

**UNITY ECONOMIC DEVELOPMENT PROPOSALS
for PUBLIC HEARING & SPECIAL TOWN MEETING
January 16, 2016
10 a.m. @ Unity Fire Station**

Selectmen Present: Chris Rossignol, Penny Picard-Sampson, Emily Newell

Presenter: Noreen Norton

Chris Rossignol: We're going to call the meeting to order. Noreen Norton is going to be our presenter.

Noreen Norton: So we're here today to talk about an amendment to the existing TIF for the Town of Unity. This is a public hearing. It is required by State Statute that it have a 10-day notice. I'm going to make a short presentation, as much as a presentation is needed, to explain what we're doing, why the amendment, why the TIF in the first place, and then it will be open for you to have questions, comments, and state whether you're for or against, and any concerns that you have. If during the time of my presentation, if you need clarification, please stop me and ask that question. If you have a question or a comment about how you feel about it that should wait until after the presentation.

I'm going to ask you, we have a bunch of handouts, the one with the nice green cover, if you would turn to page 4. I'm going to start with the actual What Is A TIF, and then we're going to talk about the amendment, and then we'll go back and talk about the other two items, just briefly, that are on the Warrant today, two of the other items that are on the Warrant today, one being the creation of an Economic Development Committee through the Ordinance, and then the other being repeal and replacement of the TIF guidelines for the current.

So TIF stands for tax increment financing. You'll have to excuse me as I have a bit of a cold so I'll do my very best to keep my voice projecting. TIF stands for tax increment financing and what that means is when you have a new investment in Town, somebody comes in and builds a new building or puts a large amount of money or money into a building and increases the value of that piece of property, the taxes on that new value is what is considered the increment. It is the taxes on that new value that we're talking about. That tax increment becomes the financing for economic development activities within the Town, and that can be either for the project itself or for other economic development activities town-wise, and we'll talk more about that.

So basically we're capturing that new value. The original value at the time that it is put into the TIF, the original value of that piece of property, continues to go into the General Fund just as it always did. Again, the taxes on the new value are captured, set aside, and used for economic development purposes.

So how is it created? There are three primary components. The geographic area that's identified, we actually identified parcels on the ground that are to be where this value is going to be captured from. There is a development program, which is a larger document, which is available online that has all of the A-Zs, how it works and where the money flows and what you can use the funds for, and then the financial plan says how much it is that you're going to actually capture. Of that new value, you can capture anywhere from 0, which wouldn't be a TIF at all, but you can capture anywhere from 0 to 100

percent of that new value for economic development purposes within the town. The financial plan outlines how much is to be captured, how it is going to be distributed, and so forth. You, the residents, provide input through this public hearing process and then ultimately the governing body votes, which is the item on the Warrant. Once the Town votes, everything that we've done, and the Minutes of the Public Hearing and so forth, are submitted to the State, to the Department of Economic and Community Development (DECD). They don't approve the TIF. They make sure that everything we've done and everything we've identified as potential projects comply with State Statute. So their role is to make sure that it complies. It's not an approval but it is a required part of the process with the DECD.

The next session is how does the financing work? The original assessed value is that valuation before the new assessment, and it's continuing to go into the General Fund. The value that increases, the new value, goes into the TIF fund to be used for TIF purposes.

TIF was established by the State because towns don't have a lot of resources that they can control to help businesses in the town, to help motivate positive growth and development. The TIF was created to give you, the town, a means of funding or helping or investing in economic development projects, activities, whatever roles you have to help your economy, your community -- it gives you a lot of control. Having revenue, having actual money to spend for those purposes and how they're spent. Other sources are grant funding and occasional programs that come along but they always are controlled by somebody else. TIF gives you a lot of control.

This TIF is an all municipal project TIF. There are basically two different types of TIF. One is there is a new business in town, and you the town says we have some new investments coming in, that's what is happening, and we want to capture those revenues and use it for town economic development purposes. There is no giving money back to a developer, and you've probably heard of those as well as TIFs throughout the State.

The other alternative is somebody comes into the town and says, I want to make an investment in your town and I'm going to build this big facility, I'm going to employ 20-25 people, and I'd like some of my tax revenues back to help me plan the project. That's called a credit enhancement TIF, and in those cases there is a negotiation process of much of the incremental new taxes, what percentage would go back to the company, the developer, and what percentage would be maintained for the town for its economic development purposes.

If it were a credit enhancement TIF, the flexibility continues in that you could negotiate with this developer, okay, if you get 20 new jobs, we're going to give you 75%. You only get 10 jobs, we're only going to give you 50%, if you only have 5 jobs, we're going to give you less. Whatever those percentages are, you have a lot of flexibility in how you negotiate that. You could negotiate things on the quality or the benefits that go with the jobs. You could set performance standards based on the timeline, the level of investment, the dollar value of the investment, other amenities that are provided. You have a lot of flexibility.

The other big benefit of a TIF is what's called the shelter value. We will probably go over this a couple times in the course of this discussion. It's a little bit of a challenging concept.

When that new value comes into town, it becomes part of your state valuation. The state sees that you've just had this investment added, a million dollars of new value to your local assessment. Okay, the town is richer. That means we don't have to give you as much education subsidy, we, the state, don't have to give you as much municipal revenue sharing, and the county says, oh, you get to pay a larger share of the overall county budget. When that doesn't happen it would be significant, the impact it has on what you get back from the state, and what is taxed. But even though you're getting all this in tax revenue, for Unity, we've calculated it and we'll talk a little more about it, but for Unity, out of every new tax dollar that you get in new investment, the average that you lose, what you actually have to spend is 34%. So you have \$.34 after you make up for that loss in education subsidy, make up for that loss in fiscal revenue sharing and pay that increase in [inaudible] tax you have \$.34 on every dollar.

Not included in that is also the impact on the local education sharing is also based on valuation. Anything that you pay that is based on valuation that increase in value of a new asset in town is being lost because you're paying, that new valuation means you're paying more out in all of those things, because part of the formula is [inaudible]. And then you obviously have the use of those funds specifically to help your town, to implement your economic development priorities.

Citizen: That is a little confusing at times if anybody needs a little clarification?

Noreen Norton: Okay so we're kind of going to go over it again. Who thinks they absolutely got it?

Emily Newell: If you could like use a dollar example?

Noreen Norton: Turn to the next page please. Again, the same thing, the state education formula is tied to your valuation. Municipal revenue sharing is tied to your valuation, and the county tax portion is tied to your valuation. What the TIF does is shelter that. Without the TIF you would have that increase in valuation that the state would use to calculate those subsidies. The TIF shelters it. So if you capture 100% of that new valuation, it doesn't change the valuation that has to be reported to the state. They get it on a separate line, but what they're actually using is your valuation without the value of that new investment. So that's what it means to capture it. Its capture or shelter, it means the same thing. It's sheltering it from that loss in subsidies or that increase in county tax.

So by the numbers, what I did was I took one year to show the example. The \$17,150 that's on the very top of that goes to the general fund either way. That's the taxes on the original assessed value. The valuation that generated that \$17,150 in tax revenue is valuation that was established at the OECD's when those properties came into the district. That's the valuation of the taxes going into the general fund. So what we're really talking about is the values that are underneath.

Without the TIF, we can see going to the bottom, this is one year, the bottom, \$32,353, would be your loss of education subsidies, the \$1,857 would be your loss in municipal revenue sharing, and then \$20,948 would be the increase in the county taxes, and it is based on the valuation increases in the district for that year. I'm sorry, the \$6,742 is what is the county tax. The \$20,948 is what you would have available to spend. With the TIF, all \$61,910 is available to use within the town.

The dollar bills on the bottom is just another way of looking at it. The top one is showing you without the TIF, the part that is in red is what you would lose and where you would lose it to, what you have to pay out or would not get. Only 34% becomes available to you.

Citizen: That dollar at the bottom is only new taxes. We're still paying a portion of the county's tax. We're still receiving general purpose aid for education. We're still paying various things but of the increase, the addition to the building, all of that goes to the town for its economic development purposes.

Noreen Norton: Any questions on that tax shift shelter benefit? I want to make sure we're really clear on that before we go on. Okay, the next page, is what TIF is proposing relative to geographic boundaries. What's yellow was part of the original district. The orange were the first amendment added. The pink properties were added in the second amendment. It doesn't exactly look the same. This map right here is the Edward's property. That little kind of pinkish and orange doesn't look exactly like it does in the legend. That piece was purchased and added to that property so it got added almost by default when it became part of the same parcel, and that's why it's culled out separately. The blue is what we're proposing to add in this amendment. The ones that are crossed out are the ones that we are proposing to remove from the district in this amendment, and I'll talk to you a little bit more why we're doing that.

