

M I N U T E S

SPECIAL FREEPORT TOWN COUNCIL MEETING #26-89
FREEPORT TOWN HALL COUNCIL CHAMBERS
OCTOBER 30, 1989 - 6:10 P.M.

☐ Regular

☒ Special

<u>Chairman's Call to Order</u>	Present	Absent	Excused
John A. Nelson, Chairman, Church Street	X		
Robert Stevens, Vice-Chairman, Porters Landing		X	X
William Grady, Elm Street Extension	X		
Kirk Goddard, Mast Landing	X		
John Paterson, Flying Point		X	X
Edward Campbell, Gay Drive	X		
Edward Bradley, Flying Point	X		

Moved and Seconded - To waive the reading of the Minutes
of Meeting #25-89 held October 17, 1989, and accept the
Minutes as printed.

(Councilors Bradley & Campbell) (5 Ayes) (0 Nays)

Moved and Seconded - That the proposed amendment to the Development Plan and Financing Plan for the Desert Road Municipal Development District and Tax Increment Financing District be subject to Public Hearing.
(Councilors Goddard & Campbell) (5 Ayes) (0 Nays)

Moved and Seconded - That the Public Hearing be closed.
(Councilors Goddard & Campbell) (5 Ayes) (0 Nays)

Moved and Seconded - To reduce the amount of the Public Improvements to \$1,315,000.00 and the issuance of Limited Obligation Bonds of the Town in the amount of \$1,315,000.*
(Councilors Bradley & Goddard) (5 Ayes) (0 Nays)

ITEM #193-89

WHEREAS, by Vote of the Town Council of the Town of Freeport, Maine, on July 11, 1989, the Town approved a Municipal Development District and Tax Increment Financing District on Desert Road, and the Development Plan and Financial Plan associated therewith; and

WHEREAS, the establishment of said District was conditioned upon the decision by L.L. Bean, Inc., to construct a new facility on Desert Road, and upon the Agreement of the Maine Department of Transportation to pay the costs of certain road improvements; and

WHEREAS, the Development Plan and Financial Plan contemplate the issuance of Bonds of the Town to pay the costs of certain public improvements in the amount of \$1,100,000.00, and it is now contemplated that the cost of such improvements will be \$1,400,000; and

WHEREAS, the Commissioner of the Department of Economic and Community Development has reviewed and approved the designation and creation of the District;

NOW, THEREFORE, BE IT HEREBY ORDERED: That the conditions imposed upon the establishment of the District, namely the decision by L.L. Bean, Inc., to construct a new facility and the Agreement by the Maine Department of Transportation to pay certain costs of road improvements, are hereby conclusively determined to have been satisfied, and the District is hereby finally designated as a Tax Increment Financing District; AND,

IT IS FURTHER ORDERED: That the Development Plan and Financial Plan are hereby amended to reflect an anticipated cost of the public improvements of \$1,400,000.00*, which costs are to be funded through the issuance of Limited Obligation Bonds of the Town in the amount of \$1,400,000.00*, as amended*; AND

IT IS FURTHER ORDERED: That the Town does hereby designate, pursuant to the terms of Chapter 207 of Title 30-A of the Maine Revised Statutes, a maximum retained captured assessed value of \$12,000,000 (\$12 Million) per year for purposes of paying the Annual Debt Service Payments on such Bonds; AND,

IT IS FURTHER ORDERED: That the Town Manager is authorized and directed to submit the amendment authorized above to the Commissioner of Economic and Community Development for approval and to take such other action as the Town Manager, with advice of the Town Attorney, deems necessary or appropriate in order to effect the purposes of this Order, as amended.*

(Councilors Goddard & Campbell) (5 Ayes) (0 Nays)

Moved and Seconded - That Section 6 shall read - Sentence 5 after the word notes, insert the words "and bonds" - Sentence 7 after the word notes, insert the words "and bonds".*
(Councilors Bradley & Campbell) (5 Ayes) (0 Nays)

ITEM #194-89

WHEREAS, 30-A M.R.S.A. Chapter 207 authorizes and empowers the Town of Freeport to designate municipal development districts and tax increment financing districts and to issue its Bonds to pay the costs of improvements within such districts; and

