



Sanford City Council

City Council Meeting Minutes – February 18, 2020

The Sanford City Council met at 6:00 p.m. in the Chambers of the Sanford City Hall Annex on Tuesday, February 18, 2020. **MAYOR:** Thomas P. Cote. **COUNCILORS:** Councilor Ayn M. Hanselmann; Councilor Robert G. Stackpole; Councilor John L. Tuttle, Jr.; Councilor Lucas L. Lanigan; Councilor Maura A. Herlihy; Deputy Mayor Joseph R. Hanslip; **CITY STAFF:** City Manager Steven Buck; Executive Assistant Lorisa Ricketts; Community Development Director Ian Houseal; Growth Council Director Jim Nimon; Fire Chief Steve Benotti.

Pledge of Allegiance

The regular City Council session began with the Pledge of Allegiance and a moment of silence.

Moment of Silence

Roll Call:

Mayor Cote performed the Council roll call: Councilor Hanselmann, present; Councilor Stackpole, present; Councilor Tuttle, present; Councilor Lanigan, present; Councilor Herlihy, present; Deputy Mayor Hanslip, delayed but arrived late.

Minutes

19-733-01 Ordered, to approve the minutes from the City Council Meeting held on February 4, 2020.

Councilor Tuttle moved to approve. Councilor Stackpole seconded.

Motion passed 6-0.

19-734-01 Ordered, to approve the minutes from the Executive Session held on February 4, 2020.

Councilor Tuttle moved to approve. Councilor Stackpole seconded.

Motion passed 6-0.

Mayor's Report/City Council Sub-Committee Reports

Mayor Cote reported that he has a meeting scheduled with Curtis Lake Church.

Councilor Stackpole reported that Zoning Subcommittee met last week. A future Council meeting will be amending ordinance to ensure that there is no need to appoint a specific City Councilor to the Site Plan Review Committee

Resolution will come to the Council saying they support the complex but there are no specific changes required at this time for the project to move forward.

Changes in Chapter 280 zoning land use table to allow utility-scale solar as a conditional use in the rural residential zone. One of the major hang-ups has been the soil requirement; will be coming forward with the soil requirement stripped out.

Much of the solar discussion was around the 5 substations in the City; much of that capacity has been taken up by prior projects; the amount of property that can reach one of the substations will be a self-limiting factor on future projects.

City Manager's Report

None.

Communications/Presentations

19-745-01 Presentation on Sanford Trails and Mousam Way Trail System.

Hazen Carpenter presented on the Kiwanis Mousam Way trail system. Dave Parent from Kiwanis board was also present.

It was intended that the Kiwanis Club would put ten years into this project; they have now put thirty years in. There is a strong City Trails Committee now and they feel it is time to hand over the Mousam Way trail system to them.

In 1999, Mousam Way was accepted as part of the City's trail system. The City Trails Committee was established after that.

Dave Parent spoke and said that Mr. Carpenter deserves credit for envisioning the Mousam Way trail system, and for establishing the City's Trails Committee. They want to rebrand the trail system so it is more unified and will be branding the trails with the Mousam Way logo. Kiwanis intends to keep members on the City Trails Committee going forward.

There are some funds remaining in the Mousam Way pot; they will want to transition those funds to projects on the trail.

Mr. Carpenter said all of this was made possible by the cooperation of corporations, clubs and individuals who stepped forward to make it possible.

Councilor Tuttle said they also need to recognize Lee Burnett for his work. Hazen said that Lee came on about ten years in.

Mayor Cote thanked Hazen for his dedication to the City and to the trails, and to the Kiwanis and all they've done.

Councilor Hanselmann asked for a copy of the history and timeline that Hazen presented.

Public Participation

Jennifer Roux, Selectman for Town of Shapleigh and Administrator for Town of Acton, spoke regarding her concerns about communication between the communities.

She requested a response to her questions in writing and drew the Council's attention to Maine's Freedom of Access statute.

Public Hearings

The City Council will take public comment on the following:

19-715-01 A Public Hearing to receive comments on a liquor license renewal for Springvale Public House Inc. D/B/A Springvale Public House, 481 Main Street Springvale, Maine.

Public hearing opened at 6:41.

No public comment.

Public hearing closed at 6:41.

19-717-01 A Public Hearing to receive comments on a liquor license renewal with malt privileges from G C Pizza Hut LLC D/B/A Pizza Hut 1364 Main Street, Sanford, Maine.

Public hearing opened at 6:41.

No Public Comment.

Public hearing closed at 6:41.