Emily Newell: Can you clarify whether this one will be moved or added?

Noreen Norton: Removed, that's X'd out. That is the Unity Foundation. So now I'm going to have you go to page 3 and then we'll come back to this part. Like I said, this is the third amendment. The original was approved in 1996 by the Town, it was for a term of 10 years. In 2000 the term was extended to 15 years, adding some additional properties and expanding the project list, and then a second amendment in 2007 extended it by another 10 years for a total of 25 years, and this amendment we proposing to take it to the full 30 years allowed by Statute, and that final five years that we're adding, we're doing a ratchet down or tiered-down approach. I'll talk to you more about why we're doing that as well. So we're extending it to the full 30 years. There is some confusion in the approval letters that we got from the DECD for the term, when it started and what the end date was based on that, and so this amendment seeks to clarify that. I was able to verify that the Town actually began spending TIF revenues during that 1996-1997 fiscal year.

Noreen Norton: We've also looked at the project list. This isn't unusual. The State has gotten much clearer in their expectations about how the projects are to be presented, what the language should be, what can and cannot be done with TIF revenues. What we sought to do and what we have been required for any amendment today for any older TIF is that we be very specific in how their format representing the town projects, well this amendment sought to do that as well. We've already talked about the boundaries. We're adding two parcels, and we're removing parcels. The reason that we're removing the parcels that we are removing, we talked about the incremental value. Well it's the total. So you have what is called the original assessed value. That's set in stone unless you amend it. So the original assessed value and then the total, you basically take the total value of the set of parcels and subtract that original assessed value. Some of the parcels that were in the district had a value total when we started, and were taxable property, and have since become tax exempt. What that does is it eats a hole in that incremental value. It takes some of that benefit away both from a funds revenue and also from your

shelter benefit. So by removing them from the list of parcels that are within the district, we're able to capture more value and increase your benefit so that's why we're doing that.

The district term, we're extending it for 5 years, what we're basically doing it ratcheting down or tier down in the last 5 years. From years 26 through 30, we're actually 100% up until year 2026. In year 2026 that will increase the amount that we have to 80%, and the next year 60%, 40%, 20%, and finally in the final year, 10%. The reason for that, that calculation that's done based on the State valuation, has a two-year delay. So when that increase in value causes you to have a decrease in education subsidy, it doesn't happen that very same year. It's two years later so what a lot of towns face, particularly where you don't have a town manager or somebody to really continually be watching all of these things, what often happens is that you're putting the revenues into the TIF fund, and are being spent for specific purposes, and then the next year those funds go into the General Fund. You're still experiencing the benefit of not having the increased county tax and the decrease in educational subsidy and municipal revenue sharing. So you basically have a windfall for two years until all of a sudden you've got money, we're going to decrease the mil rate, and then in the 3rd year the decrease in education subsidy, the decrease in municipal revenue sharing, and the increase in county tax, and all of a sudden you've got this we have to raise our mil rate and it's painful. It would be nice for those two years to have a decreased mil rate but it's painful to all of a sudden have that increase. By doing this tiered down, it protects you from that sudden increase in municipal revenues, and then that drop in municipal revenues. I do see some confused faces. If you'd like to ask questions.

Donald Newell: I don't think I'm confused but I'd like to make a statement. It looks like you're giving up the opportunity to have additional funds for the town in those last five years. You could have a higher amount of funds coming in to the TIF District than what this says.

Noreen Norton: That is absolutely right.

Donald Newell: That makes no sense to me. We know everything you just said, but at the end of it we're going to have higher costs. We know we have to be careful, and we know that any funds in that TIF District at the end are going to the General Fund. So as long as we properly plan for that, and I don't see any reason why we wouldn't, why wouldn't you give up some of those funds that would otherwise land in the TIF District, and land in the General Fund at the end of it all, just need to budget properly. For example, let's say we have another \$100,000 in the General Fund in sublets, and everybody in the town is aware from previous Town Meeting, you need to inform them, that in five years we're going to have to fall on surplus. It balances out so you don't have that surprise, now we've got to jack up the mil rate. We're going to taper down the cost as the town is taking on and then we'll gradually use up those additional dollars gained, because in my opinion [inaudible] and got out of the dollars we could. I would not be in favor of the nothing if that's what...

Noreen Norton: Okay, we'll take that as a comment. Certainly that was a discussion of the Committee and that is ultimately the recommendation at this point.

Donald Newell: Are we able to change that? Where are we in this process?

Noreen Norton: You can't change it now. This is just a public hearing. In the actual Town Meeting, we could propose an amendment? Do you have a question? You look confused.

Citizen: I always look confused. That's the story of my life!

Noreen Norton: But you understand why we're doing what we're doing and how it works?

Donald Newell: I have another question. I didn't ask it quick enough. It's on the prior paragraph. I wanted to see where you were going in that. I am confused on the net impact of taking the Unity Foundation building out of the TIF District and my confusion is that it would actually take funds away from the TIF District. I'm not getting that.

Noreen Norton: Yes. Let me see if I can... let's just say there are three parts to this and their each original assessed value is \$100. Over time, this one becomes valued at \$500, and this one becomes exempt. So you have \$300, you have \$1,000. Your difference is \$700. Now, if you take that out, let me say it this way, then you have an original assessed value of \$200, you have \$1,000, now you have \$800. Are you with me? And that's your TIF fund so you're increasing it because out, you're removing that lost value.

Citizen: Is there also another benefit into the amount of land allowed in the TIF District? So if you take that out, then there is the possibility to add more [inaudible] let's say without exceeding the limitation?

Noreen Norton: What Gail is referring to is the Statute comes with limitations as to the amount of original assessed value you can include within a TIF District, TIF District boundaries, and there is a limitation on the amount of your town that you can include, the geography that you can include that you can include within TIF District boundaries. The reason for that is because the shelter benefits are wonderful, towns would go out and TIF everything, right? As much as they possibly could. So the limitations are 2% of the geography per district up to 5% total for the town, and 5% valuation in original assessed value as compared to the valuation of the prior April 1st. So your local valuation as of April 1st. We're looking at local valuation as of April 1st, 2015, and what the total OA being, what was established as OAV in in 1996, what was established as OAV in 2000, 2007 and now in 2016, and where we're at is valuation is just under 1%. We're fine, and we're fine in the geographic area as well.

Donald Newell: Noreen, just to be sure, you haven't said it, people know by now but when you use OAV...

Noreen Norton: I'm sorry, original assessed value. That's that valuation that was established prior to the investment.

Clem Blakney: By excluding the Foundation, does that give the opportunity to it still being considered for the doctor's property to be added in the TIF later?

Citizen: So that it would go to be a taxable property?

Citizen: Hold on, Doc Aldrich's? [Yes.] Okay, not the doctor offices.

Noreen Norton: So by not adding it you mean? We had discussed, in the course of this process adding several other, we added two, but we had discussed adding several others and the reason why we didn't

add it is because we are in the final run of this TIF and we don't know new investment... it wouldn't happen and get on the tax roles in 2016, so we're probably looking at 2017, and then two years and we're doing the tier down, so there wouldn't be much time to be tax revenue benefit. You can create a whole new District and start from year one and have up to 30 years to be able to tax at that new value. So the benefit to the Town instead of just getting a little bit of benefit for a short period of time.

Clem Blakney: So in terms of the other, the Horizons property, that office there. Is that part of the TIF District?

Noreen Norton: I don't know which Horizons.

Chris Rossignol: That is one of the ones we took off because it lost value, it is tax exempt.

Citizen: Noreen, if we choose another TIF District in five years, can there be any overlap, geographical overlap?

Noreen Norton: You can't have a piece of property in one district and in another district.

Citizen: But if one district comes to its end and then we create another, but there is going to be development of a couple of properties at the edge of the old district, can we create a new one that includes some of the old no longer TIF.

Citizen: If they're no longer in a TIF you can...

Citizen: Even like if it was no longer yesterday and it's going to be today?

Emily Newell: It sounds to me like we could have had potential revenue from the property but we didn't put in it when we thought we would? Can someone explain to me why... the Aldrich building, for example?

