



THE CITY OF AUGUSTA

DAVID M. ROLLINS, MAYOR

CITY COUNCIL

JEFFREY M. BILODEAU DALE McCORMICK
ANNA D. BLODGETT CECIL E. MUNSON
LINDA J. CONTI PATRICK E. PARADIS
DAREK M. GRANT

WILLIAM R. BRIDGEO
CITY MANAGER

INFORMATIONAL MEETING AGENDA

Thursday, February 26, 2015

CITY HALL (COUNCIL CHAMBERS)

5:30 P.M.

A. Items for discussion submitted by the City Council and/or the City Manager:

1. 2015 Council Goals (5:30-6:30 p.m.)
2. Paige Tatum – new OFW Board of Trustees member
3. CDBG housing assistance grant for “Great Neighborhoods” program
4. Impact of proposed state budget

B. Persons wishing to address the City Council who have submitted a formal request in accordance with Section 2-61 of the Code of Ordinances:

C. Open comment period for any persons wishing to address the City Council.

Loretta Lathe

From: Amanda Bartlett
Sent: Wednesday, February 18, 2015 3:39 PM
To: Loretta Lathe
Cc: William Bridgeo; Daniel A. Nichols
Subject: City Council Meeting 02/26

Follow Up Flag: Follow up
Flag Status: Completed

Hi Loretta,

I am hoping that I can get added to the council agenda for 02/26 to present information about a potential city-sponsored application for CDBG Housing Assistance Grant funds in the amount of \$500,000. Funds will be used to create a new program called "Great Neighborhoods" that will be administered by Augusta Housing. Below is a brief description of the program as included in our Letter of Intent, which will be submitted to DECD upon approval by the City Manager/City Council. I have been working closely with Dan Nichols on development of this program.

The Augusta Housing "Great Neighborhoods" Program will assist landlords and low-moderate income Augusta residents by providing grants of up to \$25,000 to assist in the rehabilitation and preservation of existing multi-family rental properties in Augusta. Priority will be given to repairs correcting life-safety code violations. Other eligible repairs will include remediation of lead paint hazards, energy conservation improvements and other capital improvements that provide for the long-term preservation of housing units. Up to \$50,000 of total project funding will be available for demolition of vacant/blighted buildings. Applicants will be subject to financial review and required to provide 20% matching funds. During the past two years, Augusta has lost more than 100 units of rental housing to fire and code violations. Since the start of the recession, many buildings have fallen into disrepair and hundreds of additional units are now at risk due to life safety code concerns and other capital needs. The result is an urgent need for safe, affordable housing in Augusta. This program will have a broad impact across neighborhoods, reducing blight conditions and drastically increasing the number of safe, affordable units in the community.

The program does require a match of 10% that includes some type of financial commitment. Our hope is that the city is willing to use some monies already allocated for demolition of buildings as cash match towards this project. Since demolition of vacant/blighted buildings is an allowable expense under this program, this is an easy way to provide some match without changing city activities or requesting an increase in budget. Augusta Housing will provide cash match as well and both the city and Augusta Housing will ultimately be providing in-kind match in terms of admin/staff time.

Please let me know if you have any questions and confirm if we are added to the agenda.

Thank you!

Amanda

Amanda Bartlett
Executive Director
Augusta Housing
33 Union Street, Suite 3
Augusta, ME 04330
(207)626-2357 x2

2015 AUGUSTA CITY COUNCIL GOALS AND ACTIONS
(draft of February 6, 2015)

GOAL A: PROMOTE BUSINESS INVESTMENT

"Augusta welcomes all shapes and sizes of economic development. We pride ourselves on an open and fair process for promoting growth and leadership. We also work hard to ensure that new developments reflect the unique characteristics of Augusta's neighborhoods..."

Augusta Comprehensive Plan, 2007, page 24.

At long last, Central Maine is emerging from the long recession. Unemployment is down. Businesses are hiring. Retail sales are up. This is the point in the business cycle when the greatest opportunity exists for Augusta to achieve economic, job, and income growth.

