



Sanford City Council

City Council Meeting Minutes – February 17, 2015

The Sanford City Council met at 7:00 p.m. in the Chambers of the Sanford City Hall Annex on Tuesday, February 17, 2015. Those present were: **COUNCILORS:** Councilor Thomas P. Cote, Councilor Maura A. Herlihy, Councilor Joseph Hanslip, Councilor Alan R. Walsh, Councilor Richard L. Wilkins, Councilor Fred W. Smith and Councilor Victor E. DiGregorio. **CITY MANAGER:** Steven R. Buck **CITY STAFF:** Susan Cote, City Clerk; Shirley Sheesley, Code Enforcement Officer; Thomas Connolly, Jr., Police Chief; Matt Hill, Director of Public Works; Peter Smith, Director of Highways; Mike Casserly, Assistant City Engineer.

Mayor Cote called the meeting to order at 7:04 pm.

The session began with the Pledge of Allegiance followed by a moment of silence.

Roll Call: Mayor Cote performs the Council Roll Call: Councilor DiGregorio, Present; Councilor Smith, present; Councilor Wilkins, present; Councilor Walsh, present; Councilor Hanslip, present and Councilor Herlihy, present.

Minutes

Executive Session: January 20, 2015; Councilor Hanslip moved to approve, seconded by Councilor Smith. The City Council voted 7-0 to approve.

Executive Session: February 3, 2015; Councilor Hanslip moved to approve, seconded by Councilor Smith. The City Council voted 6-0 to approve (Councilor Walsh was absent with notice 2/3).

Regular Meeting: February 3, 2015; Councilor Hanslip moved to approve, seconded by Councilor Smith. The City Council voted 6-0 to approve (Councilor Walsh was absent with notice 2/3).

Mayor's Reports/City Council Sub-Committee Reports

Thank you to the North Parish Church Monday Nighter's Club for the invitation to their meeting. Shared ideas and concerns for the City. Also mentioned the formation of Sanford Alumni Association for anyone who graduated from Sanford High School. First meeting will be held February 26, 2015 at 4:00 pm in the Goodall Library Community Room.

Councilor Walsh reported the Negotiation Sub-Committee reviewed the RFP's for banking and legal services. A recommendation will be brought forward to the full Council once the interviews have been conducted.

City Manager's Report

See Attached

Communications/Presentations

1. Code Enforcement Officer Shirley Sheesley issued a reminder for residents to check their roof for snow loads as it can lead to ice dams and also potential for roof collapse. Should repairs need to be done, a permit is required for any framing work. Residents should contact the Code Office for additional information or questions. Also given was a presentation updating the status on some of the problem properties discussed at earlier meetings.
2. Public Works Director Matt Hill gave a "Shout Out" to recognize the entire crew for their hard work over the past few weeks of multiple storm events and explained how the operations are broken down across the City for plowing and snow removal of streets and sidewalks. (see attachment #2 for more detail)
3. Police Chief Connolly reminded everyone to slow down, be cautious and observant traveling both in car and on foot. Pedestrians should be walking single file against traffic; cars should reduce speeds and watch for car and pedestrian traffic entering from side streets.

Public Participation (note: speakers 1-3 spoke after Matt Hill's presentation)

1. Shawnda Lapointe, School Nurse at Lafayette School voiced her concerns about the snow on sidewalks and streets near the school. Pointed out small children are forced to walk in the narrow streets causing a safety hazard.
2. Matt Westerlund, parent of Lafayette School students, also voiced concerns about excessive snow around the school being a safety hazard and shared pictures of narrow streets. Offered suggestion of temporarily making Thompson Street a one-way street to solve traffic congestion near school.
3. Chuck Noble resident from Milton Avenue, voiced concerns about snow not being removed from sidewalks causing safety hazard for pedestrians especially on Route 109 (Main St.). Feels Sanford has not been properly prepared to deal with even half the snow that has fallen.
4. Representative Anne-Marie Mastraccio spoke of budget talks just starting to take place in Augusta and upcoming public hearing dates; proposed bills in the Legislature; encouraged residents to look into State Treasurer's unclaimed property website.