Noreen Norton: There is not an approved known project, as far as I know, for that property. I think there was some discussion of something that was being talked about but definitely not confirmed. In my mind, my mantra in the towns is always flexibility. Keep it as flexible as possible for yourself so that you can maximize that benefit. I think that by leaving it out, you don't know, a proposed project may or may not be approved, how long will it take, how long will it take for the actual investment because the benefit first happens the year, the benefit, a company makes or investments put in the ground in 2016, April, April, it doesn't go on the books until the following April, so you're not getting the benefit until 2017.

Emily Newell: What's the downside of having a property that doesn't get developed in the TIF District?

Donald Newell: I think I know the answer because you've already answered it but you may not repeat it. Correct me if I'm wrong but what Noreen was saying was if you put that in now, we only have a few years left in this district and you wouldn't get much of the benefit. If you wait until you know you've got a project, we'll just build a new district in which case you have 30 years to reap the benefit.

Emily Newell: How many years is left in this TIF?

Noreen Norton: What we're proposing, its 26 or 27.

Clem Blakney: Do you think that building can last another 10 years?

Noreen Norton: What matters is what is the valuation as of March 31st, before it's put in the TIF District? That's the key date, the OAV date. Anything that we're putting in the district right now, we're going back to 03/31/2015 from the original assessed value, which is really the value that goes on the books as of April 1, 2014.

Citizen: So even if someone has a plan and has no approvals for building or for improvements, perhaps those folks should talk to the select board saying, you know, I haven't actually put this into effect but if a TIF only has 10 years and I'm going to do a big, new project in a couple of years, I might want to let them know so they can get it excluded, and then I do start it in four years so then it will go into the new District and not lost in the current one. Did I say anything that made sense?

David Smith: If I can hopefully clarify it, we could start an entirely new TIF District next year if we wanted to, as long as it's for properties that aren't in our current TIF District. So if we have major development coming up we want to be thinking about creating a new District for those. So it's probably even questionable whether we should be adding any new properties to the current one where it will only have 10 years of to capture those values. Now maybe that's worked out already and somebody has a good reason for doing it, I'm not sure but it might be better to be looking at creating a completely new TIF for anything that is happening from here forward, say if we're already at the 2/3rds point of any potential life span of anything in our current TIF that we're talking about right now. Is that correct?

Noreen Norton: The two properties that were added to the District, let's talk about those just a little bit. One is the food hub property, and the other is the Amish, the bike shop. So those is where investment has occurred and there is value kept. We've reached back to the April 1, 2014 date as the original assessed value, and it already is higher. So we have in effect captured the full investment potential in this District. Would it have been possible or conceivable that we would have instead started a new District, yes, but we had to amend this one anyway, it seemed to be the most prudent.

David Smith: For anything that has not yet happened, there is no reason to be thinking about next year adding it to this one or two years down the road adding it to this one.

Noreen Norton: If it's really a significant investment and it's within these District boundaries, you could have two public hearings back to back, you could remove it from this District and put it in another District all in the same day.

Citizen: Let's say, following Dave's logic, if we were to do that, there are properties that are going to be developed in a few years, then we create a new District. If there any problems with the logic of the District, a property from here, and one from here, and most of it in here. It doesn't have any contiguous quality of anything rational.

Noreen Norton: You've got to enjoy this a little bit. The contiguous used to be part of the process. What it created was what I call spaghetti and meatball TIFs because you have a parcel here and a parcel here, a parcel here, and you get this little 4-inch line on the roads connecting them to make it contiguous. It's crazy. The State did address that.

Citizen: That's the piece I had remembered.

Citizen: What were the two you said were just added?

Noreen Norton: The ones in blue. The one that looks like a camel hump. The bottom one here is the Amish property. This one here is the food hub. This District also does something else that you need to be aware of and that it provides an omnibus capacity. Does anyone know what that is right off the page? I would be really impressed. Omnibus capacity gives the ability to create a credit enhancement agreement within the District. We had talked earlier about the opportunity for, you could either have a District where all the revenues go to the town, or you can have a District where some of the revenues go back to help a developer or a company pay the investment making in the property. This District is set up to allow for the ability to create a credit enhancement within the remaining term of the District, and within the guidelines that are set forth. Basically what the development plan allows is for the, and we're going to talk about the economic development committee and the TIF guidelines all which govern any credit enhancement agreement. The development program allows for the developer. Somebody who has property within this District, is planning to make a reasonably sizable investment and says I would like some help, at the end of the day they'll have two options to get help from this TIF. One is to apply for a revolving loan or a grant. Those two things were added, and that's available to anybody anywhere in town.

The other thing that they could do is to ask for a credit enhancement agreement, which would be that they are asking for some portion of the taxes that they pay on that new investment, to come back to them over the remaining period of the District, to help them pay for those improvements. The Development Program allows for the Economic Development Committee to review it, under the guidelines that you're going to be looking at, and then go to the Selectmen and the Selectmen to make the decision up to a 15% reimbursement. If it's to be more than it would have to go to a Town Meeting vote. That's how we currently have it set up, that's how it reads. Are there any question about that?

Donald Newell: This is not about that. I was confused about it so I wanted to just make sure. Under the District term you said that you're going to have the incremental value to 80%, 60%, 40%...in years 26, 27, 28, 29, and 30. In my first read I read that a 2026 to 2030. That's not the case. What those are are years 2022 to 2026. It's very easy to get confused with the way that was done.

Noreen Norton: Oh! Does everybody understand that and that's an easy misunderstanding. The numbers that are in that District term, the 26, 27, 28, 29, and 30 if TIF year. Going backwards, number 30 is 2026, 2025...

Citizen: I just had a little question. When an area or a property is added, does that mean that they have received TIF money or they are going to receive TIF money? No? It just means that they are added to the area that could possibly.

David Smith: It comes back to the two types of TIF that you can create, explained one where the monies go to the municipality versus the one that are basically tax kickbacks.

Noreen Norton: I think this would be a good time to go to the projects, which is this handout here. So if you would just thumb through this quickly you'll see that there is a broad header on the top of the first page, and there is a broad header that goes across just about the middle of the second page, and then there is a broad header at the top of the 3rd page. We call those tiers. There are basically three tiers of projects, and the DCD puts a higher level of scrutiny on the top tier, a little less scrutiny on the second, and very little scrutiny on the third tier in terms of are you doing, meeting steps for intent with what you're doing.

The first tier are those projects that are within the district boundaries. So you have some roads included and so you can use TIF revenues for road improvement within the district boundaries. That's pretty clear. Not a lot of challenge. There might be some clarifying questions. Basically within the first tier, within the district boundaries are in there as well. That's the first tier. The second tier are those kinds of investments that are outside the district but they're made necessary by things that are happening in the District and that has what has been funding your fire department investment every year. Remember, you're putting \$10,000 every year into fire equipment. That's because when certain projects occurred, Newell Court happened within the TIF District, there was a need for increased fire protection services, which were made necessary by the District.

The third tier are things related to economic development, and they are broader and are more flexible. That's when that revolving loan fund I alluded to is included which means that you can provide revolving loans and/or grants town-wide. They are not restricted to being in a TIF District. There are trail monies in there.

So just very quickly if there were credit enhancement, you could help...and it was used within the District boundaries in the early days. Some of the building renovations that occurred with TIF revenues were doing things that were tier 1 property improvements. Demolition, alteration, remodeling, repair, expansion of a building, those sorts of things were all part of the tier 1 activities, and basically all of the costs that go with it. Sidewalks, roads. The financing costs, if you have to buy a building, acquisition is there, the financing costs just to cover whatever costs associated with the financing of those projects, and any debt service for purchase and renovation of land, buildings for economic development purposes. In the early days you did use TIF revenues to pay off debt services.

The development program does state that you have the option of funding a general obligation debt, if it's TIF. You don't have much term left. It's probably not going to happen, it's not anticipated, it's stated that it's not [inaudible], but it allows you that flexibility if chosen to go that way. Again, no costs are anticipated.

I have to say now before we go too far, the numbers that are there. The values, the total cost estimates, are placeholders. Anything that is here, if you approve project that actually cost three times the number that is in that budget, you can expend three times that number or more. That's why it's really not that important or it's not saying there are other priorities that are more important, we're not going to spend anything on that. Even if there is a big number there, it goes through your municipal budget approval

process, and you make a decision every year as to how to spend those TIF revenues. So don't get concerned because of those budget numbers.

Citizen: So where did those numbers come from?

