

**REGIONAL EFFICIENCY GRANT WORKGROUP
PRESENTATION MINUTES
SOUTH BERWICK TOWN HALL
December 12, 2007
7:00 PM**

ATTENDEES: See attached list.

PRESENTATION

Regional Strategies: Inter-local Revenue Sharing and Collaboration – Sharing the Wealth
Joint Southern York County Municipal Meeting

Jeff Grossman, South Berwick Town Manager welcomed the group of selectmen, council members and town managers to the presentation. Mr. Grossman noted that for the past year, since South Berwick was awarded a grant to study the feasibility of developing a regional business park from the State Planning Office, representatives from the communities of Eliot, North Berwick, South Berwick, Berwick, Kittery, Wells and York have been invited and have attended monthly steering committee meetings to discuss such a project. Mr. Grossman requested each audience member introduce themselves to the group, and invited the group to ask questions throughout the following presentation.

Craig Nelson, Doyle & Nelson prepared a follow up power point presentation from the June 20, 2007 meeting to introduce the development of a regional Authority, use of an Interlocal agreement and the Charter Legislation. Mr. Nelson described his role in the creation of FirstPark in Oakland, Maine. FirstPark was a collaboration of 24 communities headed by a Development Authority which developed the structure and mechanics of a regional business park. Mr. Nelson discussed the following issues that have been previously addressed by the Steering Committee:

1. Authority has ability to issue bonds – a more efficient way to raise money than on an individual town by town basis.
2. Flexibility built into legislation language.
3. Authority approach vs. use of Interlocal Agreement: Committee chose to use the Authority approach in order to avoid having to deal with LD-1.
4. Collaboration with a regional group: Difficult for individual small communities to develop an additional tax base as well as compete for business with neighbor towns, border businesses in New Hampshire as well as with the nation and world.
5. When Mr. Nelson drafted the Kennebec Authority legislation in 1998 for FirstPark, the principal goal was job creation with increasing the tax base as the second goal.
6. Affordable workforce housing (WFH): Committee agreed for the necessity of WFH as part of economic development.

Mr. Nelson noted a two-phased approach for this collaborative effort:

I Phase: Planning.

- At least 3 communities need to vote to join the Authority once legislation has been approved.
- Completion of feasibility studies.

II Phase: Development.

- Plans to be approved by each community.

Mr. Nelson discussed possible questions that could be raised by tax payers:

1. Worst case scenarios: What will the cost be to each voter? How would it be reflected in individual tax bills? How long would the commitment last?
2. General Assembly makeup: Each community member to have an elected official, staff member and a public member.
3. By-Laws: Ads flexibility to legislation for creation of working committees and the like (Kennebec Authority had 80-100 volunteers).
4. Financing: Long term financing to be approved by the community. Checks and balances provided in the legislation – media notices providing notice of meetings and process of referendum.
5. Annual Budget Process: Registered voters to vote on operating costs but not on debt service.
6. Process to include flexibility in legislation to allow communities to join or get out of Authority with conditions to do so.
7. Inter-local Tax Sharing: To provide host community, where project is physically located, to be held harmless.
8. Tax Increment Financing (TIF): Only to be used if approved by each community.

Mr. Nelson concluded his presentation noting that the proposal has received very positive press. He opened a question and answer period with members of the audience:

- Roland Fernald (Eliot): Questioned how the infrastructure of the host town of a future project is affected. Mr. Nelson referenced FirstPark and how the roads were made public. Part of the Authority's budget as well as business contributions assist with infrastructure maintenance and related issues.

- Bonnie Gould (South Berwick): Confirmed it was the registered voters that would vote on the projects presented by the Authority.

- Gary Sinden (Eliot): Discussed the petition process and the inability for towns to circulate a petition within 15 days as well as the inability for the Authority to find a venue large enough to house voters for special town meetings. Mr. Sinden stated voters should have access to a ballot vote. Mr. Nelson responded that in the towns he worked with and represented had forms of government that specified special town meetings as opposed to ballot voting, and noted that FirstPark did not encounter any problems with meeting voting.

- Bobbie Beavers (South Berwick): Questioned whether the Authority could be amended to allow for ballot voting. Mr. Nelson responded, yes.

- Paul Schumacher (SMRPC): Requested Mr. Nelson review Authority legislation. Mr. Nelson provided an overview of the legislation including use of Public Hearing notices and meetings for legislation and work sessions. He noted that the Committee could vote to amend to the bill. Senator Bowman is one of the supporters of the bill. The bill has an emergency clause which would allow the Authority to become effective immediately after bill approval in order to be acted upon by each town.

- David Burke (South Berwick): Inquired about actual figures associated with a long-term project such as this Authority. Mr. Nelson discussed the role of T-Mobile in the creation of jobs, salaries and a \$30 million tax base. Mr. Nelson noted that due to the economy, there was not a lot of activity in the first few years of the Park but that as a long term project it has been successful.

- Jack Murphy (Eliot): Discussed how each town within the proposed Park would be pre-permitted for businesses and confirmed that lots could be adjusted to meet specific business needs.