WHEREAS, by Order dated July 11, 1989, the Town has authorized the creation of and designated a district on Desert Road known as the Desert Road Municipal Development District and Tax Increment Financing District (the "District"), and has approved the Development Plan and Financial Plan associated therewith; and

WHEREAS, the Commissioner of the Department of Economic and Community Development has reviewed and approved the creation of the District; and

WHEREAS, by Order dated October 30, 1989, the Town has authorized the amendment of the Development Plan and Financial Plan and anticipates that such amendment will be approved by the Commissioner of the Department of Economic and Community Development; and

WHEREAS, the Town wishes to provide for the construction of the public improvements as described in said Plans and to issue its Limited Obligation Bonds to pay the costs thereof;

NOW, THEREFORE, BE IT VOTED AND RESOLVED BY THE TOWN COUNCIL OF FREEPORT, MAINE:

Section 1. The Town Council (the "Municipal Officers") hereby finds and determines that:

- a) The Town is a duly organized Town and Municipality of the State of Maine, and the Municipal Officers are duly elected Municipal Officers of the Town; and
- b) The District has been finally established and approval for the District has been obtained from the Commissioner of Economic and Community Development; and
- c) The Act authorizes and empowers the Town to issue its Bonds, and to use the proceeds thereof to pay the costs of the public improvements described in said Plan; and
- d) The Act authorizes the Town to enter into financing agreements, trust agreements, and other contracts and agreements as are necessary or convenient to the exercise of its powers under the Act (the "Bond Documents").

Section 2. Pursuant to the Act, the issuance of fully registered Bonds of the Town in an aggregate amount not to exceed \$1,400,000.00 is hereby authorized and approved. The Bonds shall be designated "Town of Freeport, Maine, Tax Increment Financing Limited Obligation Bonds (Desert Road Project)". The proceeds of the Bonds shall be used to pay the cost of the public improvements described in the Development Plan and costs associated therewith.

Section 3. The Municipal Officers of the Town hereby authorize and approve the execution and delivery by the Town Manager of Bonds and Bond Documents containing such terms and conditions, not inconsistent herewith, as may be approved by the Treasurer by his execution thereof, with the advice of the Town Attorney.

The Bonds shall consist of registered bonds, without coupons, shall bear interest at such rates, mature at such times, and be payable at such times, and in such amounts as may be determined by the Treasurer by his execution thereof.

Section 4. The Bonds shall not be general obligations of the Town of Freeport, but shall be payable solely from that portion of the taxes assessed against properties within the District as are designated by the Town as retained captured assessed value.

Section 5. There is hereby established a Development Sinking Fund which is pledged to and charged with the payment of the principal and interest on said Bonds and any other charges authorized by the Act. All tax increment revenues from retained captured assessed values from the District shall be deposited to the credit of the Development Sinking Fund and used for such purpose.

Section 6. The Town may from time to time issue Notes in anticipation of the issuance of such Bonds and Notes, in renewal thereof, the form, interest rates, maturities, terms of payment, and other terms and conditions of such Notes and Bonds* to be determined by the Treasurer by his execution thereof, and the Treasurer is hereby authorized to execute and deliver such Notes and Bonds* in the name of and on behalf of the Town.

Section 7. Said obligations are hereby designated qualified tax-exempt obligations within the meaning of Section 265(b) of the Internal Revenue Code of 1986, provided the same are issued within Calendar Year 1989.

Section 8. No Bonds or Notes shall be issued pursuant to the authority of this Resolution unless L.L. Bean, Inc., has executed and delivered a guarantee of payment of the same, or a Letter of Credit from a banking institution guaranteeing such payment, in form satisfactory to the Town Manager and to the purchaser of such Notes and Bonds.

Section 9. Each Note and Bond issued pursuant to the authority hereof shall state on its face that it is a limited obligation of the Town of Freeport payable only from Tax Increment Revenues on retained captured assessed value of the District.