- 19-731-01 A Public Hearing to receive comments on a Municipal Tax Increment Financing District known as the "Mousam Falls Apartments Municipal Development and Tax Increment Financing District". The District consists of approximately .67 acres of property located at 442 Main Street, in the Village of Springvale.

Public hearing opened at 6:41.

Jim Nimon, Executive Director of Sanford Regional Economic Growth Council, spoke in favor of the project. It is a market-rate housing project, which has been a top priority for the last year. Regarding the timing of the TIF, it is uncommon, but they were aiming for the optimal assessed value for the project. It is a 50/50 TIF – it is important to share that portion we would otherwise lose in new revenue as a way to support a market-rate project. This TIF is capped; there is a financial gap that was recognized – the TIF is capped when that gap has been filled. The Growth Council Board unanimously supports the project and it was presented previously to City Council in Executive Session.

Joe Sevigny, one of the partners on Mousam Falls Apartments, presented on the project. The land for the project at 442 Main Street in Springvale was purchased from Springvale Public Library; the original building was removed and they created a 16 unit market-rate housing project with 12 two-bedroom apartments and 4 one-bedroom apartments. 10 of the units are handicapped accessible.

This project has been challenging in several ways; Mr. Sevigny laid out a list of issues which, along with a 30% increase in costs, have created a financial burden that made it difficult for the project to break even. There is a financial gap of \$197,690 with this project. They have had many development projects and have never asked for a TIF. Without help from this TIF, it would be difficult for them to make the project work.

Mayor Cote noted that City legal counsel Attorney Saucier was present to answer any questions the Council might have.

Public hearing closed at 6:47.

- 19-744-01 Public hearing to receive public comment on the following question: Shall the City Council: (1) approve a capital project including capitalizing an affordable housing revolving loan fund or investment fund, including transaction costs and other expenses reasonably related thereto (the "Project"); (2) appropriate the sum of up to \$250,000 to fund the Project; (3) authorize the Mayor and the Treasurer to issue general obligation securities of the City (including temporary notes in anticipation of the sale thereof) in an aggregate principal amount not to exceed \$250,000 to fund the

appropriation; and (4) delegate to the Mayor and Treasurer the authority and discretion to fix the dates, maturities, interest rates, denominations, calls for redemption (with or without premium), form, loan agreement and other details of said securities, including authority to execute and deliver the securities, certifications and agreements relating to the purchase and the financing on behalf of the City.

Public hearing opened at 6:48

Community Development Director Houseal gave the history on this item. In August 2017, the City Council put in effect the Land Bank Authority, which has been successful program since that time. Have spent approximately \$490,000 on land bank activities and to date have recouped 43% of that. To date, the City Council have conducted 51 dangerous building hearings, there have been 15 demolitions carried out by the City plus 4 demolitions by owners. It is a three and a half year cycle for these properties and the required funds to capitalize a revolving loan fund to address dangerous buildings and nuisance properties is about \$483,000.

With this batch of funding, would prepare sites for redevelopment as affordable housing. The properties must meet income qualifications: 120% of median income: \$87,960.

This would be an infusion of capital for land bank activities and it is believed to be the maximum amount needed. The Land Bank to date has inherited three legacy properties, secured six properties, five rehabilitations are complete and 25 pending.

Council Hanselmann asked for information: procedurally, would we be lending to individuals or developers? Director Houseal said the specifics as to how we would preserve affordability are laid out. He read out the requirements for affordable housing and said there are many vehicles for creating affordable housing, including mortgages or covenants. The income qualifications would be placed upon the future owner or future renter or buyer.

Mayor Cote said that from a practical perspective, if there were a building that had been demolished which we were then to take ownership of and then sell, the buyer would have to have the intent to create affordable housing. Director Houseal said the requirements would be placed on them. Whoever the property is sold to as affordable housing would have the requirements placed on them: 120% of the area median income for York County.

Manager Buck asked if Director Houseal could recall off the top of his head how much of a mortgage could be purchased at the 120% under affordable housing restrictions. Someone at 80% of the median income would make \$58,000/year. Effectively, they could qualify for loans up to \$260,000.

Councilor Lanigan asked if we would be creating more voucher housing. Area median income in 2019 is \$74,000/year. 80% of that is \$58,000/year. 50% of Sanford teachers would qualify. 120% is \$87,000/year – a family would have to make less than this amount per year to qualify.

Councilor Hanselmann asked if the requirements follow the property forever. Director Houseal said it depends – different types of affordable housing have different terms – the majority of them are guaranteed for 10 years.

Public hearing closed at 7:00.

- 19-743-01 Public hearing to receive public comment on amendments to the municipal affordable housing tax increment financing district known as the "St. Ignatius Affordable Housing Municipal Development and Tax Increment Financing District and Development Program"

Public hearing opened at 7:00.