Public Hearings

The City Council will take public comment on the following:

1. A public hearing for an application for liquor license renewal for the American Legion Post #19, 656 Main Street, Springvale, ME. Mayor Cote declared the public hearing open at 8:16 pm. There was no one to speak for or against the request. The public hearing was closed at 8:16 pm.
2. A public hearing to receive comments on the temporary posting of certain roads within Sanford to a 23,000 lb. weight restriction, pursuant to M.R.S.A

Title 29-A §2395. This action is being considered to protect Sanford roads during spring thaw. Mayor Cote declared the public hearing open at 8:17 pm. Councilor Walsh stated this matter is at the property sub-committee level. They will review the list of roads thoroughly as well as alternate routes prior to presenting to full Council. A brief explanation of process and map depicting roads to be posted was given by Public Works Director Matt Hill. The public hearing was closed at 8:27 pm.

Consent Agenda

Mayor Cote sought comments or concerns regarding the following items. There were no comments or concerns. Consent agenda items were approved.

15-23.01 Ordered, to approve the following license request:

1. An application for liquor license renewal for the American Legion Post #19, 656 Main Street, Springvale, ME.
2. An application for blanket letter for license to operate Game of Chance Five (5) Video Poker Games for the American Legion Post #19, 656 Main Street, Springvale, ME.
3. An application for blanket letter for license to operate Game of Chance Two (2) Sealed Tickets for the American Legion Post #19, 656 Main Street, Springvale, ME.

Old Business

New Business

15-24.02 Ordered, to review the advocacy position as it pertains to revenue sharing. Councilor Hanslip moved to review, seconded by Councilor DiGregorio. City Manager, Steven Buck read proposed testimony (see attachment #3) that he will give on Wednesday in Augusta to the Taxation & Appropriations Committee if supported by the Council. Councilor Herlihy felt it stated a good balance of positive feedback for intent as well as the negative effects upon municipalities. Mayor Cote felt is very well written and hopes there will be a dialog as in the past when Mr. Buck has spoken on these and other issues. The City Council voted 6-0 in favor of the presentation as written.

Council Member Comments

Councilor DiGregorio: Concerns of tax increase with proposal to increase homestead exemption for homeowners over age 65 as Maine has high per capita population in that age group.

Councilor Smith: Remind citizens to be safe on the roads; watch for pedestrians and cars entering from side streets, also keep exhaust vents clear of snow to prevent carbon monoxide poisoning.

Councilor Wilkins: None

Councilor Walsh: left meeting at 8:20 pm for another commitment

Councilor Hanslip: None

Deputy Mayor Herlihy: None

Mayor Cote: None

Future Agenda Items

None

Adjournment

Mayor Cote moved to adjourn regular meeting at 8:45 pm

Respectfully submitted by Susan H. Cote, City Clerk

City of Sanford



**From the Desk of
Steven R. Buck
City Manager**



Memorandum

To: City Council
Subject: Manager's Report for February 17th, 2015
Date: February 17th, 2015

EB-5 (Employment-Based Immigration, Fifth Preference)

The EB-5 program is a federal investment visa program run by the United States Citizenship and Immigration Services (USCIS). The goal of the EB5 program is to incent investment and create American jobs by setting aside a pool of EB5 visa green cards for qualified foreign investors that invest capital into approved EB-5 projects. U.S. companies are able to use this investment for projects that meet the program's eligibility criteria, such as business expansions, development, or adding capacity.

Actions to date are:

1. The York County Advocacy Group, Municipalities and our York State Delegation, are supporting the creation of a York County EB-5 District.
2. Senator Valentino of Saco has direct experience with the Carrabassett District and has offered both support and assistance
3. York Managers' Group has conferred with Kennebunk and Saco having both conducted independent research into two separate law firms who have successfully written a number of EB-5 Districts. The quoted cost to complete a successful process is approximately \$100,000.
4. Southern Maine Regional Planning Commission has agreed to serve as the Agent once a District is in place.
5. York Managers' Group has worked with County Administrator Greg Zinzer to support a \$100,000 County Appropriation to fund the Application; it will be part of this year's County Tax Bill if successful.
6. Once an Appropriation is raised, the York Managers' Group will send an RFP, likely through Southern Maine Regional Planning Commission, to known law firms to fulfill the application process.
7. The District will be York County and will therefore provide an equal opportunity to compete for this venture capital.