Noreen Norton: It's not quite choice what the amount of the TIF projected revenues are, but yet a little bit of projection as well. It's more than what the TIF because if you get a windfall, if you get some new investment, you want to have enough money in your estimate to say, so the State doesn't say, well you said you had \$500,000 in revenue and you've got \$800,000. You don't need that. So we do need that additional revenue. Also, if you do another district, if you create another district to capture other projects and you want to fund some of the same things, particularly the economic development things, it's easier to justify if have a large budget number there and we need to use revenues from this district and this district to fund those projects.

Citizen: As part of the community budgeting process, does that mean this discussion takes place within the Town's Budget Committee?

Noreen Norton: The Economic Development Committee (EDC) Ordinance that you will be voting on says that of the TIF funds that are available, the EDC will make recommendation as to what needs to be done and how they would like to see the TIF revenues expended. And then it does go through the Selectmen and Budget Committee before the Town Meeting for their inclusion on the Warrant, and vote through the normal process.

Citizen: But this does not go through a budget process because this is not a budget?

Noreen Norton: It's not budget. I don't want to spend a lot of time on the project cost list. Let me just point out some highlights. Anything that is related to the creation of this district or any amendments is covered, the proposed public safety cost which includes fire equipment replacement, it includes maintenance of your curb extensions otherwise known as [neck downs] Adverse mitigation, there is nothing anticipated there but if there is something environmental that occurs, particularly it covers the cost there. Cost related to economic development, advance programming, anybody we bring in to do a special project, to administer the District in a general sense or is a very project specific sense can be funded as TIF revenues. Some allocation of Town staff time that is spent on economic development, a pro rata, let's say that Sam or you hire a town manager and 20% of their time goes to economic development purposes, then you can use TIF revenues to pay 20% of their salary. And KVCOG is also, any economic development organization that the Town pays for services such as KVCOG, such as dues which are now coming out of, where you're only getting \$.34 out of a dollar, out of your General Fund, are now coming out of where you are getting a dollar out of every dollar to use for TIF revenues. Environmental improvement, we don't have any in particular that we would anticipate. The number 9 is that economic development revolving loan fund that I spoke of. So, again, one of the items that the allocation, the last item on the Warrant, capitalized, that revolving loan fund that you can immediately be available to businesses within and outside of the district. To help businesses succeed in the Town. Cost related to jobs skills training. It includes being able to do online learning or scholarships to colleges and schools for residents to be able to retain and have new jobs here in Unity. Cost related to child care, I have not seen anybody do this yet. It's a great concept. You want to create a childcare center in Unity, the Statute allows you to pay just about everything, certification, salaries, the whole bit.

You could have a childcare center right here in Unity funded with TIF revenues. The concept is that people can have a place to bring their kids so they can work.

Penny Picard-Sampson: I have a question, Noreen. So would that be like a town-owned childcare?

Noreen Norton. It doesn't matter. It's not specific. You could either help someone, a privately owned childcare center.

Penny Picard Sampson: But they're not obligated to pay it back though?

Noreen Norton: Again, flexible, do it however you want.

Citizen: [Inaudible] home-based child, does it have to be a freestanding building?

Noreen Norton: It's not specific.

Citizen: I would like to ask about the environmental pieces. There are funds for mitigation but not for investigation so if a developer is interested in buying a parcel in the Town but the developer wants to make sure that there is no contamination, could that be included? It's not mitigation yet. We don't know...at 6, which is specifically mitigation. That's environmental improvement projects. Would we be able to consider also the cost of environmental assessment on the property?

Noreen Norton: You're drawing that fine line between to mitigate and to investigate and mitigate.

Citizen: It's a very broad bright line when you start talking about money for environmental stuff. I'm just trying to include the process of finding out if a property needs mitigation. If a developer wants to know if it's going to cost another million.

Noreen Norton: If it's outside the district but made necessary by.

Emily Newell: So the recycling center, due to weird chemicals leaching out into the area around it...that would be all costs related to dealing with it?

Citizen: So then could we add, if we chose to, to the third section, investments related to economic development, also the cost of environmental assessment. It comes up all of the time, banks require environmental assessments.

Noreen Norton: So environmental assessment and improvement. Someone would make that as an amendment when the vote come, that's fine.

Citizen. I may have missed something. I'm just curious. Is this laid out by the State guidelines or did the Town of Unity come up with these as their targeted areas.

Noreen Norton: This parallels the State Statute very very closely. We have tried to run language to be as inclusive as possible. The idea is that anything might come up that's eligible for TIF is included because what happens, I said earlier that there might be something that you never have any intention of

spending money on, you choose not to spend money on even though there is a dollar value there. But if it's not there and it's not included in this vote, then you can't do it without another amendment. If it is there you can choose to just ignore it, but if it's not there you would have to amend.

Citizen: Okay because one of my questions is I noticed there was specifically something about childcare but I didn't notice anything about elder care.

Noreen Norton: There is not. It is not in the Statute. It is not an allowed.

Citizen: It would be a good item for an amendment.

Noreen Norton: We can't. That's currently not allowed in the Statute. But if you are a working and you are a caregiver I could see where that would make a lot of sense.

Penny Picard-Sampson: My husband, who hates anything to do with Town business, he is going to be very excited about number 12, because he's the trail master for the snowmobile club. Now when I show him this he's going to know how to apply for it. Can you tell me how to apply for it?

Citizen: He doesn't get \$30,000!

Noreen Norton: Bring it to the Economic Development Committee that you approve and, assuming that's a successful vote. Let's go into that a little bit. What you have for the last three years, 2-1/2 years, has been a Unity TIF Advisory Committee very focused on how to manage the existing TIF to clean up some of those details like the term years and other things related to that, and then how to move forward the TIF forward, and a little bit of economic development. How do you use the TIF revenues and in terms of economic development, get some things going now. That's what the UTAC Committee has been doing. It has come out of the Comprehensive Plan process and certain out of UTAC that there needs to be a broader view at not just the TIF but what is really needed in Unity for economic development, how do we stimulate businesses. How do we help businesses to succeed so that when you go to a business you expect it to be open and the door is closed. The economic development committee is being created to be the...you can that this is some deep stuff here and then all the other kinds of other things are economic development. This committee would get deeper into the weeds, what needs to happen, how do we make it happen, how do we manage the TIF, how do we utilize the TIF as revenues, and anything else that is available out there, other grants. The last item, 14, is that you can use TIF revenues as a match for other grants so what's available for other grants. How do we leverage these TIF revenues to bring us more positive development and all managed by a committee of the town so that you have the best interests of the town at heart, and it's an open process or transparent all the way through. Anything that's related to the TIF and utilizing those revenues would go to the Economic Development Committee and their role in that and much more.

So yes, as Penny alluded to, the ability to use TIF revenues so manage your trails is also quite exhaustive. It includes planning, design, construction, maintenance, building improvements, expansion, it could be new or existing trails so it's quite a broad item. Transit services, who knows. There was some talk of a buggy taxi service so, you can do that.

Emily Newell: Can we do sidewalk maintenance?

Noreen Norton: You can do that within the district.

Emily Newell: All of the roads are within much of them now, right? Depot, Main, School.

Noreen Norton: If you have equipment, say you're maintaining your sidewalks, if you have equipment that is used to maintain the sidewalks within the district and some location outside of the district, that equipment, just like a prorated. So if it's 90% within the district and 10% for other places, you would pay for 90% of the cost of the equipment and maintenance. You can see that this becomes a rather, just getting it ready to bring to the Budget Committee is quite a process.

Citizen: Why are there no values for items 2 and 3, no anticipated costs?

Noreen Norton: Because there are no anticipated costs. There is nothing that we could come up with that would...it's okay, they're on the list so if there is something that comes up, we can still spend money there.

Citizen: The budget is not a budget.

Noreen Norton: Okay, that's projects. Any questions on projects? This last page is there for information only. Most of it is included in the colorful document. Something we need to submit to the State, is details. The last four columns are that tax shift shelter that we were talking about. One through 20 is historic, we putting this year we're currently in. And the 21 through 30 are projected and 31, 32, that's because of that two-year delay in the valuation causes your tax shift to continue. That's what I have on the actual amendment. I would take a couple of clarifying questions. I can talk about TIF guidelines or you can open up to the public hearing. Either way.

Emily Newell: I have a question about the paring down process because we have it in the document to do that, does that mean overall we take in less money?

Noreen Norton: You tax every property the same whether you have a TIF and whether you have a TIF at 100% or 20%, you tax every property exactly the same. So every property receives the same tax bill either way, and the Town will collect the same amount of taxes either way. It's what you do with it and where it goes that will change. So when you go to 80%, 80% of the taxes that you collect from all of the properties within the District will go into the TIF fund and 10% will go to the general fund.