No Public Comment.

Public hearing closed at 7:00.

- 19-719-01 A Public Hearing to receive comments on the Taxi Business License renewal for Mark A. Bshara D/B/A J & M Taxi, 160 Mouse Lane, Alfred, Maine.

Public hearing opened at 7:01.

No Public Comment.

Public hearing closed at 7:01.

Consent Agenda

- 19-716-01 Ordered, to approve the following License requests:
1. Liquor license renewal from Springvale Public House INC D/B/A Springvale Public House, 481 Main Street Springvale, Maine.
 2. Liquor license renewal from G C Pizza Hut, LLC 1364 Main Street Sanford, Maine.
 3. Application for Beano/Bingo from VFW Post 9935.
 4. Renewal of a Taxi Business License for J & M Taxi

Mayor Cote sought questions or comments from the Council on the Consent Agenda items. Seeing none, the consent agenda was approved.

Old Business

None.

New Business

19-726-01 Ordered, to authorize the City Manager, on behalf of the City Treasurer, to execute an Agreement between Camden National Bank and the City of Sanford to extend our current banking service agreement for an additional year from March 1, 2020 through February 28, 2021.

Councilor Tuttle moved to approve. Councilor Herlihy seconded.

Councilor Herlihy said that Property Subcommittee discussed this item with the City Treasurer

Motion passed 7-0.

19-729-01 Ordered, to set the City Council meeting dates for March 2020 as follows:

Tuesday, March 10 at 6:00 PM

Tuesday, March 24 at 6:00 PM

Deputy Mayor Hanslip moved to approve. Councilor Lanigan seconded.

Motion passed 7-0.

19-730-01 Ordered, to approve a Municipal Tax Increment Financing District Known as the "Mousam Falls Apartments Municipal Development and Tax Increment Financing District" pursuant to the long form Order contained at Exhibit D to the Development Program contained within the Council meeting materials.

Councilor Tuttle moved to approve. Councilor Herlihy seconded.

Councilor Stackpole commented that the City Council did meet in Executive Session previously and ironed out details on this item so although there are no questions from the Council tonight, that is because a lot of discussion and work has gone on previously on this item.

Mayor Cote added that the Growth Council has spent a lot of time and effort developing this as well.

Councilor Tuttle said the Sevigny family deserves a lot of credit for the decades of fine work they have done in the community. He encourages the Council and the community to support this project.

Manager Buck spoke in support of the project and creation of market-rate housing in general. This is a state-wide issue, and in York County especially – workers need places to live. Lewiston is also working with TIF to encourage market-rate housing.

Mayor Cote said the building is beautiful and a great addition to Springvale. By building this project, they are contributing to housing and to the community.

Motion passed 7-0.

19-709-01 Ordered, to approve the amended charge for the Airport Advisory Committee.

Councilor Lanigan moved to approve. Councilor Tuttle seconded.

Councilor Herlihy said this item was discussed at Property Subcommittee, which recommended moving this forward with minor changes. Councilor Tuttle said they like to encourage young people to be involved.

Motion passed 7-0.

19-737-01 Ordered, to amend the municipal affordable housing tax increment financing district known as the "St. Ignatius Affordable Housing Municipal Development and Tax Increment Financing District and Development Program".

Councilor Tuttle moved to approve. Councilor Stackpole seconded.

Manager Buck said this is the first amendment to the St. Ignatius Affordable Housing TIF district. At the time the project was built and the district was established, 38% of the value could not be captured and sheltered. It was the year before the Land Bank was formed. Implementation of the Land Bank and the work they've been doing allowed us to get the development program in place to capture that 38% and then put that value back to the borrowing of funds to support Land Bank activities. He thanked the City's legal counsel, Shana Mueller and Phil Saucier, for all of their work on this.

Councilor Hanselmann asked if the revenue within the TIF is enough to repay the whole \$250,000. Manager Buck responded that it is.

Motion passed 7-0.

19-736-01 Ordered, to (1) approve a capital project including capitalizing an affordable housing revolving loan fund or investment fund, including transaction costs and other expenses reasonably related thereto (the "Project"); (2) appropriate the sum of up to \$250,000 to fund the Project; (3) authorize the Mayor and the Treasurer to issue general obligation securities of the City (including temporary notes in anticipation of the sale thereof) in an aggregate principal amount not to exceed \$250,000 to fund the appropriation; and (4) delegate to the Mayor and Treasurer the authority and discretion to fix the dates, maturities, interest rates, denominations, calls for redemption (with or without premium), form, loan agreement and other details of said securities, including authority to execute and deliver the securities, certifications and agreements relating to the purchase and the financing on behalf of the City.