Augusta has an excellent inventory of quality office space for rent, both in town and near the interstate. The city has a major riverfront parcel next to downtown at Kennebec Locke which is ready to go. The city has commercially zoned land near the I-95 exit at Riggs Brook Village. Augusta City Government has been designated by the Maine Department of Economic and Community Development as "business-friendly," and City staff have a good reputation among area businesses for being responsive and helpful. This is a year for a breakthrough project.

2015 objective: Achieve one development breakthrough project, one that creates jobs, new property tax revenues, and otherwise enhances the quality of life for residents.

This objective will be supported by three key activities in 2015.

1. On the model of the Eastside Planning Committee, the Mayor shall appoint a new Augusta Economic and Workforce Development Committee. The Committee shall be chaired by Councilor Darek Grant, and will include members with business acumen and with appreciation for quality of life issues. The Committee shall be staffed by and provide support to the City Department of Development Services. The Committee will work to:
 - a) Insure the availability of a skilled workforce, in partnership with the Augusta City Schools, the University of Maine at Augusta, the Capital Area Technical Center, Kaplan University, and the State of Maine Career Center;
 - b) Promote sites that are ready to go and serviced by utilities, such as Kennebec Locke; and
 - c) Make progress on achieving long term development projects in the City, such as Riggs Brook Village and the Arsenal.
2. Hold a marketing forum to generate ideas about how to coordinate and enhance the City's marketing and branding efforts; and
3. Hold a workshop for the purpose of updating the implementation program on the 2007 Comprehensive Plan (eliminating actions that have been accomplished or are no longer

relevant, adding actions that address new opportunities, rescheduling remaining actions);

GOAL B: ENHANCE THE PHYSICAL APPEARANCE OF THE CITY

"Augusta's image is communicated directly to visitors and residents by the look and feel of the City's physical development. If the City of Augusta's brand is Capitol, river, and history (as is currently contained in the City's logo), then the physical features of the City from its gateways to its roadways, must reinforce the qualities of dignity, natural beauty, and historic architecture."

Augusta Comprehensive Plan, 2007, page 29.



Up to 40,000 people travel in and through Augusta every day, residents, workers, and tourists. The appearance that Augusta presents is a major influence on whether these people will give Augusta a second look as a possible home or business location.

2015 Objective: To reduce empty commercial storefronts downtown by 20%.

During the recent recession, some buildings were abandoned; some property owners cut back on maintenance; and even some public infrastructure suffered from neglect.

2015 is a good year to improve the appearance of the City. This involves:

1. In upcoming Maine Department of Transportation (MDOT) projects located in city gateways, when financially feasible, enhance landscaping and lighting above MDOT basic standards, using City resources;
2. Pass the historic district ordinance that will open up possibilities for developers to gain tax credits from building rehabilitation;
3. Explore the financial feasibility of establishing a multi-year process of inspecting all rental residential units in the city for health and safety code violations;
4. Develop the Mill Park brick building, consistent with the Capital Riverfront Improvement District (CRID) Master Plan, to include provision for a cultural heritage center;
5. Carry out a beautification project in each of the four wards every year; for each project, the appropriate ward councilor will team with one at-large councilor to identify the project, recruit volunteers, and carry it out;
6. In the upcoming budget process, consider cost options to reinstitute some form of clean-up day, where residents have the opportunity to dispose of junk that has accumulated in the past year; and
7. Explore ways to improve local codes, including the consideration of creating a "vacant buildings" code to specifically address the issue of poorly maintained commercial buildings in the downtown, and the consideration of ways to tighten the home occupations ordinance.

GOAL C: ADDRESS SOCIAL ISSUES

"As a regional service center, Augusta will always have a population of people with lower incomes and/or special needs."

Augusta Comprehensive Plan, 2007, page 17.

The recession is over, but still 18% of Augusta residents live below the poverty line. Around half of the children in Augusta schools receive free or reduced price lunches, an indication that poverty rates are even higher for young people. The rate of "cognitive disability" in Augusta for 18-34 year olds (17%) is three times the rate of the rest of Maine. All of these are populations that experience hunger and homelessness, and are often involved in the criminal justice system.