Emily Newell: Does it mean that over those five year of paring down does it mean that the State assessment of us is also changing?

Noreen Norton: Yes, it's increasing by that 20%.

Emily Newell: So compared to doing the pare down versus staying at 100% for the whole term limit of the TIF, it sounds like the town receives less benefit by doing the pare down. I'm just making sure.

Noreen Norton: You're absolutely right. You do. How challenging is it to explain and understand, how difficult will it be when you've got the money in the budget and there are always tough decisions to be

made, and we have this money that's available that was TIF and is now general fund. Do we set it aside even though for whatever reason? Other things are happening that could raise the mil rate. Why wouldn't we take that? Those are municipal decisions at the will of the people, the governing body, which is you.

Chris Rossignol: If we choose not to pare it down, it is something that is going to have to be closely monitored. I'm not going to be here. I don't know if Emily or Penny will be here. There will need to be somebody so that it happens in that manner.

Penny Picard-Sampson: I'm here forever.

Citizen: Is there a restriction actually in this amendment that says that those funds have to be set aside?

Noreen Norton: You can't commit 2-3 year's general fund.

Citizen: Could we establish another TIF?

Noreen Norton: Yeah, the goal would be that in this period from now to the time that the pare down starts that you'd have new investment happening in town and you would create another district and you would started to capture some additional value and be able to, okay, we're letting this one go down comfortably without having to be hyper managed and focusing also on bringing new captured value in so that we're protecting our subsidies from too much fluctuation.

Chris Rossignol: Correct me if I'm wrong, Noreen. In order to transition smoothly from one TIF to the other, there would have to be \$4,000,000 worth of investment in the Town of Unity to kind of transition it through without any hiccups?

Noreen Norton: No, and you've shared that logic before and I don't see that.

Chris Rossignol: So would be the case? It wouldn't have to be because it would depend on the mil rate at that point in time.

Noreen Norton: Yeah if you're looking for a steady flow of TIF revenues, I think that is where Chris is at, let's keep TIF revenue at a level that it funds all of our economic development activity so that stays relatively stable. You'll want to get a certain level of value but you only have so much control of that. The real idea is to take at least a portion of these TIF revenues and be out there trying to stimulate that kind of investment in the ways that are consistent with the Comprehensive Plan and the goals and the vision of the community for what you want for businesses here. To stimulate new investment that allows you to create a new TIF and capture that revenue.

Chris Rossignol: I'm just basing that off what we have currently. Currently we have about \$4,000,000 worth of property that has captured value and that is producing us almost \$62,000 in TIF revenue.

Citizen: It does seem like from this diagram of the areas in the TIF District now, is that restriction, say somebody wants to come to town and establish a business for whatever. It can only be in this area or is there a limit. For example, I own a business, it is a ways out of town. Clem does. We're not in the

district. So how does that area, not necessarily my business but somebody wants to develop something out near where we are, how does that become part of the TIF District?

David Smith: By having a meeting like this.

Noreen Norton: Yes, I think we would anticipate that this would be the last amendment to this District unless you want to take property out to create a new district. If you were making an investment, you would have one of two choices. And you wanted some assistance. You would either come to the Town and say, I'm making this investment. I'd like to have some of my property taxes on my new investment coming back to me to help pay for it or you would come and say I would like to apply for a revolving loan fund and/or grant, as a grant is an allowance here, to help me fund my investment. Even though you are out of the District you would either be creating new business around your property and/or include others potentially.

Citizen: Unless I misunderstood, unless the business is large enough that it's going to ask for a credit enhancement agreement. That would be a significant investment, a significant job creation. It matters to the Town do we want to capture some of that. I'm saying this because someone who has a business in Town was speaking to this strongly. He didn't even know he was in the district. It didn't matter. He sent up his business long ago, there is no credit enhancement agreement possible. It didn't matter to him as a business owner. He gets no benefit from being in the District, there is no detriment to being in the District.

Citizen: Going on what Gail said, I think it's important to say that. I think you need a minimum of \$500,000 worth of investment to even be considered for a credit enhancement agreement. Am I right?

Noreen Norton: I think it does make sense to just finish the public hearing of the amendment first, and then we close it.

Donald Newell: I'm looking at the Warrant and we have six articles. I'll be making decisions on this maybe but while you're in charge, which of these articles can be amended?

Noreen Norton: They can all be amended.

Donald Newell: One of them is an ordinance. I always believed that you can't change that.

Noreen Norton: I don't know that. I'm not an attorney.

Donald Newell: Okay, so I'll deal with it later. I can see that you've been through a number of these.

Noreen Norton: I haven't been through the creation of an ordinance. Anything else as far as questions or clarifications? It's time for you guys to start saying how you feel. It's part of the public hearing.

Citizen: Just as a point of having potential changes around if people in the community feel like that ramped down might not be the right thing or we should add that environmental assessment piece that Gail mentioned. At what point in the process can those pieces be added?

Noreen Norton: Amendments can be added during the actual meeting process coming up right now. There are certain amendments, if you change the boundaries we have to go through the process again. There are certain amendments and technically changes that ramp down it might mean trigger that as well. You have to hold another public hearing.

Citizen: Don, are you sure about the ordinance issue? My recollection is if it's a Town Meeting where people can talk about it before they vote they can make an amendment. With a written ballot obviously there is no way to do that. We can change an ordinance on the floor as long people are there and it can be discussed at the meeting. I'm not 100% sure.

Donald Newell: My experience is I've never had an ordinance that was anything but a yes or no.

Emily Newell: We could at least write down what the recommendation was and take the vote on it and if it's MMA approved go with it but if not we would have to rewrite it and have another hearing at Town Meeting to actually make the vote happen. I would say we go through the process and then check with the MMA later.

Donald Newell: I would agree. I think that substantive changes that could be dealt with here unless Noreen can give additional information. We should feel the liberty to make the changes that we feel are important as a group and see how that flies. You didn't say that you absolutely must regroup so, unless you say that then I would think make we could make the changes and then run them by MMA and go from there.

Noreen Norton: You're talking about the ordinance? [Yes] I can speak more to what certain amendments either will or may cause you to have to have another public hearing and vote for the TIF amendment. I'm very familiar with those. I'm going to open it. Please, give your thoughts, comments, likes dislikes.

Emily Newell: We can do that as a discussion piece during Town Meeting?

Noreen Norton: No, this is a public hearing for that purpose. The DECD want to have a record of how the Town responded.

Emily Newell: I think that Sam can handle the scrutiny required to handle the budgeting part so I'm in favor of us not doing the pare down and having all the money that we could. It will take more work to keep our eyes on it but I feel the Budget Committee and Sam we can handle it.

Citizen: You mean the TIF fund or are you taking the tax money to the Town?

Emily Newell: I'm talking about the pare down part, keeping that at 100% through end.

Penny Picard Sampson: So you want to rip the band-aid off all at once?

Emily Newell: Yep, but I want to monitor it before we rip it off to make sure the wound has healed before.

Chris Rossignol: I just have a question for you. Out of the 30 some odd that you have done, how many have gone the route we are looking at?

Noreen Norton: Usually smaller towns do pare down, probably 40% of smaller towns do the pare down.

David Smith: I think that I am basically in favor of not paring down the percentages, however, just to try to be clear in how it might impact us, in theory, if we go with the pare down, paring down the percentages we could theoretically, if we're very careful about how we spend, we could build our surplus with the monies that are not going into the TIF. Whereas we can't shelter those. Shelter is probably the wrong word. We can't keep those monies in surplus. We can be spending it on things in the town but we can't build our surplus with it, which we might be able to do if we pare it down. And that could be used to mitigate the costs over the next few years. However, that intentionally be a tough thing to do if say we really need to put these monies into surplus. But that would be the one advantage going through that pare down process if really only we could put some of those monies into surplus over those five years.

Chris Rossignol: All we're doing with the pare down is taking the OAD from its original assessed value, 20% each year, and bringing that into the general fund?

Noreen Norton: No, we're taking the incremental value.

Chris Rossignol: Right but adding it to the original assessed value.

Noreen Norton: We're adding it to the general fund.

Chris Rossignol: But we're increasing the value of those properties back to the general fund, and not holding it out.

David Smith: Right. The only way it's really going to be advantageous for us to do that is if basically we take most of that money that comes back into the general fund and [inaudible] to be our surplus. So either way you're not spending it on municipal expenditures so to speak, but you get more benefit ultimately in the town if it's going to fund TIF eligible things. However, you do have that band-aid ripping off at the end of it.