Councilor Tuttle moved to approve. Councilor Lanigan seconded.

Councilor Herlihy said she does not want the Land Bank Authority to take on the role of general contractor. Manager Buck said the intent is to develop strong partnerships with the Sanford Housing Authority, Habitat for Humanity and others so that they take on the work. Councilor Herlihy asked if we are making sure to cap the amounts that can be used for administration and if there is some sort of control mechanism for that. Manager Buck said he doesn't know the answer to that at this time. Director Houseal agreed with Manager Buck that partners are performing the work; the City is not performing renovations, etc. Councilor Herlihy asked whether any of these funds would be used in renovations. Mayor Cote explained that they would not.

Manager Buck said that on a cash flow basis, the Land Bank is out of cash until the three year cycle for the houses in the pipeline has finished.

Councilor Hanselmann expressed concern that anything the land bank handled would end up with affordable housing restrictions. Director Houseal said that would only happen if the City acquired the property after three years. Mayor Cote said most of the properties stay in the hands of the original owners.

Is there a way to isolate activities made with these funds as opposed to the original \$250,000 for the Land Bank? Manager Buck said yes, the funds are separate.

Councilor Lanigan pointed out that many of the areas where this housing could be built would be restricted by the neighborhoods in terms of the fair market value that could be obtained. Councilor Hanselmann said that although the amount that could be gotten in financing might be up to that \$260,000 previously discussed, a couple who made \$90,000 would still not be able to purchase that property because they would not meet the restricted income requirement. Councilor Lanigan said he understood

that, but he feels that in many of the areas the Land Bank is working in, this program would work well.

Director Houseal said this project would effectively double the length of the cycle from 3.5 years to 7 years. What has been done so far related to Land Bank activities has been very effective in changing the value of a lot of the properties. Research shows the blight caused by vacant/abandoned properties reduces value of surrounding properties by about 9%. As the blight is removed, the value of the other properties bounce back. As you look at the whole cycle of how long it takes to turn around a neighborhood and preserve the affordability, we are really talking about 15 years. This particular funding infusion we are really only talking about 10 years, so just 2/3 of the way there. He said we are now seeing these properties now move into the hands of developers who are building affordable housing like Habitat for Humanity or the Sanford Housing Authority who are using their funds to return properties and put them on the open market. We are now looking for additional ways to get existing renovate-able buildings back on the market to simply become housing. There is not enough housing to go around in Sanford, in the state, or in the country.

Motion passed 6-1 with Councilor Hanselmann opposed.

19-746-01 Ordered, to appoint members to the Fire Station Feasibility Committee.

Councilor Tuttle moved to approve. Councilor Stackpole seconded.

Mayor Cote said that a task-force style group will be formed consisting of: Fire Chief Steve Benotti; Assistant Fire Chief Robert Arnold; Lieutenant Scott Chase (a member of the initial Fire Station work group); City Manager Steve Buck; Chief Code Enforcement Officer Jamie Cole; three City Councilors: Councilors Lanigan, Hanselmann and Stackpole; and four residents. Sanford resident Shawn Sullivan has agreed to serve; the other spots are still being discussed and will be left open until such time as the other residents become available and are appointed.

Councilor Lanigan said that local resident Mr. Grondin had reached out and requested to be part of the committee. He will put him in touch with Lorisa.

Motion passed 7-0.

19-747-01 Ordered, to support future amendments to the Sanford Comprehensive Plan considering the establishment of Development Nodes allowing increased commercial activities along the major corridors of Routes 4, 109, 99, 111, and 202.

Councilor Stackpole moved to approve. Councilor Stackpole seconded.

Councilor Stackpole said there was not a clear consensus reached at Zoning Subcommittee. One of the concerns about the development of the Rt. 4 corridor is that it is, as explained by the Planning Director, considered a State thoroughway – it is possible to pass from one community to another with a minimum of stopping and disruption. The discussion at Zoning Subcommittee was to support nodes of development, minimizing traffic lights, turns, etc. and the crux of the discussion was to have the sports complex as the anchor for a node of development on the Rt. 4 corridor.

Mayor Cote said if nodes are allowed, we should be more specific about what is allowed in nodes. He said there are very specific limitations here that are part of the ongoing discussion and the language on this item is very soft; he would like to see it go back to subcommittee for more clarification and work.

