule because we didn't have this workshop at the last meeting. Amendments can be made tonight or on the 27th. This Capital Program becomes the first year of the Capital Budget. This doesn't actually spend any money. This is the Plan and the first year of this plan becomes what Jessica and he put in the Council budget that you will start looking at on May 1st. It will start affecting things like taxes, spending, etc.

Chair Egan mentioned that this is not the first time we have seen this but it is the first time we have had substantial discussion about it. In the interest of time, it is 9:55 p.m. He would like to see if we could get to specific questions.

Councilor Reighley wanted to say that he appreciates the document prepared by Jessica each and every year. He has no questions and would be happy to move it. Councilor Danielle referred to the Hunter Road Fields Parking Lot. He asked if it is going over the blueberry parking lot? Chair Egan explained that if you are driving towards the woods, that would be north to the driveway. At the end of the driveway there is a set of boulders and then there is a footpath that heads to the trails in the woods. It is expansion of parking that is to the right of the footpath which adds between 50 and 60 spaces.

Mr. Joseph noted there is a funding request for consideration submitted by an outside group which is ACAF. We have talked about it earlier tonight. It was included with the Council's original materials. He and Jessica wrote the memo. The request is for \$75,000 and they included a funding history of their fundraising and also the funding sources and the different milestones on the Meeting House Arts Project. They had anticipated that this would have wanted to be included by the Council so they included it in the Capital Program. Typically, items are not included in the Capital Program from outside groups unless the Council first approved them but after having this group be considered for several years for different requests, they know there is broad support on the Council. They could have made it more difficult but they did not have any intention to do that since it is a group that has gotten support from us before. Chair Egan advised that the target for that in the budget is in the Destination TIF which is the last category in our Budget Plan. Mr. Joseph wanted to point out that the reason he says it is awkward is a good awkward because we have discussed ACAF several times over the years and at this point their budget request is

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coming early and they can be included in the Capital program instead of the Capital Budget in three months. They really want to give them credit for being way ahead of the schedule and taking our advice. On that page in the Capital Budget Plan, at the bottom it says available \$375,948 and he is assuming that that is net of what the proposal is for FY 22 which looks like \$300,000 from the Manager but down below it says FY 21 project \$120,000. Jessica explained the numbers mentioned. She advised that it gives the Council what it has available as of July 1, 2021 of \$375,948. From that the Council would want to deduct what we currently have on the table for FY 2022 under consideration which is \$300,000 and the ACAF request for \$75,000. It would essentially bring down the balance to \$948.00. Chair Egan added that that was the math he was doing. He just wanted confirmation on it. Jessica mentioned that with the next step, the Council could estimate roughly that an additional \$270,000 to \$280,000 would be raised again in taxation. Mr. Joseph advised that the \$948 balance if everything is funded that we are talking about means \$948 if we spent everything in 2022, the three items plus the ACAF request. If we spend those four items on July 1, and you write those checks on July 1 which never happens but say we do, then you have \$948 left in the account until taxes start coming in in November and April. It is not that the account is at zero. We need to start doing cash flow calculations about when during the year you need to make those expenditures and when the revenue will come in. You can go \$287,000 closer but you can't do it on July 1. You can do a \$140,000 project in November in addition to this and a \$140,000 project in May in addition to this and then you would be at zero next summer.

Chair Egan noted it illustrates his point that if we are to consider the \$75,000 request from ACAF, while initially it looks like it is putting the reserve at \$948, that is an account that is getting refilled by ongoing tax revenues in the TIF District and as Mr. Joseph just pointed out, we actually during the course of the year we would have the ability, if we needed to pull from that, while generally we are looking at 6 and 7 digit balances in most of these reserve accounts, if we were to move forward with ACAF, it would put this one at \$948 which is a 3 digit number. This reserve operates a little bit differently because of the regular deposit of TIF revenue. He is supportive of the \$75,000 request because he feels we have the money to allocate for it. Mr. Joseph stated he has no concerns over the fund balance. It is not dangerous.