Section 10. There is hereby established, pursuant to 30-A M.R.S.A. §5252, a Development Sinking Fund, known as the Desert Road TIF Sinking Fund, which Fund shall be pledged to and charged with the payment of principal, interest, and other necessary charges incurred in connection with the issuance of Bonds or Notes pursuant to this Order.

Section 11. There is hereby established, pursuant to 30-A M.R.S.A. §5801, a Reserve Fund, known as the Desert Road TIF Reserve Fund, for the deposit of the proceeds of the sale of Bonds or Notes pursuant to this Order, and the Treasurer is authorized to expend the proceeds of the Reserve Fund to pay project costs and other necessary charges as set forth in the approved development program of the District, as amended.*

(Councilors Bradley & Goddard) (5 Ayes) (0 Nays)

ITEM #195-89

Be It Ordered - That the Town Manager is authorized to execute construction contracts, in form and content approved by the Town Attorney, for the following projects of the Freeport Industrial Development District Development Program:

- 1) Desert Road Reconstruction to Pizzagalli Construction in an amount not to exceed \$642,850.00; and
- 2) Utility Extension and Pole Relocation to Central Maine Power Company in an amount not to exceed \$74,000.00.

(Councilors Grady & Goddard) (5 Ayes) (0 Nays)

ITEM #196-89 Be It Ordered - That the Freeport Town Council on behalf of the Citizens of Freeport intervene in the proposed twelve percent (12%) rate increase in water rates that has been requested by the Maine Water Company and is now before the Maine Public Utilities Commission.
(Councilors Campbell & Grady) (5 Ayes) (0 Nays)

Moved and Seconded - To take up an item not on the printed Agenda.
(Councilors Campbell & Goddard) (5 Ayes) (0 Nays)

ITEM #197-89 Be It Ordered - That Frederick Greene be appointed as a member of the Freeport Planning Board, effective immediately, to serve until May 1, 1991.

Be It Further Ordered - That Mr. Greene qualify by swearing an oath of office before the Town Clerk by November 10, 1989.
(Councilors Campbell & Grady) (5 Ayes) (0 Nays)

Other Business:

1. Town Manager Olmstead informed Council that the Greater Portland Council of Governments is celebrating its 20th Anniversary on Saturday, November 11, at Holiday Inn by the Bay, Portland, and wished to know what councilors would be interested in attending - tables are available seating 8 people at a cost of \$120.00 - reservations must be in by November 6.
 2. Councilors received a letter from the Chairman of the Sewer District Trustees regarding an installation; Mr. Olmstead explained that Sewer District and the Town have learned that any installations made by the Sewer District must pass approval of the Town Council - the Council must be notified of each and every expansion to the Town and then check to see if the installation falls in compliance with the Comprehensive Plan; this proposed line will accommodate the new Super 8 Motel plus existing buildings around; Council must decide who the body will be to determine compliance in the future; the Sewer District was never aware that they had to check with the Town before - they are indicating that this line is ready to be put in right away; Council would like to meet with the Sewer District within 2 weeks and discuss the project. Planning Board was mentioned as a possible body.
 3. Councilor Grady attended the Cumberland County Advisory Committee^{Meeting} - they are indicating that Freeport's share will go up at least 55% over last year; Mr. Grady feels that Council must question the Freeport portion of the budget and give him some support to take to the Committee; he pointed out many Committee inconsistencies and felt that it's becoming expensive to the Town and the Town doesn't have any leverage.
 4. Town Manager reminded councilors that public hearing has been set to talk about the Zoning Ordinance regarding Mobile Homes; does Council want 500 individual notices to go out which will be costly and time consuming? a suggestion was made to print a map in the Shopping Notes plus advertise on cable tv.
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Moved and Seconded - That the Council enter Executive Session to discuss pending litigation with the Town Attorney.

(Councilors Grady & Goddard) (5 Ayes) (0 Nays)

Moved and Seconded - That the Council reconvene.

(Councilors Grady & Campbell) (5 Ayes) (0 Nays)

Moved and Seconded - That the Council adjourn at 7:44 P.M.

(Councilors Bradley & Goddard) (5 Ayes) (0 Nays)

Recorded by Mary Prescott