City Budget:

Administration has completed a first Draft of the FY 15/16 Municipal Budget. The Target for a 1.5% net impact to net taxation was a goal, an net increase of not more than \$218,383 on the municipal side of the Budget. The current Draft Budget has Appropriations to support Operations as \$152,504 less than last year. Anticipated Revenues are at \$369,320 less than last

year. Net Operational Increase is \$216,816. This does not count the Charter mandated increase to the Capital Improvements Program (CIP) of \$325,261 to be shared by the municipal and school CIP needs. Full details and the resulting Budget Books are being prepared for the Budget Committee, who will start their consideration of the Budgets on March 5th at 6:00PM

RFP's

BAN –Bond Anticipation Note for interim financing of the School Construction Debt has been issued as response are due back on March 3rd, 2015.

Administration also interviewed Joseph Cuetara of Moors and Cabot for potential financial consulting services as it might pertain to the School Construction Bond. Mr. Cuetara received sufficient information to provide a quote as well as further return on his services.

Legal Services – RFP's were issued and four firms have responded;

Eaton Peabody, Bornstein Shur, Skelton Taintor, and Jensen Baird. Interviews have been scheduled with all four firms to complete the process. A future recommendation will be made for a subsequent Council meeting.

Banking Services - RFP's were issued and 6 banks submitted bids;

Androscoggin Bank, Bank of Maine, Kennebunk Savings Bank, Peoples United Bank, TD Bank, and SIS. First and Second reviews as well as follow up interviews were conducted. The results have been reviewed by the Council's Finance Committee with a resulting recommendation for acceptance for the March 3rd, 2015.

Director of Planning and Development – Position was posted on February 5th, 2015 with a deadline to apply of March 5th, 2015 at 4:30PM. To date I have not reviewed the number of or the applications submitted as of yet. A panel will review immediately upon close and start the process of scoring candidates for future interviews. The process is anticipated to be completed no later than April 3rd for the extension of an offer.

York Managers Group – The Managers met last Tuesday in South Berwick for continued discussions on the following topics:

Workforce Investment

EB-5 Designation

County/State Jail funding and pending legislation

York County Rescue provisions to supplement ambulatory care for contracting towns

York Advocacy Group – A phone conference with York Legislators was held on February 11th, 2015. The phone conference was very well attended by York Managers, Congressional Offices, and most importantly our York State Legislators. Topics discussed were;

1. Skilled Workforce Development – where are the needs such as Pratt Whitney, Portsmouth Naval Shipyard and Others – Financing and coordination with our Career Technical Centers and York County Community College

2. Transportation – Current MDOT Work Plan within York County – annual funding gap of not less than \$150 million – Status of Sarah Long Bridge – Greater need to increase category of funds under the Municipal partnership Initiative or MPI

3. Municipal Broadband – discussed pending bond funding, future pending planning grants, and an invitation to Fletcher Kittredge of GWI to speak to the Group

4. County Jail funding – Support of LD 186 was a consensus to return the County Jails to full county Control – County Administrator Greg Zinser spoke on this topic extensively – subsequently the LPC of MMA voted not to support LD 186 as the York representatives views did not prevail within the State group

Mayors Coalition: the Coalition met last on February 6th and I participated by phone conference. Topics discussed at length are listed;

1. Tax Reform Work Group
2. Broadband
3. Review of Biennial Budget
 - a. State Assistance to Municipalities and Schools
 - i. Revenue Sharing (Part A, p. 549 and Part L of the Budget)
 - ii. Fund for Efficient Delivery of Local & Regional Services (Part A, p. A-17 and Part U)
 - iii. General Purpose Aid to Education (Part A, p. 197 and Part C)
 1. Charter Schools
 2. Title I Funding
 - iv. Fund for Efficient Delivery of Educational Services (Part A, p. A-196 and Part QQ)
 - b. Welfare Programs
 - i. Only Citizens Eligible (Parts ZZ and DDD)
 - ii. General Assistance (Part KKK)
 - c. Tax Reform
 - i. Telecommunications Tax (Part D)
 - ii. Non-Profit Property Tax Exemption (Part E)
 - iii. Homestead Exemption (Part F)
 - iv. BETE/BETR (Part G)
 - v. Sales Tax Reform (Part H)
 - vi. Estate Tax (Part J)
 - vii. Income Tax (Part K)