Councilor Daniele believed that ACAF is in need of additional funds over this amount that they are planning on raising. He asked if we could afford \$100,000 or what number does the Council feel is appropriate for this? Can we give them a little more to help them through this project and is there will to do that? Councilor Bradley advised that Councilor Daniele is right. ACAF doesn't think philosophically that the Town should pay for this, that the private sector, the artists, the people who use it and the businesses downtown should do their part. They are doing what is called a Circle Back so they went back to their original donors. He and his wife are running that campaign and he feels they are doing well. They think they can fill the gap. There will be some amount that he is calculating at \$10,000 to \$20,000 will be a short gap but they have a way to take care of it so that Meeting House Arts can open with all its glory and all its needs but it is hard to raise money and they would be really appreciative. It is really hard to go back to people and ask them to give again but they are doing it because they believe in this project. If the Council wants to fill the short gap, ACAF will be grateful.

Nancy Salmon advised that as president, she would be delighted to accept additional money from the Town Council and the TIF Program. They have had an amazing outpouring of support from more than 80 volunteers that put in a documented 2,000 hours of volunteer work to reduce their expenses as much as possible and stay ahead of their contractor in the work they are doing. They are almost there.

Councilor Piltch asked Nancy is there a budget posted on the ACAF website for people to go and see how that money is being spent and account for the \$133,000 the Town has given previously and the \$75,000 under consideration today? Is this something they are willing to do to help provide that transparency? Nancy advised that she thought that would be a possibility and doesn't think there is a problem with that

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at all. Councilor Piltch mentioned that it would be helpful and he is getting that same request from other groups as well that are funded by the town. The question is what are they doing with the money and he thinks it is a fair question.

Councilor Reighley mentioned that in June of 2019 when we voted on the approval of the budget, ACAF came and asked for the matching amount of \$133,000 and his question at that time was is that all? The answer was yes. He reminded people of his growing up in a small community that had an arts and performance group that funded itself without requesting any money from the town or the county. He is not in support of funding this particular request. It is his position. Again, when he asked in June of 2019 specifically if you are going to ask for more and the answer was no and now you are coming back and asking us for more.

Councilor Piltch asked Nancy what is the Plan B? If the \$75,000 is not allocated, does it mean that the Meeting House Arts will not open? Nancy advised that they will continue to apply for grants and Meeting House Arts would open a lot later which means they would all not be celebrating the arts with our community. The arts revenue will not come in. They will continue to open at some point but it will slow everything down unfortunately. She does not know what would happen to the building. Councilor Piltch asked if there is an option to scale back the plans at all? She doesn't think they could open because they need an occupancy permit and they are really on the edge of completing it. Without an occupancy permit there is no scaling back.

Councilor Bradley feels it is a fair question if you don't get the \$75,000 from the Town, what is Plan B? Plan B is you can't turn back now. All the arrangements have been worked out with the church and the user groups so what you would do is go forward and continue to raise funds. As Nancy said, they would delay the opening and would not add to the downtown Revisioning Project and all the things is good for would be delayed. Having said that, it seems fair because no one expected to answer Doug's question that COVID would hit. No one expected to see that the regulators would impose requirements on Meeting House Arts that they didn't mention in the beginning. Those are our regulators as well as State regulators as well as the cost of materials. A lot has happened in this crazy period of COVID that no one could have anticipated. They are asking the Town to do less than what they are doing themselves in terms of private fundraising. He gets the question and the answer is Meeting House Arts will open, it will just open a year later and it won't have the impact it could have if you open it when COVID allows it to.

Chair Egan asked if there are questions about other categories or other particular items?

Councilor Lawrence wanted to say that delaying it will only increase the cost of opening.

Vice Chair Whitney mentioned her interest in the Downtown Revision Plan and asked if this is the good time to ask questions. Chair Egan advised that this is the workshop and if she has specific questions, this is a good time to ask them. Vice Chair Whitney is interested in having Phase Three funded or put in the budget. She hopes they can find other sources to have it funded. If we don't put it in, they will be delayed greatly almost a year and there is energy behind it right now. She knows it is a tremendous amount of money but she feels the need to have this discussion with the Council to see what the appetite is for having Phase Three put into the budget. The dollar amount is \$50,000. While she jokes about all the money in the Cable Fund, she is trying to be creative in getting Phase Three funded. She would like it earmarked in the budget so they have it as a backup plan. It is under Boards and Committees. Jessica advised that it is currently in there at \$50,000 but she believes Vice Chair Whitney is asking for an additional \$50,000 to make it \$100,000. In Boards and Committees right now, Jessica advised that as of 12/30 it was at \$68,309 and we just funded it with an additional \$200,000. She wanted to be clear that that \$200,000 will be offset by what has already been appropriated out of Boards and Committees in FY 21

