

Dayton Planning Board February 14, 2017

Members Present: Dan Plourde, Bruce Reynolds, John Boissonnault, Darren Adams,

Town Employees Present: Jim Roberts (CEO), Linda Bristol (Secretary)

Dan Gay (Selectman)

Public Present: Chuck Morgan, Southern Maine Planning and Development Commission

Administrative:

Meeting Minutes for January 31, 2017, were read and accepted. Darren Adams made a motion to accept the minutes and John Boissonnault seconded the Motion. All voted in favor.

Old Business:

Comprehensive Plan. Chuck Morgan from Southern Maine Planning and Development joined the Board meeting to discuss what Tax Increment Financing (TIF) programs are about and what you can with them. He brought two handouts. One titled "Municipal Tax Increment Financing (TIF Program)" and the other titled "Section 5225. Project costs." These handouts will be made a part of these minutes. Discussion followed in regard to the handouts.

Chuck said that the town can create an economic development program for training and education and enhancements within the TIF district. For example if 50 acres generates \$1000 per year and now the landowner puts in a business that generates \$10,000 a year, there is an increase of \$9,000 which increasing the valuation. When the valuation is up, taxes go up, but a TIF freezes the valuation at \$1,000 for no more than 30 years. Then it goes away. It provides a pool of money to use for economic development purposes.

The town would create a district which should not be municipal property because no taxes are generated. You need to think long term as to what might happen in the next 30 years. More than one district can be designated. Maximum acreage is 2 percent of the town's land mass.

Dan asked if the valuation goes from \$1,000 to \$10,000, does the town collect all the money.

Chuck said that it does.

Dan said but it doesn't go in the general fund.

Chuck said the town puts \$1,000 in the tax fund and \$9,000 in the TIF fund which is kept separate. The landowner can ask for a percentage of this back.

It is a local tool that the locality gets to decide what to do with. Chuck stated that the town has to file a TIF application which has two parts. One is the financial projections over the 30-year period of what the increase in value will be. That will determine what revenues will be. Tax shifts need to be done. One example would be to calculate what impact will be over 30 years for the County Tax.

The second part is to come up with a business plan. What you want to do and when. Develop a development program. The town can give a percentage back to the business. The application has to go through a public hearing.

Chuck said that it takes some education for people to understand. The town does not need approval of the property owner because it doesn't do anything to their parcel. You are just creating a boundary district. The Credit Enhancement for the landowner is that a percentage of the taxes can go back to them.

Jim asked if a district can go on two sides of the road.

Chuck said that it could and you wouldn't have to TIF the whole parcel.

Jim stated that there is a lot of vacant property in Dayton. He asked if after 30 years the TIF goes away and Chuck said it does.

Dan Plourde asked if amendments could be done.

Chuck said that is right.

Darren said if the district is on two sides of the road, does the piece that connects count in the two percent. Is there a number of TIFs you can do?

Chuck said No.

Dan asked what the costs involved in setting up a TIF would be.

Chuck said there are two different pieces. One is financials. Some towns develop a plan of what you want to do. It costs about \$10,000 to do it. It is beneficial to hire an attorney.

Dan Gay asked if the Planning Board would talk to the impacted landowners.

Chuck said that at some point it is not a bad thing to do.

Dan Plourde thanked Chuck for coming and answering our questions.

New Business:

None Discussed.

Darren made a motion to adjourn and Bruce seconded it. The meeting adjourned at 8:00 PM. The next meeting will be Tuesday, March 14, 2017, at 6:30 PM at the Dayton Town Hall.

Linda Bristol Date: 4/25/17

Linda Bristol, Secretary

Dan Plourde Date: 4-25-17

Dan Plourde, Chairman

COPIES TO: Jim Roberts, Code Enforcement Officer; Selectmen; and Tax Assessor
THESE MINUTES MAY NOT BE TRANSCRIBED VERBATIM. SECTIONS MAY BE
PARAPHRASED FOR CLARITY.