Penny Picard Sampson: So I'm thinking that because surplus is only on paper and it doesn't really exist until people pay their taxes. It would actually give us a true surplus by doing it all at once so that it may therefore allow us to not to have to keep giving tax anticipation notes because we actually have money?

Chris Rossignol: It still needs to go back in the...

Penny Picard Sampson: Well I mean it goes in the system but it's in the surplus. That's what I'm understanding.

Noreen Norton: I don't know what your ability is to use surplus as part of your cash flow. I can't answer that.

Penny Picard Sampson: When you do the budget, when you take monies out for whatever, it's either through raised or sometimes surplus.

Don Newell: We're confusing the heck out of this and I may still be confused. I need to get a point clarified. Noreen, you told me that at the end of the TIF District in 2026, funds in the TIF fund will go to surplus.

Noreen Norton: That's not what I said. There is a separate account set up as your TIF account. If there is still money in that, shame on you but that is different.

Donald Newell: I would object to that statement.

Noreen Norton: Shame on you? Let me just finish that statement. If there are still funds in the TIF fund, you've got TIF revenues are accumulating and being spent in that TIF account all this time, if there are still money in there at the end of the TIF term, it has to be expended. If right before the TIF ends you, okay there if \$50,000 left in here, let's capitalize the revolving loan [inaudible], that's expending those revenues, you're fine, you're done, no worries. If you still have money in the TIF account it at the end of the TIF, it does have to go into the general fund. That's correct. What happens is from an assessing standpoint you back out of that \$50,000 equates to whatever in property value and that gets added to your valuation as a bubble, as your valuation, which increases. All of a sudden you've got all of the value that's in the TIF that is no longer in the TIF and being sheltered. Plus you have the value on that bubble of money getting put into your valuation through the assessing process.

Donald Newell: You've got to sketch that out. That makes no sense at all to me. The baseline, and I'm saying this in response to what to David was saying, my understanding is that there are dollars sheltered when you use 100% of the TIF possibility so you have school taxes, county taxes, and revenue sharing that we would pay if you take that from 80, 60, 40, and 20. We're going to pay more, those costs are going to rise up. If you keep it at 100%, those costs aren't going to rise up, which means that the Town ends up with more money. Now the question is, how it is handled? My recommendation was that we would leave at 100%, more money would go in the TIF fund. Now the serious question is how do we get it out of the TIF fund and into the general fund?

Chris Rossignol: You pay all of the back taxes on it.

Noreen Norton: Here is what I, if I were sitting in a selectman's chair and 100% TIF that is coming to an end. Knowing that in the next two years we're going to have...you're still enjoying that shelter benefit. If you look at this sheet, those last two years, when the TIF is done, you're still getting a shelter benefit instead of the 20/40 those last years, you have 100% of that shelter benefit. When the TIF ends, you spend the TIF revenues on TIF eligible projects. The minute you use it for general fund purposes, you lose your shelter benefit.

Citizen: The last column on the right, you'd have to pay it back like if you pulled the property out current use valuation. If you change it before the term you have to pay back all of the money to Thorndike and the other places that it goes back.

Noreen Norton: If you keep that at 100% until the end of the term then your revenues, before you started ratcheting down, the TIF revenues were \$61,900 a year. I would take that \$61,900 and put it into a...now it's general fund revenues. It was TIF, it was TIF, it was TIF. TIF is over, now it's general fund. Now you have that \$61,900 for two years. Basically the taxes on that valuation could [inaudible] into your reserve account and then you have that over the following years to offset as your education subsidy starts to drop.

Emily Newell: Question eligibility of the TIF funds. I understand now. You can't just take all that excess TIF and stick it in the general fund. A big part of our budget every year is the fire department and that is eligible but is it eligible entirely or prorated?

Noreen Norton: Prorated. We don't know what that would be. That's made necessary by so we couldn't increase that amount significantly without something big within the district.

Emily Newell: We have to have really tall building that would warrant buying a ladder truck.

Don Newell: I apologize to the people behind me. I'm generally up there during Town Meeting and I don't get to comment. I'm getting it done now. There are 60% of the small towns in the state that I remember you saying are doing this, taking all of the money. I have to believe there is a way to cover some of the expenses that we would otherwise be covering out of the general fund out of those last five years if we had that extra money. We would go in and find things that we could cover, and we would effectively use that money. I doubt that 60% of the small towns are foolish about that, and I'd want to investigate that a bit more. I think that we can budget our resources. We're talking about real money here.

Noreen Norton: It's really a municipal decision, and many of them, you have a short window so you at least should have some [inaudible] when this could end. Many times though it's included, but if we're talking a 30- year TIF then who knows. Nobody sitting in the room has any knowledge, whether they'll still be there at the end of the term.

Chris Rossignol: I just want to make a comment on what Don is saying. The only issue I have with what you're saying is that to me the pare down is the safer way to go.

Donald Newell: I'm not about say safe. When we're talking about that kind of money I'm not concerned about safe. We can get it done, we can do it in a safe way.

Chris Rossignol: My biggest thing, I hear enough about our taxes are too high, I'd hate to see something go wrong with this and see a huge mil rate spike because of this.

Noreen Norton: At the point that it starts rationing down, \$61,900 a year in revenue.

Donald Newell: So we're looking at \$60,000 to \$70,000 that you're giving up.

Chris Rossignol: Both ways, I think, you're still giving it up because you're either going to save and set it aside, save it and collect interest on it, or you're going to start paring it down. It still has to end up in the same place unless I'm misunderstanding.

Donald Newell: You are.

David Smith: Well every dollar that we ratchet it down for that first year where we take out 20%, and another 20%. Every year that we're taking that out of the TIF monies we're now paying a third on every one of those dollars to the county and to the schools.

Chris Rossignol: I guess I'm missing the transition here. At some point by that value going back into the system, the mil rate is going to have to climb. I'm correct, right? Because we're increasing the value of the town again. Right now we're sheltering those dollars and nobody is seeing them. We're reaping the benefits from it. But with ratchet down we're increasing 20% each year so the mil rate will still climb to accommodate for the money that is coming back into the general fund because now we're losing school subsidies, we're losing road subsidies.

David Smith: We're gaining in that TIF money now comes back, we have access to that. I don't know the exact numbers of the change but I still don't see an advantage in ratcheting down.

Jean Bourg: With a new TIF is it possible that you can ratchet up a new TIF as the old one ratchets down?

David Smith: We don't need to ratchet up.

Jean Bourg: Can we build a new TIF?

Noreen Norton: Theoretically you would strive to do that. Obviously, you need someone making the investment in town.

Clem Blakney: Especially since we're only at 1% and we've got the room.

Chris Rossignol: Between \$10,000 and \$20,000. Ideally it would be a million dollar investment that to make it clean. It's not a cheap process to go through.

David Smith: But that \$10,000 or \$20,000 up front cost to us, we're getting \$61,000 a year from the district.

Chris Rossignol: That's based on almost a \$4,000,000 investment right now.

David Smith: So, yes, we have to have enough to make it work. And that's what we want to be using these economic development funds for, to try and entice appropriate types of development.

Chris Rossignol: I'm just confused with that aspect of it. I don't want to see us get stuck with something that we don't want.

Citizen: Can we step back for a second and discuss more on the amendment level. Just for the sake of the State reading our public hearing, just maybe give opinions about what we think about TIF, about the concept of Unity. We talked about the details, which are very very important details but I would just like to say for the record I think it's a great tool and the Town of Unity should employ it. We talked a lot

about encouraging business but we don't really have a means, an organized means to do that, and this would give us a well-organized, sounds like very well-regulated in terms of the economic development committee and a budget committee, the select board and Town Meeting so we know what it is that we're doing. We have approvals at every meeting, and it's a way of giving us a tool. I agree with Noreen with shame on us, not that we should use it foolishly, not without planning but that we should be talking to the community about what it is that we want in here and how we can not only support our businesses but our trails, support the arts district. We can do any of the things listed and probably more so. I just want to go on record that I think it is a terrific thing. I'm a convert from where I was in my 20s when I saw Wal Mart getting TIF dollars and I want to scream.

Citizen: I completely agree that it's a wonderful tool and there have been a lot of comments about the actual benefits from doing the 100% right out of the gate but my question would be what are the details that we currently have in place, or systems that we currently have in place, that will be actively managing all of these processes and such so that we know that things are going to be properly managed. Because it's wonderful to sit here and talk about the idea that we should be able to do that, but what's really in place now.