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which included \$50,000 for the Downtown Revisioning, \$60,000 for Quiet Zones, \$25,000 for the Comprehensive Plan and then \$15,000 for the Speed Control Signs. This \$200,000 was also to supplement because last year we discussed the Boards and Committees reserves were never largely funded because typically there is not a lot that comes through that venue without some significant preplanning. Between last year and this year, we have been hit by hot ticket items that have come up and asked to be put into the plan so that \$200,000 is also to fund that \$150,000 from last year. Councilor Reighley asked if we fund Tawni's request, will we have a reserve there? Jessica advised that it would probably be funded out of the \$600,000 that gets appropriated each year so that \$600,000 she allocates and shifts where it is needed in the reserves so a piece of it will go towards that funding if the Council appropriates it. For a period of time, there may be a negative balance and she can't guarantee that there won't be. She will say by June 30th she should have the ability with what is assigned by Council through the budget process in order to supplement the reserves. The majority of that will probably go towards the Boards and Committees given that what the requests have been.

Chair Egan pointed out that the Phase Three work will be coming later in the calendar year so an invoice to pay it will be even 60 days after that. Vice Chair Whitney added that she hopes to not need to but would like it there. They would like to find other ways of paying it but she would like it earmarked so if that is the only way they can do it, it is there. Councilor Reighley offered to move it.

Chair Egan wanted to make sure that we haven't overlooked anything else that other people have questions on.

MOVED AND SECONDED: To move the \$50,000 currently appropriated in FY 2023 to FY 22 to make it \$100,000 for the Downtown Revisioning Phase Three and add it to the Boards and Committees' list of Capital items for FY 22. (Reighley & Bradley) **ROLL CALL VOTE:** (7 Ayes) (0 Nays)

MOVED AND SECONDED: To consider an additional \$75,000 in the Destination TIF FY 22 Budget to be allocated to the ACAF Meeting House Arts Project for Capital Improvements.
ROLL CALL VOTE: (5 Ayes) (2 Nays-Reighley and Piltch)

Councilor Bradley had a constituent ask him about paving and he doesn't see it in here. Chair Egan asked if anyone at the Manager's level heard this request? Councilor Bradley advised that the answer is yes. Mr. Joseph advised that Earl Gibson is here. To be clear we are talking about Patterson Wheelhouse Road. Mr. Gibson advised that he has been working on this request for paving for three years. The homeowner at the very end is not in favor of paving the road. However, Mr. Fournier is in favor of paving the road and that is where we are right now. He has been looking at paving up to Darrel Fournier's and building a turn-around and leaving the back section unplowed. That did not set well with the gentleman at the end of the road so as it stands right now, Darrel was adamant about getting it paved up to his driveway. This is a public road that has not been paved before. He guesses it might be 2,000 feet long. In his opinion a paved road would be beneficial as far as the equipment they run and the type of material they would put down in that road if it was paved.

Councilor Bradley mentioned the point that Darrel Fournier made to him was that it is also cheaper to pave the road rather than go back and do the substantial maintenance every year. Mr. Gibson agreed that pavement is a lot less time consuming with the materials we use to treat our roads. It doesn't work so well with a gravel road. Chair Egan did not see this road listed in the 5-year Capital Plan. If we were to consider this, it would be a brand-new item in the Capital Plan for roads. Mr. Gibson advised that he has a Capital Plan and also an Operating Budget which is to do what they consider minor paving. That would be something he could use that for to pave that road.

MOVED AND SECONDED: To approve the paving based upon the amount provided by the Public Works Director. (Reighley)

Councilor Daniele asked why the resident at the end of the road doesn't want the road paved. Mr. Gibson noted he shared an e-mail with him and learned that his concern is that people would drive faster if it were paved. There are only three houses on this road. Mr. Gibson estimates that it would cost between \$75,000-\$80,000 to pave that little road.