Work Pending and Under Review:

- Public Works Equipment Fleet Management Program
- Sanford Traffic Impact Fees
- Emerson School Property Purchase and Sales Agreement
- Changes within the Land Stewardship Program pertaining to roads and future road acceptance
- Proposed changes to Chapter 272, Section 2-23 E (2)©, Chapter 272, Section 3-5 E (2)(h), Chapter 272-3-13, Cluster Developments and the Table 1 of Street Design Guidelines to include Rural Local Cluster Subdivision.



City of Sanford, Maine
Public Works Department
 919 MAIN STREET, SANFORD, MAINE 04073
 (207) 608-4150 FAX (207) 324-9166



February 17, 2015

Steven R. Buck
 City Manager
 City of Sanford and Village of Springvale
 919 Main Street
 Sanford, Maine 04073

RE: Department of Public Works Operations and Budget Updates

Dear Steve,

As requested, please find the below updates to the Department of Public Works operations and budget status:

- I. Department Response to Snow Events
 - A. The City of Sanford has received 97.7 inches of snow as of February 17, 2015.
 - B. The current forecast has a couple more inches for Wednesday into Thursday; with another potential event Saturday into Sunday.
 - C. The Department continues to respond to both regular and extraordinary snow events every few days during this winter season since the Thanksgiving Day storm in November.
 - D. Department of Public Works roadway operations are split into seventeen distinct snow plow routes comprised of fourteen (14) major routes and three (3) minor routes (dead-ends);
 - E. The utilization of the staff has varied according to the nature of the weather events, for example:
 1. Most snow or ice events necessitates the use of all eleven available members of the Highway Crew, the three members of the Transfer Station Crew, along with support from the four members of the Highway Garage in order to staff and support plows and salt spreaders to treat the roads of the City;
 2. The blizzard from January 26 – January 28 was an all-hands-on deck emergency response. The Department responded with full forces and also was able to call in two reserves from the Parks & Recreation Department as well as one from the Airport. Also, this event was declared a state of emergency by the governor and may be recognized as a FEMA event in which case the City may be reimbursed for some of the overtime hours and damages (TBD)
 3. Only two storms (February 8 – 10 as well as this weekend's storm) this season have failed to meet or exceed predicted snowfall expectations. Only during these events was the Department was able to stagger its response and work in shifts. All other storms have been addressed with maximum effort for the duration of the event;
 - F. The East-Side and West-Side snow plow Contractors have been performing up to expectations as well. Their plow response and interaction with the Department treating the roads has been working smoothly since the Department's pre-plow coordination meeting held on November 25, 2014.
 - G. Current sidewalk snow response is, by definition of the Department's forces, only available after the roadways are treated. For all but the very shortest of storms, this also includes time for the crew to rest and recuperate.