Noreen Norton: The other items on the Warrant include the creation of an Economic Development Committee and oversight of this TIF and review of any proposed TIFS or even being proactive and looking at opportunities for TIF will all be part of the purview of the Economic Development Committee as well as looking for where are the opportunities for new growth, what kind of businesses would supplement what we already have to help existing businesses and bring value to the Town. What are our economic needs, how do we promote the town.

Donald Newell: I would like to respond to that too. The Comprehensive Plan has a Budget Committee in it and says to the Selectmen you will use that Budget Committee because of the broad cross section of people that are available to look into all aspects of these social issues so you have not only the ordinance coming up on the Economic Development Committee, but you also have your Budget Committee that the Selectmen will rely on to review these things and make sure that there are no traps. There are a lot of people in the community that will be expressing opinions on those issues.

Noreen Norton: Any other comments about the TIF?

Citizen: If we spend this TIF money right, we should increase the value of the town in such a way to compensate for the fact that we're losing some of the [inaudible] 100% of the TIF advantage makes more sense than the pare down and let's not just think about that as just money we can use for something else. It is money that can be used to build further money. This town is not the town that it was when I moved here in a large part, I think, for the TIF that we have had in place has played a big part in that.

Noreen Norton: In what way?

Citizen: If you look around here at some of the organizations and businesses we have here, people come to spend time here and do things here. Every time I talk to someone anyway in Maine that knows of Unity and they're jealous that I live here.

Noreen Norton: It wasn't clear from your comment whether you were positive or negative of the changes. I need to, and it's probably going to be interpreted as speaking in favor or against this discussion about ratcheting down and I'm really not. It's your decision. I need to tell you that whatever you set, when you set 100% capture, you do have the option in a given year to say we can't afford, for whatever reason, we're not going to put 100% in the TIF this year. We're only going to capture some other percentage or we're going to reduce it to a certain value and take that one year and get it added to your valuation. Valuation of that dollar amount is added back to your valuation for the State. You can do that in any given year and then bring it back the next year. You can go down from what we approve in this process. You cannot, if we approve to ratchet down and say 80%, you cannot say, no, this year we're going to capture 100%.

Citizen: There would be another meeting to determine that?

Noreen Norton: You would have to amend the district. You'd have to go through the whole public hearing process if you wanted to increase it by that 20% or whatever but if it's 100%, you can always capture less.

Lori Grant: I wanted to make one clarification to clear the elephant in the room or the negativity on the street. I'll just say that I think TIF is a good thing and I do see the benefits of it more so than the negativity. I guess the clarification is it's for business use and how does that intertwine with nonprofits like the fire department. How is it worded that, I guess what's a little broader than just saying it's for business development.

Noreen Norton: It's for economic development, which includes increasing valuation, it includes creating jobs, retaining jobs. So, certainly your nonprofit jobs are every bit as important as your for-profit jobs.

Lori Grant: I mean it does and it doesn't. I just thought that it would be worded a little differently.

Noreen Norton: Recreational trails. There are things that are done that fall under the auspices of nonprofit that are beneficial to the economy. It is an economic development program. It's created through the Department of Economic and Community Development. And there are other grants and opportunities for funding that come to the nonprofit sectors that are not related to business. It's easy in many cases to make a connection and a case. This helps improve Unity's economy even though it is a

Lori Grant: And I understand that. I guess it's really to tie the two together. You have the business community and then you have another community. We're all one but it's kind of split so maybe half are not using the trails, they're not using any of those things some of that money has gone to and I'm just trying to get a good explanation or wording.

Penny Picard Sampson: I think, Lori, like you've been to Greenville and they have the ATV trails and snowmobile trails. So, yeah, not everybody in the town is using them but people go there for that purpose so, therefore, they're bringing money into the house, they're using the restaurants, they're going to the convenience stores, they're buying a snowmobile while they're up there. That's your economic driver. So by having those trails it brings in more dollars to be spent within the town and supports more business.

Noreen Norton: I don't know if this is part of your question but to the extent that anything that is currently being funded out of the general fund can be funded with TIF dollars such as moving the KVCOG dues from the general fund to the TIF account, such as funding future equipment purchases for the fire department. You do that and that helps all residents. You have two things. You have a dollar for a dollar that is being spent rather than \$.34 cents on the dollar and you're off setting costs out of the general fund.

Citizen: I think you don't have to think of it as a program just for business. As Noreen said, it's a program for economic development. The language that's used is the language in the law. Someone asked, gee, why not eldercare, why child care? That's in law and the purpose is to grow our economy and if people come to Unity. An example, the Town of Benton has put a lot of their TIF money into their alewives festival. That is not in itself a business, nobody owns it. Because of the natural river there, the alewives, they celebrate it. People from out of town bring out-of-town dollars. Likewise, we have things that bring people, whether it's to reside in Unity because they're jealous that we live here or whether it's to take a job here and their lunch money and do their grocery shopping here. No matter what it is, to bring people in, to increase the amount of economic activity in this town.

Lori Grant: I agree. I'm not opposing it at all. I think the majority that are opposing or are just not into it or they don't care, they think it's more about bringing businesses to Unity and how much more buildup is it going to get, how much more it's going to change. It's changed tremendously in 10 years, 15 years, whatever. I'm trying to get a better understanding and education this morning to relay information to people who aren't here who will still continue to bitch, if I may say.

Noreen Norton: And to that I would say talk to them about being on the Economic Development Committee so that they can be part of deciding how the funds are allocated.

Citizen: I have a question about the recreational part. Underneath that would it fall like improvements on the lake because the lake is a big, in my opinion and not just because I live on the lake, it's an asset for the community. It does bring people here, boating, fishing, fish tournaments who then spend money in the town. Is that money that TIF?

Noreen Norton: You're talking environmental as opposed to recreation.

Citizen: A fishing tournament would because it's like...

Noreen Norton: It's very allowable. A different category.

Do you want a break or do you want to go right into the Town Meeting? Five minute break. The published public hearing was on the TIF amendment itself. So certainly when we get to the items on the ordinance and the guidelines we have to offer more explanation:

Public hearing closed at 11:53:05.

**Respectfully submitted,
Sherry E. Powell Wilson, Notary Public**

**UNITY ECONOMIC DEVELOPMENT PROPOSALS
SPECIAL TOWN MEETING**

January 16, 2016

Following the Public Hearing @ Unity Fire Station

Selectmen Present: Chris Rossignol, Penny Picard-Sampson, Emily Newell

12:05:37 Samantha Mank: I'm going to call the Special Town Meeting to order now. Greetings. In the name of the State of Maine, you are hereby required to notify and warn the Inhabitants of the Town of Unity, in said county and state, qualified by law to vote in town affairs, to meet at the fire station in said town on Thursday, the 16th day of January, 2016 at 10:00 AM, then and there to act on the articles set out below, to wit. The first article is to elect a Moderator to preside at this meeting. Do I have a nomination for moderator?

Clem Blakney: I would like to nominate Don Newell. [Seconded]

Are there any other nominations? Hearing none would you cast your ballot, please? All in favor? Seeing none opposed, Don?

Donald Newell: I, Don Newell, do swear that I will support the Constitution of the United States and of this state so long as I shall continue a citizen thereof so help me God. I, Don Newell, do swear that I will faithfully discharge to the best of my ability the duties incumbent upon me as moderator of this Special Town Meeting of the Town of Unity according to the Constitution and laws of this state so help me God.

Donald Newell: Anybody that's over 20 probably can't read the Article including me. I know what they are. Article 2, to see if the Town will vote to approve the Maine Moderator's Manual 6th Edition as the rules of procedure for the meeting. Do we have a motion? [Motion moved and seconded] Any discussion? All in favor, aye? Opposed, no? Motion carries.

Donald Newell: Article 3, to see if the town will vote to replace the current TIF policy with the Unity TIF guidelines. Do we have a motion? [Moved and seconded] The floor is open for discussion. Seeing no discussion will call for the vote.

Emily Newell: Can you give clarification on which document we're voting on?

Donald Newell: You have a little packet like this that says guidelines on it, Tax Incremental Financing Guidelines. That's what we're voting on. This is a document that we could amend in this process.

Emily Newell: Can we have a brief description on what is contained in here? We have a nonresident to come and do that, I'm thinking Noreen.

Donald Newell: We have a request to ask Noreen to give us a brief description of what's in here. She is better to raise questions and receive answers. We need a 2/3rds vote. If you would raise your green cards, please. All in favor of letting Noreen speak? Those opposed? Motion carries.

