

TOWN OF EDGECOMB  
Special Informational Meeting- Priority Group  
October 25, 2010

**PRESENT:** Jack Sarmanian; Stuart Smith; Jessica Chubbuck (selectmen); Jim Howard; Don Jenkins; Jennifer Elkins (secretary)

The meeting was called to order at 7:00 p.m.

Jack introduced Jim Howard and Don Jenkins, of Priority Group, who were there to inform the Community of a potential opportunity.

Jim summarized that the Priority Group was appointed by the court as receiver for the property, and had managed it until Feb 2010, when Savings Bank of Maine foreclosed and took possession. They agreement was signed to finish and sell it off.

**Update on resort property**

Jim stated he's aware the restaurant needs to open as soon as possible and encouraged interested parties to come forward; he is willing to sell or rent with option to buy and is hoping to find an owner/operator this fall/winter and open next summer. Regarding the Homeowner Association: Jane Price and Mike settled the lawsuits pending, got rental program under way, and have put three condos under contract, building momentum up to sell more properties. He hopes that by spring they can sell more. There are seven units left under contract. They have 14 additional lots that can be built on. There are also 22 acres for sale across the Eddy rd from this area (originally intended to be assisted living facility). The Chef's Kitchen is for sale but MDOT is putting bypass through it; need to find out what it means when the MDOT wants the property. There are also potential customers for the re-development of the bagel property for food/coffee/retail use: again, once they know MDOT's plans.

**Proposal**

Jim stated that while working with community and bank, he learned that the "hill" (22 acre parcel) is important to community. He proposed that the bank sell the town the 22 acres. He presented appraisals from 2008 indicating the property is worth \$1,425,000, and, understanding that values have probably decreased, would sell to the town for \$950,000 interest free, taking that money and adding it to the TIF that's in place, and extend the length of it. Jack S. thanked him for bringing the proposal to the community, and indicated he believes it is a good idea as it allows control of land and protection for future. There is a funding track, through TIF, which allows us not to be burdened tax wise. He added that this is an informational meeting being proposed to community; only the very beginning of discussions and will take time. Stuart commented that the development mentioned on the second page of handout will happen, as it has been approved. The town owning this 22 acre parcel is a good idea.

## Public Comment

Jarryl Larson asked a financial question, stating that the original estimated value was \$8 million. Would this actually be a cost to town due to the loss of tax revenue? Would it change the nature of the TIF? Stuart said the land would still be in TIF. Jim added that the land is currently taxed at \$5500, of which 55% goes to the bank and 45% to the town. The amount of money affected is actually very small. Amber Tonry asked why the town needs to own any more property, and suggested it will be worth more to the town when developed. Erin Cooperrider asked if it is in a designated growth area and was informed its in Gateway district which is targeted growth area. If town buys but doesn't develop would the town still be able to pay off TIF on schedule? There are 13 units outside the TIF on Jim Hall property; there are roads, utilities, and some foundations. Sue Carlson stated that the Comprehensive plan has been approved by State and questioned what measures there are to dovetail Gateway I with this? Jack S. said that one of the goals is to determine how to best develop the area. Gateway I is interested in common ground, walkways, perhaps 6 acres on top of hill. If town takes over property we determine how best to use property. Jo Cameron asked if there was any likelihood for setting aside as Town Park or extending public access to water? Stuart thinks the sliver was sold to CHOM and doesn't know if there is any access. Jack said the condition of land needs work but useful for developing ideas to protect people on Eddy and Fort Rd. Lisa McSwain wondered what would happen if it was added into TIF and then decided to sell back some of it---- Stuart replied that its in TIF no matter who owns it. The beauty of it is the Town can sell off 2 acres, but those 2 acres are still within TIF. Bruce Cameron thought the restaurant and cabins were not in TIF: yes, they are- just part of 2B (Jimmy Hall property). Kitty Norton asked why would the bank want to sell this to the Town, what prompted the benevolence? Jim Howard replied that he had heard from community the desire to have a preserved area with trails and/or a park. Towns don't get many options to buy land and preserve it. Amanda Russell asked if the management company would be willing to sell the town that property with the easement rights. For the town to buy 22 acres and say "maybe we'll protect it, is not strong enough. She is not sure Town wants to be real estate agent—why not let the management company manage.