As this is going on, state government is proposing major changes to General Assistance, Supplemental Nutrition Assistance Program (SNAP), and Temporary Assistance to Needy Families (TANF) programs, all of which will reduce resources available to address these issues.

Other concerns include a continuing drug problem in the city, lack of pay increases for working people, and a continuing need for decent affordable housing.

2015 Outcome: A measurable increase in drug enforcement activity and a measurable reduction in heroin-related overdoses in the city.

Actions for 2015 include:

1. Support a focused public safety strategy aimed at the elimination of heroin use in Augusta;
2. Upon the receipt of policy information from City staff, the Mayor and Council will deliberate upon the advisability and potential impact of a local minimum wage ordinance;
3. Ask the Joint Conference Committee of the Augusta School Board and Augusta City Council to study the issue of childhood hunger, define the scope of the problem, and recommend steps towards its alleviation; and
4. Continue to work with the Augusta Housing Authority to assure the development of more affordable housing in Augusta.

GOAL D: CONTINUE TO BUILD A GREEN AUGUSTA

"... Augusta is perfectly positioned to be a "green city" that sets standards for action on preserving open space and wildlife habitats, reducing energy usage, and promoting environmentally sustainable development and lifestyles while continuing to embrace residential and economic growth."

Augusta Comprehensive Plan, 2007, page 21.

Augusta is already a national leader in environmental practices. It has the first Platinum LEED-certified grocery store in the nation, the Hannaford's at Cony Circle. It is the first city in the nation to have a dam removed strictly for ecological reasons.

This year three important natural resource projects are moving forward. The first is the completion of negotiations with the Kennebec Land Trust to accept a donation of 164 acres of unspoiled land behind the Capitol Building called Howard Hill. The second is the connection of the Kennebec Rail Trail with the waterfront park on the west side of the River. The third is an adoption of a forest management plan for the approximately 450 acres of open space the City already owns.

2015 Objective: To increase recycled material recovery rates in Augusta.

The City's green goals can be furthered by these additional actions:

1. Execute the 6-month pilot project for single source recycling, evaluate the impact on recycling rates and costs, and identify improvements for the future;
2. Conduct a Council workshop on the concept of "Complete Streets" – streets that accommodate all forms of transportation, from driving to walking to riding bicycles. In preparation for this event, city staff (or a summer intern) shall assess the physical conditions of sidewalks within the city, gaps in the network, and access issues (such as Memorial Park on the west side rotary);

GOAL F: COMMUNICATE WITH PARTNERS

"Augusta will look outside of itself for partners in state government, in neighboring communities and school districts, and in the private sector, to jointly invest in new technologies, share staffing, and consolidate services."

Augusta Comprehensive Plan, 2007, page 2.

The Governor is proposing a comprehensive tax reform that would eliminate revenue sharing, reduce state aid to county jail (the difference would be made up by the property tax), and reduce public school funding. At the same time, it would enable the City to impose partial property taxes on the larger nonprofit institutions located here. Other legislators are reintroducing legislation that would reduce Augusta's excise tax revenues.

It is impossible to tell at this time how it will all shake out. The situation presents major dangers. But it also presents opportunities. Legislators may be open this year to ideas that have been rejected in the past.

2015 Objective: To emerge from the legislative session with no net harm done to Augusta's fiscal position.

The situation requires close communication between city councilors and the legislative delegation, and between councilors and school board members.

1. Press the legislative delegation to reintroduce the idea of payment in lieu of taxes for state properties, on the same principle that is now being discussed for nonprofit properties;

2. Arrange Council-legislator meetings on a monthly or bimonthly basis, particularly in the spring, to discuss trends and strategic possibilities;
3. Conduct quarterly meetings of the Joint Conference Committee of City Council and the School Board, as well as enhancing the use of televised Council meetings to highlight the achievements of students;
4. Review and restructure existing Council committees to insure the best use of Council members' time; and
5. Provide an opportunity for councilors to raise issues not on the formal agenda at meetings.