II. Snow Removal

- A. As the frequent and periodic events have left very small windows between road treatment activities, the Department has had a limited ability to de-mobilize and then re-mobilize salting units out of the plow trucks in order to haul snow;
- B. This issue progressed to the point where the Department necessitated the hiring of Contractors for snow-hauling as the fleet has needed time to be prepared for each successive event;
- C. Snow removal operations have been conducted at the High School, Junior High School, Downtown, Mid-Town Mall, Elementary Schools, and other locations as the Department has had the opportunity (see attached checklist);
- D. Sidewalk treatment was forced from plowing into blowing as of the blizzard event on January 26 -28. With the depth of snow that was received, there was nowhere left to push the snow. This, along with mechanical blower breakdowns, has limited the Department on sidewalk response times.
- E. Snow removal has progressed to the point where the Department will likely need to take one or more of the following actions within a week:
 - 1. Utilize a bulldozer to stack the snow much higher at the River Street snow storage facility;
 - 2. Locate new snow storage facilities:
 - a. In discussion with Erich Kluck (MaineDEP), the Department of Environmental Protection is willing to accept emergency snow removal locations basically at the discretion of the Municipality without a full NOI Permit approved;
 - b. Requested (but not required) documentation includes:
 - 1). Approximate 75-foot offset demarcation of any nearby wetland using hay bales or grade stakes;
 - 2). Tracking of volumes delivered;
 - 3). And an aerial photo site plan for documentation purposes.
- F. Equipment maintenance and breakdowns are anticipated as standard results of these large-scale operations so it has been very important to keep the Department's three garage mechanics dedicated to keeping the fleet operational. If the severity of the event necessitates the mechanics to operate the plow trucks for roadway treatment, there is always a resulting backup in the garage, a loss of efficiency, and drop in service.
 - 1. There has been a lot of discussion about the maintenance of the equipment and ability to respond to these severe and unexpected events.
 - 2. The Department has recently instituted an orderly and transparent maintenance tracking pilot program in order to better track garage maintenance operations. Results of the program are still pending.
- G. The last issue on "snow removal" which very few people are currently talking about is the upcoming spring melt:
 - 1. The Department will be removing and clearing snow with the intention of also opening storm drains in the near future;
 - 2. The Department has a limited number of storm drains mapped in the web GIS system and also benefits from experienced operators who know where the many drains are, but, if you as a citizen of Sanford/Springvale are aware of a plugged storm drain, please let the Department of Public Works know about it;
 - 3. The spring melt will likely be a true test of our drainage infrastructure condition and capacity. I have previously spoken about the condition and capacity of the drainage systems as many of them are turned-over CSO lines inherited by the City and little is known about many of the systems other than they are likely undersized compared to modern standards.

III. Budget Impacts

- A. According to the Finance Department's overall linear spending projection, Departments should be at or near 61.5% used/collected 32 weeks into the fiscal year (February 6, 2015);
- B. The Department was approximately on-track with our budget as of (at 60.2%, linear projection of 61.5%) at the time of this projection. With the expenditures since that time, a week and a half ago, I'd anticipate that we are now slightly above that overall linear spending projection. However, I would note that the Department's expenditure trends typically peak near this point in the season so there is potential for recovery, particularly if the weather subsides.
- C. The budget for Environmental Services (aka. the Transfer Station) is well over the linear spending projection of 61.5% at 84.4%. The largest overrun being overtime salaries (Transfer Station crew assists the Highway crew with plowing roads);
- D. Contract services such as the East Side and West Side plowing contracts are on fixed lump sum payment plans and are not subject to fluctuation;
- E. Supplies budgets such as salt, sand, and magnesium chloride are over budget (72.5%). Several prolonged ice/rain events before all of this snow greatly contributed to setting this up;
- F. The vehicle operation (98.3%) is over budget at this point. The Department is drafting a fleet management program to address excessive and escalating maintenance costs through changing our fleet management policies and proposed changes to the CIP and Maintenance budgets;
- G. The budget for diesel (39.7%) and gasoline (59.8%) are at or under budget, likely due to very reasonable prices as of late;

Comparison of % Budget Completed within Fiscal Year Annually (July through February)*

*Note: February expenditures for 2015 have only been recorded through half of the month in 2015

	2015	2014	2013
Overall	60.2%	78.7%	67.6%
Overtime	103.2%	164.8%	102.1%
Non-Contract Serv.	39.7%	103.7%	106.7%
Supplies (salt, sand, MgCl ₂)	72.5%	97.4%	68.5%
Vehicle Operations (maintenance)	98.3%	112.4%	63.1%
Fuel (Diesel)	39.7%	88.0%	71.4%
Fuel (Gas)	59.8%	60.5%	124.5%

Sincerely,



Matthew E. Hill, P.E.
 Director of Public Works
 City Engineer
 156 School Street
 Sanford, Maine 04073

TOWN OF SANFORD

Sidewalks plowed by:

DATE

Main St (North & South) including Westview Drive
Roberts St (by the Town Hall)
Washington St
Lebanon St.
Winter St
Cottage St
Oak St
Bridge St
Pleasant St
River St
High St.

