

**TOWN OF CHELSEA
PUBLIC HEARING MINUTES
Natural Gas Tax Increment Financing
January 14, 2015**

The Chelsea Board of Selectmen held a public hearing on Wednesday, January 14, 2015 at 6:45PM at the Chelsea Elementary School Cafe. The purpose of the hearing was invite comments and answer questions from residents regarding the approval of a Natural Gas Pipeline TIF in Chelsea

I. Call hearing to order

Selectman Benjamin Smith called the meeting to order at 6:48 p.m.

Present for the meeting were Selectman Smith, Selectmen Pushard, Selectman Danforth and the Town Manager

Chelsea residents and public in attendance included: John Holden (Consultant), Scott Benson (Consultant), Barbara Skehan, Skip Skehan, Carol Belanger, Judy Canning, Allen Hallett, Joseph Mills, Robert Cunningham, Andrew Finale, Pat Finale, Edwin Tobias, David Brunelle, Jerry Tondreau, Mike Tondreau and Brian Condon.

The consultants hired by Chelsea to prepare it's TIF Application explained to those in attendance what a TIF was, how it would benefit Chelsea and the specifics surrounding Chelsea use of a TIF as an economic development document.

A. Public Comments

1. **Allen Hallett** – Asked if the value of the public roads was figured into the valuation used in the TIF. He went on to express his concern in the way the gas companies have left the roads and would support having TIF revenues used to repair damage to roads caused by gas transmission line construction.

David Brunelle – Asked if TIF revenue could be used to assist businesses in construction of new building and creating new business. Only certain construction involving private business could be done. Public construction and operation would not be able to be funded with TIF revenues.

Joseph Mills – Asked if TIF revenues could accumulate each year until a project was approved by the town for funding.

It was explained that the funds could sit in the TIF Account until a project was approved by the Town to be undertaken.

Ben Smith – Asked what would happen if TIF revenues were unexpended after the 30 years.

It was explained that this has never happened. If it did measures would be implemented by the Maine Dept. of ECD.

Skip Skehan – Does money have to be rolled over each year by a vote of the Town Meeting in order to accumulate. He asked if expenditure of TIF funds was restricted to projects outlined in Table 1.

It was explained that if an expenditure was not listed on Table 1 an amendment to the Table would need to be made by Town Meeting.

Barbara Skehan – Asked if the vote at the Town Meeting on January 21 would be approving the projects listed on Table 1.

It was explained that the list provided on Table 1 represented the things that funds could be appropriated for. The Town would have flexibility to determine which projects actually get funded each year. If new eligible projects gain funding support the TIF can be amended fairly easily.

Mike Pushard – Explained that Table 1 needed to be part of the TIF document to show the State of Maine that Chelsea has a need for economic development and projects associated with it.

David Brunelle – Asked if the TIF would directly lower the mil rate.

It was explained that the adoption of the TIF promotes development which would be taxable and the additional future value could lower the mil rate.

Mike Pushard – Stated that the Town of Randolph has recently approved a TIF which it has used to entice to new businesses to Randolph which will add value and lower the taxes in Randolph.

Ben Smith – Asked if it was uncommon to have flexibility built into Table 1.

It was explained that project flexibility is not uncommon.

Pat Finale – Asked what other projects there are that TIF Revenues could be used for and how are TIF revenues determined.

It was explained that any project could be added provided it met TIF Financing guidelines which are in the TIF Statute. TIF revenues are determined by the mil rate in effect when taxes are committed.

Barbara Skehan – Expressed a concern that other residents may have a concern about the projects selected and the costs given to complete them.

It was explained that the costs were flexible and based on estimates that would change based on quotes received at the time the project is approved.

B. Explanation of the need for Board of Selectmen's to adopt a T.I.F. Resolution.

Mr. Holden and Mr. Benson explained to everyone why the resolution was required to be part of the TIF application

There wasn't any comment from the public on the resolution.

II. Adjournment

Motion by Selectman Pushard seconded by Selectman Danforth to adjourn the hearing. The vote on the motion was unanimous.

Public Hearing adjourned at 7:52 p.m.

Respectfully Submitted,

Scott M. Tilton – Deputy Clerk