Manager Buck agreed with Councilor Stackpole's summary of the corridors. There is a pattern of development along the major corridors; the question is how to support the development without destroying residential neighborhoods and while being mindful of corridor management. There is no currently existing zone that would currently encompass what is being envisioned for the proposed development. What is envisioned that there needs to be a new zone and land use tables for these development nodes; they would be set out at logical locations in the corridors with shared curb cuts, future traffic intersections, etc. The table in the Council Packet labeled Oliver's Field looks at these activities which currently don't fit anywhere but would fit into this type a potential development node. That is the reference to increased commercial activity and leaving it yet to be defined.

Deputy Mayor Hanslip said that when Mayor Cote made the comment regarding York Pines, it jogged his memory. He asked Councilor Stackpole whether what had come out of the subcommittee had been worded more strongly as a direction on where the Council would like to see the Comprehensive Plan go. Councilor Stackpole said he was confused by the discussion of nodes being put before the Council; he remembers the nodes conversation as something to be aware of, not as the focus of the discussion around the sports complex. Regarding the zoning of the sports complex, the discussion was around whether a hotel would be appropriate there and where it might go, and the fact that at this point in time, it doesn't look like that would be financially feasible so it wouldn't be necessary to change zoning for the sports complex, because there is enough flexibility in the current zoning to allow the complex to go ahead. He remembers the nodes conversation as something they needed to be aware of down the road.

Mayor Cote gave some background regarding the sports complex being discussed. He said there are some local people investing time/money in the development of a sports complex off Rt. 4 with, long-term, a hotel and sports bar. There is a perfect piece of land, but right now zoning is the obstacle as pertains to what is allowed there. The spot is zoned for a portion of what the developer wants to do.

Deputy Mayor Hanslip thought the consensus at the meeting was an affirmative direction acknowledging that they would like to see the Comprehensive Plan move in this direction. He feels the wording “consider” is much weaker than the consensus.

Councilor Stackpole doesn't disagree; he saw this item as an expression of support for the sports complex project to move forward and that essentially the Council would be willing to work with the developers. He saw it as an aside to include development nodes in future comprehensive plan. He is willing to take back to Subcommittee for further work and clarification.

Councilor Lanigan explained his take on the background of this item and what the resolution was intended to accomplish so that when the Comprehensive Plan is rewritten, developments of this type can be allowed in this area.

Councilor Stackpole said his expectation was to have some sort of formally worded resolution to bring before the Council for it to adopt. He is happy to take it back to Subcommittee and bring forward again for the first meeting in March.

Mayor Cote said he imagines the discussion at Zoning Subcommittee was around development pressure on Rt. 4. He doesn't see that there is an overwhelming press for such projects and feels that if we restrict something, it can be guaranteed it won't occur, whereas if we reduce obstacles, there is a chance that it will occur. Let the developers decide what is feasible. Reduction of obstacles is within the realm of possibility for the Council.

Deputy Mayor Hanslip agreed with Councilor Lanigan's comments. Regarding impediments, the only thing he recalls in this instance is that because Rt. 4 is a state road, the DOT might have a problem with there being several curb-cuts, but certainly not with a few or a large curb-cut that could serve two properties.

Mayor Cote suggested sending this back to Subcommittee for revision and bringing it back in March.

Councilor Lanigan moved to table this item. Deputy Mayor Hanslip seconded with a friendly amendment that it be tabled to the first meeting in March (3/10).

Motion passed 7-0.

Council Member Comments

Councilor Hanselmann: None.

Councilor Stackpole: None.

Councilor Tuttle: Is getting continued complaints re speeding on Main Street. Roland Cote, a long-time selectman and Councilor contacted him with concerns about No on 1 and how to get signs. Local resident Marge Trowbridge is the one to talk to re getting those signs.

Councilor Herlihy: Asked if the City Manager has got a good understanding on what the confusion is on the Emery Mills Dam project and whether the questions can be answered. Manager Buck said not until he has reviewed the significant amount of information presented. Both of those communities have two Select-people, the majority of their Boards, on the Dam Coalition Committee and they voted to approve the actions of the committee. He would suggest it is time to rethink that coalition, which has the majority of their selectmen sitting on that, voting these actions, and that someone else can take notes on these proceedings.

Councilor Lanigan: None.

Deputy Mayor Hanslip: None.

Mayor Cote: None.

Future Agenda Items

Councilor Hanselmann: Need to address the change of Sanford High School Boulevard. Manager Buck said there are 4-5 homes on the street that would have to apply for change of address but this can be brought forward.

Councilor Stackpole: None.

Councilor Tuttle: None.

Councilor Lanigan: None.

Councilor Herlihy: None.

Deputy Mayor Hanslip: None.

Mayor Cote: None.

Adjournment

Mayor Cote moved to adjourn regular meeting at 7:43 PM.

Respectfully submitted by Lorisa Ricketts, Executive Assistant.