FURTHER IDEAS TO CONSIDER IN THE COMING YEAR

Beyond the larger goals that are addressed above, Council members identified smaller actions that the City should consider in their activities in the coming year. These include:

1. Consider expanding coverage of the existing property maintenance code to single family owners;
2. Implement an "adopt a garden" program key city parks, as was done in the past;
3. Hold a forum and invite speakers to discuss the likelihood of passenger train service to Augusta;
4. Conduct a Council informational workshop on the pesticides notification process;
5. Examine the feasibility of funding more staff for fire, police, and code enforcement, in order to improve service delivery;
6. Accelerate the implementation of LED lighting in the city.
7. Consider the purchase of garbage trucks that load with automatic arms as a way to enable fewer people to staff each truck;
8. Provide a monthly on-line newsletter for the public;

Memo

To: William R. Bridgeo, City Manager

From: Raphael E. St. Pierre, Assistant City Manager *RSE*

Date: 2/23/2015

Re: Impact of The Governor's Proposed State Budget

Please find attached two spreadsheets. The first spreadsheet outlines the impact of the Governor's proposed budget at various assessed valuation for both over and under 65 year old homeowners. The impact is based upon the Governor's proposal for eliminating municipal revenue sharing, imposing property taxes on non profit organizations (greater than \$500,000 valuation and at 50%), eliminating the homestead exemption for homeowners under 65 years old and increasing the homestead exemption to \$20,000 for homeowners 65 years old and older, eliminating the Business Equipment Tax Reimbursements to business and moving the taxable valuation to the Business Equipment Tax exemption program (thus making the existing assets tax exempt). We are unable (due to lack of data) to estimate the limited impact of the telecommunication tax shift (\$9 million in taxable value) from the State to municipalities.

The second spreadsheet reflects the tabulation of the assumptions used in estimating the impact of the various proposals.

In addition, also attached is the letter that the City of Presque Isle mailed to all homestead property owners regarding the impact to them of the Governor's homestead exemption initiative.

City of Augusta
 Tax Impact Table by Valuation
 Prepared 2/23/2015

	Home Value	Current Tax Bill w/Homesstead	State Revenue Sharing		Non Profit	Homesstead	BETR to BETE		GA	Telecomm.	Total	Percentage
			0.73	(0.35)			0.52	0.06				
Impact to Tax Mill Rate			\$ 18.67	\$ 0.73	\$ (1.00)	\$ (0.35)	\$ 0.52	\$ 0.06	Unknown	\$ (0.04)		
Impact to Tax Bills:												
Under 65	\$ 100,000	\$ 1,680	\$ 73.44	\$ (100.28)	\$ 147.63	\$ 51.62	\$ 5.59	?	?	\$ 177.99	10.59%	
65+	\$ 100,000	\$ 1,680	\$ 73.44	\$ (100.28)	\$ (221.90)	\$ 51.62	\$ 5.59	?	?	\$ (191.54)	-11.40%	
Under 65	\$ 125,000	\$ 2,147	\$ 91.80	\$ (125.35)	\$ 138.96	\$ 64.52	\$ 6.99	?	?	\$ 176.91	8.24%	
65+	\$ 125,000	\$ 2,147	\$ 91.80	\$ (125.35)	\$ (232.90)	\$ 64.52	\$ 6.99	?	?	\$ (194.95)	-9.08%	
Under 65	\$ 175,000	\$ 3,081	\$ 128.51	\$ (175.49)	\$ 121.62	\$ 90.33	\$ 9.78	?	?	\$ 174.76	5.67%	
65+	\$ 175,000	\$ 3,081	\$ 128.51	\$ (175.49)	\$ (254.90)	\$ 90.33	\$ 9.78	?	?	\$ (201.76)	-6.55%	
Under 65	\$ 200,000	\$ 3,547	\$ 146.87	\$ (200.56)	\$ 112.95	\$ 103.24	\$ 11.18	?	?	\$ 173.68	4.90%	
65+	\$ 200,000	\$ 3,547	\$ 146.87	\$ (200.56)	\$ (265.90)	\$ 103.24	\$ 11.18	?	?	\$ (205.17)	-5.78%	

Impact to Tax Rate

	FY15 Current	Decrease State Revenue Sharing	Taxable Non Profit Valuation	Taxable Homestead Valuation	BETR to BETE Valuation	GA	Telecomm. Estimate Valuation
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Worksheets:

Total Nonprofit Valuations above \$500,000			182,950,800				
Less Non Applicable Housing Authorities			(13,912,100)				
Less Base \$500,000 per entity			169,038,700				
Subtotal			50%				
Percentage taxable			84,519,350				
Taxable Valuation							Unknown

Total Homesteads	3,932
% 65+ (Estimate)	27%
Impact to Valuation	18,087,200

Estimate of Total BETR Eligible Pers. Prop.
 Estimate of Nonqualifying Retail/Other
 Estimate of BETR to BETE Shift Taxable Valuation Gen Fund

	26,136,500
	<u>26,136,500</u>

General Fund per above
 New Valuation for General Fund BETE calculation

	26,136,500
	<u>26,136,500</u>

6 Year Average
 40% Reimbursement
 FY2016 Budget for 50%

	192,230
	76,892
	144,525
	<u>(67,633)</u>

Impacts to Tax Rate:

Valuation	1,474,000,000	1,474,000,000	1,474,000,000	1,474,000,000	1,474,000,000	1,474,000,000	1,474,000,000
Adjustment to Valuation:							
Adjusted Valuation							

Budget Needs for Taxes
 Adjustments to Budget:
 Adjusted Budget
 mil rate
 Impact to tax rate

	27,528,465	27,528,465	27,528,465	27,528,465	27,528,465	27,528,465	27,528,465
		1,067,723	(194,492)	244,768	67,633	1,185,632	1,185,632
	27,528,465	28,596,188	27,333,973	27,773,233	27,596,098	28,714,097	28,714,097
	18.67	19.40	18.32	19.18	18.72	18.52	18.52
		0.73	(0.35)	0.52	0.06	(0.10)	(0.10)



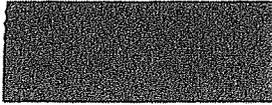
City of Presque Isle, Maine

The Office of
City Manager

James A. Bennett

Email: jbennett@presqueisleme.us

February 10, 2015



Dear Resident:

The proposed state budget for the next two years was released on Friday, January 30th. I am writing to you today about one of the specific parts of the proposed budget; the homestead exemption. You are currently receiving this benefit, which reduces your tax bill by \$246.57 per year. Included in the budget is a proposal to immediately eliminate the homestead property exemption for homeowners under the age of 65, while doubling the homestead exemption for homeowners age 65 or older. The homestead exemption change will take effect immediately for the 2015 tax year.

In anticipation that the budget will be adopted long past the required date of April 1, 2015 and, in order for citizens to have timely paperwork in for homestead exemptions, we are requesting that if you are age 65 or older as of April 1, 2015, to please provide proof of your age (in the form of driver's license, birth certificate or legal document showing proof of age) to the Assessing department at City Hall in order to continue receiving your homestead exemption.

If you are under the age of 65 and this proposal becomes law, you will lose your \$246.57 homestead benefit this year. If you are unhappy with this change, we strongly encourage you to contact your local representatives to share your concern about this proposed change.

Presque Isle Representatives:

Rep. Bob Saucier:
207-227-1160
saucierforpi@gmail.com
117 Lombard St.
Presque Isle, ME 04769

Rep. Anthony Edgecomb:
207-484-8119
aj.edgecomb@legislature.maine.gov
24 Fisher St.
Fort Fairfield, ME 04742

Sen. Michael Willette:
207-287-1505
mikeblackbear@gmail.com
80 Hardy St.
Presque Isle, ME 04769

Finally, this is just one of many complex changes to tax policy recommended in the proposed budget. I encourage you to be informed about all the changes so that you might judge the merits of each of them.

As always, City staff are available to assist you with any questions you may have. Please feel free to contact City Hall at 760.2700 8:00am – 4:30pm Monday through Friday.

Sincerely,

James A. Bennett
City Manager

12 Second Street

Presque Isle, ME 04769-2459

Phone: 207.760.2700

Fax 207.764.2501

*The City of Presque Isle is an equal opportunity provider. To file a complaint, write to
Martin Puckett, Deputy City Manager, 12 Second Street Presque Isle, ME 04769, or call (207) 760-2700.*