DATE

DATE

North Ave Ext	Front St
North Ave	Gowen park Dr
Brook St	Riverside Ave
Thompson St	St. Ignatious St
June St	

School St	Twombly Rd
Emery St	Berwick Rd
Heritage Crossing	Millbrook Section
Elm St	Roberts St
Jackson St	Kimball St
Tebbetts Ave	Oxford St
Pioneer Ave	Emerson St

Mill St
Water St
Payne St
Kirk St
Grove St

DO NOT BLOW SNOW INTO WALKWAYS OR DRIVEWAYS



City of Sanford, Maine

Office of the City Manager

919 MAIN STREET, SANFORD, MAINE 04073
(207) 324-9173 FAX (207) 324-9124

City Council

Thomas P. Cote, Mayor
Maura A. Herlihy, Deputy
Joseph R. Hanslip
Alan R. Walsh
Richard L. Wilkins
Fred W. Smith
Victor E. DiGregorio

City Manager

Steven R. Buck

Testimony in Support of the Preservation of State-Municipal Revenue Sharing M.R.S.A Title 30-A §5681

**Senator Hamper, Representative Rotundo,
Members of the Appropriations Committee;
Senator McCormick, Representative Goode,
Members of the Taxation Committee,**

My name is Steven R. Buck, City Manager of the City of Sanford and I am offering testimony in favor of the preservation of State-Municipal Revenue Sharing, M.R.S.A Title 30-A §5681, and for the consideration of true tax reform as it pertains to the balancing of tax efforts across Income, Sales, and Property Taxation.

I applaud Governor LePage for the submission of a Biennial Budget that opens for consideration a number of substantial areas of taxation. I view this as an opportunity to address needed change within Maine's overall levy of taxation necessary to provide the combined State, County, and Municipally provided services. I offer the following views to communicate critical impacts and relationships stemming from the currently proposed tax code amendments:

1. The proposed reduction of Income Tax collections absent full reform or the reduction of expense within the State's budget creates a funding gap of not less than \$150 million; the burden of which will be shifted.
2. The proposed future elimination of State-Municipal Revenue Sharing, being proportional to the deficiency in collections proposed within Income Tax, creates a detrimental shift upon the burden of providing municipal services, funded primarily by Ad Valorem Property Taxation.
2. Ad Valorem Taxation is the most regressive form of taxation and is subject to adverse taking. If the State is to become more progressive in the area of Income Tax, work to mitigate impacts to Property Tax less your efforts will be negated. A system to lessen the impacts to Ad Valorem taxation already exists.
3. Opportunity exists to identify and establish a better balance amongst Income, Sales, and Property Taxation. The three areas of taxation are not mutually exclusive. They are mutually inclusive as the basis of funding the three primary levels of governmental services, State, County, and Municipal. Shifting the burden in one tax to another absent a well-constructed and phased implementation will



cause detrimental impacts to our State's economy. I subject that the balance to the imbalance has not yet been solidified. A prior balance had been identified and implemented, it already exists.

4. Municipalities are the State's greatest partners in economic development supporting the majority of public infrastructure benefiting a business friendly environment. It is therefore not unreasonable that the State would so recognize municipalities with a distribution from broad-based taxation in proportion to their efforts. That proportional system already exists.

5. Best practices mandate the most efficient use of our combined limited resources. Higher economic benefits can be obtained by targeting specific areas of taxation. Reductions to the Income Tax will produce future economic gains. The elimination of State-Municipal Revenue Sharing will produce immediate impacts to Property Taxation. A balance must be struck to buffer the immediate impacts until such time as the future economic gains are realized. A system to buffer current impacts and distribute the gain in the future already exists.

6. The best use of the limited resources would be to achieve a greater targeted benefit for the same dollars collected and expended. Such opportunities exists within amendments to the Homestead Exemption and distributions within the Disproportionate Tax Burden, Title 30-A §5681 (4-B). Amendments to these two areas will positively impact ALL Maine Residents, Service Center Communities, and Towns hit hard by the changing post-industrial landscape. Systems to accomplish these two broad areas already exist.