Jessica mentioned the paving in the Operating Budget is for minor fixes and small overlays. She asked if Mr. Gibson could get away with doing a small overlay on this road? She estimates that Patterson at 2,000 feet would be at \$175,000 if it were needing a face or can it use an overlay style approach. Mr. Gibson feels he could go out and grade it and then it would be ready for pavement. Jessica recommended that we would not need Councilor Reighley's motion to add this into the Capital Plan. It should be coverable in the amount we typically allocate for hot top in the Operating Budget which is currently at \$250,000 and this road would be evaluated by the Public Works Director and included as part of a plan with Council input and directive that this road be looked at sooner rather than later. Mr. Gibson feels he can manage to fit this into his Operating Budget without squeezing out a priority project he might have already identified and explained why. Chair Egan feels that Mr. Gibson has plenty of evidence that most of the Council has heard from Mr. Fournier and his strong request to consider paving that road.

Councilor Reighley withdrew his motion.

Discussion of April 27th District Workshop

Chair Egan advised that the Council has had repeated requests from the two medicinal growers of cannabis in our community to make a presentation to the Council on changing rules and the possibility for them to change their business model from being strictly identified as medicinal growers to grow for the recreational adult use market. There are a lot of questions and recent rule changes from the State so the discussion item that is on our agenda this evening is a request from him for us to have a non-voting under Other Business item workshop on the possibility for Freeport to opt into marijuana use for just the cultivation and manufacture. He would like to have a panelist from the Office of Marijuana Policy at that meeting as well as some legal representation that can give some guidance to the questions which has been a comment that has come up numerous times when we raised cannabis is can the Town opt in for just those uses and not "open the door" for other uses such as retail sale of cannabis. He understands that that is quite possible but wants to have all our questions answered. We have had two long-standing business owners in our community that do employ a number of people in our community petition us numerous times. Having them wait until after the election and then having to wait to get on various agendas, he doesn't think he can hold off any longer without being rude to business owners in our community. He would like to have the workshop on the 27th for discussion of the potential Freeport to opt in to those two uses under the current marijuana Statute as governed by the State which is cultivation and manufacture. We are not voting tonight. We are certainly not voting to opt in at the meeting on the 27th. It is a workshop for us to learn about the issues and all the parameters involved.

Councilor Reighley looks forward to having that workshop and suggested that we consider putting on the June ballot the question based on criteria in opting in by what is available and each one of those would be considered independently. He would hope that we get to a point where we would approve before that the request by these two growers to be able to grow for the adult recreational use and manufacture. The rest of those available through the Office of Marijuana Policy put as a question on the ballot independently.

Vice Chair Whitney appreciates Chair Egan getting a speaker for us. In the past we have heard from people that have skin in the game so she hasn't had an opportunity to hear from a professional and feels it will be important. Mr. Joseph wanted to be clear that they have made two or three calls and never heard anything back so he cautioned about getting too excited until somebody from the State actually confirms. He is working on it. Chair Egan mentioned that we have some leverage that our two constituents could probably exert some influence in getting somebody to come that evening.

EXECUTIVE SESSION

Councilor Piltch recused himself from the rest of the meeting and did not attend the Executive Session.

ITEM # 61-21 To consider action relative to an Executive Session pursuant to 1 M.R.S.A. § 405(6)(C) pertaining to the acquisition or disposal of public property / real estate.

MOVED AND SECONDED: That the Town Council enter Executive Session.
(Reighley & Lawrence) **ROLL CALL VOTE:** (6 Ayes) 1 Recused-Piltch) (0 Nays)

MOVED AND SECONDED: That the Town Council exit Executive Session.
(Reighley & Lawrence) **ROLL CALL VOTE:** (6 Ayes) 1 Recused-Piltch) (0 Nays)

MOVED AND SECONDED: To adjourn at 11:08 p.m. (Reighley & Lawrence)
ROLL CALL VOTE: (6 Ayes) (1 Recused-Piltch) (0 Nays)

Respectfully submitted,

Sharon Coffin, Council Secretary