- Gary Sinden (Eliot): Inquired if a designated amount of jobs could be reserved for local citizens. Mr. Nelson responded that it would be difficult to put such a condition on businesses.

- Steve Einstein (South Berwick): Discussed whether valuations of individual towns would contradict 1 man/1 vote rule. Mr. Nelson responded that the Steering Committee researched this issue in depth and that the 1 man/1 vote rule would still pertain except for voting on the debt service.

- Gary Sinden (Eliot): Inquired how as a new level of government, how would tax payers be able to dissolve the Authority. He noted that it would be difficult to attract businesses to a development that was not profitable. Mr. Nelson described the process in which tax payers could dissolve the Authority which could occur only after there was no existing debt. Mr. Nelson noted that it would be beneficial for each town to present worst-case scenarios to tax payers in order for them to make informed decisions/votes.

- Jack Murphy (Eliot): Inquired if the current legislation were to be approved, would the towns be committed to the Authority. Mr. Nelson responded that no town is committed until the individual towns vote on participating.

- Bobbi Beavers (South Berwick): Inquired if other towns not specified could join. Mr. Nelson responded yes, if the Authority were to vote on their inclusion.

- Gary Sinden (Eliot): Stated that Eliot voted not to participate in the Authority and requested their name be stricken from all related legislation. He inquired as to where the Authority exists. Mr. Nelson responded that the Authority, if approved, would legally exist but not operationally exist until they were to take further action. Mr. Nelson noted that the Authority would only exist if at least 3 towns were to vote in favor of the Authority at which time, a designated location would be procured.

- David Marshall (York): Apologized for not having participated earlier in the process but hoped to participate at the present time. He inquired as to the number of membership votes within the Authority in relation to 1 base vote per town plus a valuation vote. He inquired to the current status of the legislation. Mr. Nelson revised legislation status.

- Jack Murphy (Eliot): Responded to Mr. Marshall stating that he has reviewed membership numbers and the inclusion of a 5% additional membership.

- Richard Clark (Wells): Inquired the use of individual town's specific tax rate. Mr. Nelson confirmed that each town would use its own tax rate.

- Richard Nass (State Senator): Discussed potential future challenges in the use of TIFs.

- Paul Schumacher (SMRPC): Discussed how most of the 6 towns have lands within the Pine Tree Zone (PTZ). Mr. Nelson noted that although the PTZ is an incentive for businesses, the most important priority for companies to expand or relocate is the workforce.

- Dennis Fontaine (South Berwick): Inquired about the current status of workforce housing (WFH) as addressed by the State. Mr. Nelson noted that the State has addressed the need for WFH with beneficial changes being made however there still remain many challenges.

- Jack Murphy (Eliot): Discussed the benefit of towns to participate in an Authority because on its own, a town is not allowed to issue bonds beyond its 1% valuation. Mr. Nelson stated that the legislation was written in such a way to allow for the flexibility that would allow Authority to make changes while avoiding having to go back to legislature.

- Bonnie Gould (South Berwick): Discussed how the State is working with a Business Advisory Board comprised of various communities and businesses members and will discuss issues concerning labor, etc.

Presentation ended at 8:30 pm.

Attendee List:

| NAME | TOWN | TITLE |
|-------------------------|---------------|---------------------------|
| Bob Gagne | South Berwick | Councilor |
| David Burke | South Berwick | Councilor |
| Paul Schumacher | SMRPC | Director |
| Dennis Fontaine | South Berwick | EDC Chairman |
| Glenn Shwaery | Kittery | Councilor |
| Jon Carter | Kittery | Town Manager |
| George Dow | Kittery | Councilor |
| Richard Clark | Wells | Selectman |
| Michael Huston | Wells | Planner |
| Gary Sinden | Eliot | Selectman |
| David Marshall | York | Selectman |
| Roland Fernald | Eliot | Selectman |
| Roberta (Bobbi) Beavers | South Berwick | Citizen |
| Keith M. Trefethen | Berwick | Town Manager |
| Kathleen Chase | Wells | Rep. #147 |
| Bonnie Gould | South Berwick | State Rep. |
| Richard Nass | Acton | State Senator |
| Dwayne Morin | North Berwick | Town Manager |
| Jason Claffey | Dover | Reporter |
| Peter Bowman | Kittery | State Senator |
| Jeff Grossman | South Berwick | Town Manager |
| Suzanne Roberge | South Berwick | Council Chairman |
| Jack Murphy | Eliot | Selectman |
| Robert Orsini | South Berwick | Assistant to Town Manager |
| Jim Fisk | South Berwick | Town Planner |
| Craig Nelson | Consultant | Nelson & Doyle |
| Chuck Morgan | Consultant | SMRPC |
| Susie Scott | South Berwick | Planning Assistant |
| Steve Einstein | South Berwick | EDC member |
| David Ramsay | South Berwick | Citizen/Reporter |
| Michael Moynahan | Eliot | Selectman |

**Submitted by Susie Scott,
Assistant to the Director of Planning & Economic Development**