The system that already exists as referenced is Title 30-A §5681 State-Municipal Revenue Sharing. It is over 40 years old, has been amended a number of times to better respond to economic changes, but has never been proposed for elimination until now. It is not the unilateral answer to the myriad of currently proposed tax reforms, but it should be a part of the mutual consideration of impacts to the State and Municipalities, which are comprised of ALL Maine Residents.

As Legislators and members of certain political parties, I expect to find strong views on all of these points. I also recognize that a strong view point on any matter absent an action plan to objectively support is a pointless ideal. Municipalities are here to work as partners with the Legislature, the State, and to move forward. Don't make us subject to a pointless ideal, make us part of an objective plan to better our State's economy AND decrease the burden upon Property Taxes as well as Income Taxes.

Respectfully Submitted,

Steven R. Buck

Steven R. Buck
Sanford City Manager



**Impacts to City of Sanford from proposed Tax Shifts:
Elimination of State-Municipal Revenue Sharing:**

Town/City	Population	FY 2016 Rev Share as Proposed	FY 2016 Rev Share by State Law	Difference and Burden to Taxes
Sanford	20,798	\$ 1,332,349.00	\$ 3,372,834.00	\$ (2,040,485.00)

Taxing Exempt Non-Profits versus State-Municipal Revenue Sharing:

Impacts of Tax Exempt Taxation Proposal					
Town/City	Revenue from Partial Exemption	FY 2016 Rev Share @ \$62.5 M	FY Rev Share @ \$158 M	Partial Exemption vs. \$62 M Rev Share	Partial Exemption vs. \$65 M Rev Share
Sanford	\$388,092.00	\$1,332,349.00	\$3,372,834.00	\$ (944,257.00)	\$ (2,984,742.00)

City of Sanford recognizes the following:

1. Targeted Homestead Exemption of greater than \$10,000 funded 100% by State from broad-based taxation. This eliminates the detrimental shift to businesses towards the funding of the currently 50% unfunded. All Maine residents need property relief, not just those over age 65.

2. Amendments to State-Revenue Sharing, Title 30-A §5681 subsections 4-A and 4-B, to strengthen the distributions under 4-B the Disproportionate Tax Burden Fund to address the mil rate disparages of Service Centers and those Towns/Cities adjusting to post-industrial tax burdens.

3. Amendments to the State's Income Tax codes to produce greater economic attraction to grow businesses in Maine and attract future businesses. The City does recognize the need for a phased approach to allow for the increased economic activity to be realized before the elimination of current broad-based taxation distributions.

4. The continuation of State-Municipal Revenue Sharing, as might cooperatively be amended, to better balance the three areas of net taxation amongst Income, Sales, and Property Taxation. Recognition is granted that Maine has a higher than average reliance upon Property Taxation and that such reliance is just as detrimental to our business climate as is our current Income Tax code.

5. Proposed taxation of Non-profits produces both net gains and net losses in Municipal Property Tax collections in comparison to State-Municipal Revenue Sharing. Any such change to Maine's tax code should be both phased and further considered as a Payment in Lieu of Taxes (PILOT) based upon public safety and road costs as opposed to a percentage of mil rate effort.

6. Comprehensive Tax Reform is necessary to adapt from Maine's industrialized past and towards a future of natural resources, tourism, precision manufacturing, and information technology, not a bricks and mortar based real property valuation basis of taxation effort.

Title 30-A §5681. State-municipal revenue sharing

1. Findings and purpose. The Legislature finds that:

A. The principal problem of financing municipal services is the burden on the property tax; and [1987, c. 737, Pt. A, §2 (NEW); 1987, c. 737, Pt. C, §106 (NEW); 1989, c. 6, (AMD); 1989, c. 9, §2 (AMD); 1989, c. 104, Pt. C, §§8, 10 (AMD).]

B. To stabilize the municipal property tax burden and to aid in financing all municipal services, it is necessary to provide funds from the broad-based taxes of State Government.