A woman from Davis Island asked about U-6 to the TIF? Does it change how many can be there? All part of approved project, Jim said. Gateway district includes all TIF properties, Stuart said. Sue does Gateway District go back 1000' from rte 1? Amended it 3-4 years ago to include all TIF props? Dave Boucher asked about the impact adding 7 more years to the TIF would have on the town as it would lock up the TIF money. Stuart said yes, that money would have to be spent on water/sewer on rte one area. This money would help pay for the pumping station, and lines going up rte 1 could be picked up. Dave said, so the money would not be able to be spent on school budget? He doesn't believe it would be good idea to extend for any length of time. Stuart said that if the 22 acres were developed it would be much worse then what we currently have, in terms of any burden on the school. There are some offsets. Jarryl stated that the number of years is wrong, as it is a 30 year TIF with 6 years underway, so there are 24 more years to go.

Don Jenkins replied that the TIF would be paid off well in advance on the basis of current taxes and payment schedule. It gets paid off in 2021, while TIF district stays in effect, which is why adding the \$950,000 to it makes 17.6 years.

Roy Potter expressed his concern about roads, public safety, school, and that he can't believe the town is talking about spending \$950,000. How would the town benefit? That's where town voted to approve development. Jack S. says it'll be our choice to use as needed--- if the town decides to develop certain areas, that's ok. Roy asked how many acres the town has in preserve (Stuart estimated 1100 acres). Ted Sasala, of Fort Road, asked what we owe the TIF. Jarryl added that in her opinion, the price of the land is high. She thinks the real value needs to be determined more realistically, and the town needs to take into consideration that this is in fact debt. She added that the Selectboard are not in real estate business, and neither are banks. They could be in business of acquiring land for specific purpose, but ... Bob Zak brought up additional development re: the TIF; does he still plan the same layout or revisit? Jim said he would complete the project on last 13 lots without changing. Stuart added that they can't change it without going back to Planning Board. Bob said that he is aware that people say they can't do things but sometimes find a way. Jim's goal is for the bank to finish it off and sell asap. Amanda spoke regarding the land Bob mentioned and thinks should not be added to TIF, as it would be residential and town would get tax money right away- why throw away taxes? Back to Roy, regarding preserved land in town: none costs us tax dollars because they're not in residential areas. That 22 acres could be valuable, but is troublesome terrain. Mrs. Zak understands that preserved land as a park is a great idea; she has real estate background and it would greatly add to the attractiveness of Sheepscot Harbor Resort if they have access to trails. However, she feels the price is very high. Sue asked for clarification of the Savings Bank of Maine, Priority Group, and who acts as owners of record (SBM Financial). Jim is essentially subcontracted to SBM. A woman expressed concern about the amount of money involved with the sewer and pumping station. Stuart responded that the TIF is to be used for infrastructure, the TIF revenue (55% to developer and 45% that goes into Town account to pay for infrastructure). Out of fund they will build the pumping station, and the fees charged would pay for maintaining and insurance. Stuart said that it is working today, but currently have a disjointed system that is in a mess, and will have to deal with it sooner or later. One potential deal with this plan would be for Priority Group to sell an easement to Town for a pumping station. Jo Cameron asked about the cost of \$350,000, do you have enough to cover the cost? Stuart replied it's close but feels will probably fall short. Jarryl thinks recalculations would be necessary due to adding property and that more work needs to be done to see if viable economic decision. Bruce Cameron asked how long before the pipe across river can't take any more and was informed that the Line was put in oversized with the intention to pick up development up rte 1 and down to school. Erin Cooperrider suggested that this is a tremendous opportunity to consider buying for open space. She added that through her work with CHOM she would cooperate with providing public access if at all possible. She questioned what parts of this needed to be discussed in executive session? Stuart had to make sure this is really what town wanted, and contract

negotiation was the main reason. He said that they have already brought the price down. Mrs. Zak asked about the anticipated time line for this, and Jack S. said town meeting. He believes that multiple meetings beforehand could be necessary. The next informational meeting will take place on November 15, 2010 at 7pm at the Town Hall.

Jim closed with thanking the Selectboard and bank for their help in bringing the conversation to this point. He looks forward to working with the community in the future.

**The meeting adjourned at 8:05 pm.**