Noreen Norton: The summary, in a readable format, is on page two of that handout. You have a TIF policy in place right now. It was put into place in 1996 for this TIF that we just got done discussing, was originally prepared. In reviewing and going through the process over the last three years, UTAC decided that we need some clarity and update those policies to reflect current possibilities and changes in State Statute and so forth. So by adopting these guidelines, you're essentially repealing the existing TIF policy and replacing it with these, and this one provides a very clear process for businesses who want to participate in a TIF credit enhancement agreement that we talked about earlier. [Inaudible] the taxes [inaudible] brand new investment. There is a very clear process for them to do that. It gives broad goals for the use of TIF revenues for the benefit of the town within any district. It lays out a process for a TIF application from concept to bringing it to a town meeting like this for an actual vote. Whether it's a credit enhancement TIF or a TIF like this existing TIF for municipal benefit. General limitations of what a credit enhancement agreement would be so that any business that would like to get a portion of taxes back and participate in this project doesn't come in and say I would like all of my taxes back. It sets limitations right from the beginning. It puts some valuation guidelines in there so that we're not trying to go through this whole process, which is a costly and lengthy process typically from bringing a TIF from conception to final vote. This is easily a six-month process that the town is not spending time and energy working on something that is probably not the appropriate place for it to be but might be better handled by a revolving loan fund kind of assistance approach. It specifies and clarifies that the Economic Development Committee that is going to negotiate and put the parameters and the performance guidelines that we talked about and then bring that to the Selectmen and the Selectmen will bring it to the town and it will be confirmed by the Town Meeting. It allows the town to ask the developer, if someone does come asking for a credit enhancement TIF, the town would have the opportunity to have the developer sign an agreement whereby they would pay for any town costs associated with development of that TIF. Just to clarify who does what, and then the Economic Development Committee would also be working through that long list of projects that we just looked at. That they would be putting in recommendations for how TIF revenues would be expended on an annual basis. They would spend the time of really digging deep into those items and making the recommendations to the Selectmen and to the Budget Committee. That's what the guidelines are.

Donald Newell: Are there any further questions for Noreen?

Emily Newell: Is this the document that talks about the ratcheting down?

Noreen Norton: No. If there is a TIF in town, whether it's a credit enhancement TIF or a purely municipal use TIF, this sets for what needs to be included, what kinds of things are going to be, the benefit, there is a town benefit as part of it, and what the process is and who is responsible for what. It just makes it all very clear.

Citizen: Does it presuppose that this group is going to vote for an Economic Development Committee because that's part of what is in here.

Noreen Norton: The items should have been in the warrant in the other order. The Economic Development Committee should have been before.

Donald Newell: We can fix that. If the Chair would entertain a motion to flip these two so you can have the opportunity to discuss the Economic Development Committee and vote on that before you vote on these guidelines. [Motion moved and seconded] Discussion on the motion to amend the order of the Articles by switching Article 3 with Article 4. Any further discussion? Seeing none will call for the vote. All in favor, aye? Opposed, no? Motion carries. We will now go to Article 4, to see if the town will adopt the Unity Economic Development Committee Ordinance. [Motion moved and seconded] My mover has fell asleep over there. The floor is open for discussion.

Citizen: Does this specify who goes on the Committee?

Citizen. Article 5 is membership. My one question is I don't see consumers there at all, just general consumers. It's like you'd have to be a nonprofit or a high school student or else a member of one of these other businesses.

Donald Newell: Noreen, these are not exclusive. You don't have to be in one of these groups that the Committee is guided to try to find somebody in each of these groups. It doesn't in any way exclude folks who are not in any of these groups. And you see you can have up to 17 members.

Citizen: I'm curious about the nonresidents. Is that for those who have other ties to Unity through businesses or schooling or whatever else? [Yes}

Donald Newell: Any other? Does this have one have any issues, we were talking about what we might want to amend.

Noreen Norton: This is your ordinance, Don.

Donald Newell: It doesn't have that sliding scale provision in this piece.

Noreen Norton: All this does, this creates that committee, I'm sorry, may I? [Yes] This creates that committee that will have the oversight and be charged with having that in depth knowledge and understanding of TIF programs and what's happening in Unity to create jobs and to bring investment and help to lower the tax burden on the general fund.

Donald Newell: This committee reports to the Selectmen? [Yes}

Noreen Norton: And is appointed by the Selectmen.

Lori Grant: I have one question. Does that include the Committee is that I guess the request for TIF money are used, looking at requests from people wanting to use TIF money and who approves it, who ultimately approves it?

Donald Newell: The Committee would make the recommendation to the Selectmen, and the Selectmen would make it part of the Warrant, and the Town would vote.

Lori Grant: Each time that the TIF money is used?

Noreen Norton: Each time a TIF is created, that's the process, creating a TIF District. That's also kind of the process for each year or if there a need for a special town meeting. If there is a need for how you're going to use the TIF revenues on an annual basis you have the Economic Development Committee would go through that list of projects and allocate what's needed. If somebody has an idea, if somebody wants to enhance the trails and is looking for money, they can come to the Economic Development Committee and say please include this in your budget recommendation. It goes from the EDC to the Selectmen to the Budget Committee in that case, and then to the full town.

Donald Newell: Lori was speaking specifically to the credit enhancement agreement.

Noreen Norton: And that doesn't go to the Budget Committee. That would go to the EDC who would negotiate and come up with a recommendation that they felt was in best interest of the town, bring it to the Selectmen and then to the Town Meeting for vote.

Citizen: So a business could apply for funds through a revolving loan?

Noreen Norton: Yes. The EDC is also responsible for the creation of a revolving loan fund process. So whether they do it internally or create a subcommittee to be the revolving loan fund committee, but they would be ultimately responsible for setting up that process that review of criteria and would be needed for the loan request. And the approval of the revolving loan fund typically would not go beyond an individual. The approval for the revolving loan fund will be a separate. All this does is that they're responsible for creating that process but ultimately that is yet to be done. What is the final approval for a revolving loan?

Citizen: There are things that will still be done by the Committee as they come up?

Donald Newell: Yeah when I said come back to the meeting, it was because the original question was on the credit enhancement agreement.

Lori Grant: So on that same thought wave, is this like a one meeting a month thing?

Donald Newell: The Committee gets to decide that. Any other questions or comments? Seeing no hands I assume we're ready to call for the vote. All in favor, aye? Opposed, no? Motion carries.

Donald Newell: Article 3, I'm hesitating just to make sure that Article 5... So now we're ready to deal with Article 3, to see if the town will vote to replace the current TIF policy with the Unity TIF guideline. [Moved and seconded] The floor is open for discussion. Seeing no hands will call for the vote. All in favor, aye? Opposed, no? Motion carries. Tony? Where are you? You always have the no vote!

Donald Newell: Article 5, shall the voters of the Town of Unity, Maine amend the municipal tax increment financing district formerly known as the Town of Unity's Municipal Tax Increment Financing District and adopt the Amended and Restated Development Program for the District as presented to the Town Meeting, such designation and adoption to be pursuant to the following findings, terms, and provisions? [Moved and seconded]
The floor is open for discussion.

Citizen: Here is where the amendments that people have suggested so let me move to amend the TIF to eliminate the ratchet down with the understanding that...end of story.

Donald Newell: We have a motion on the floor to amend the article to change the ratcheting down keeping it at 100% for the term. Do we have a second? [Moved and seconded] The floor is open for discussion.

Citizen: I was uncertain about it until Noreen mentioned that keeping it at a 100% allows us to reduce it. If we really think that we're not going to be able to face the pressures at that may be at town budget time if we have monies available. If we're not going to be able to put them aside, then we can always stop ratcheting or we can change the amount of TIF revenue that will go into a TIF fund and the amount that will go into general fund losing the protections thereof. I think with that it gives us even more flexibility.

Donald Newell: I want to add a couple of things. I also talked with Noreen to find out what the downside risk was if we make this change and find out that we need to have another hearing. What are the implications, what are the possible outcomes of making a change at this point? And the answer is that we would have a 10-day notice for another Town Meeting or hearing and we have until the end of February to get this worked on and submit the ordinance. So this is time, even if we need to come back together again for another hearing, to complete the work and get it submitted to the DECD. There are too many acronyms. So there is time and so we need to feel as though we're upsetting the process, if that is a result and we will know by Tuesday or Wednesday whether that procedure would be necessary. They will call to verify this and perhaps a hearing might be needed and we'll know that quickly and if we need to have that hearing we can do that.

Citizen: I just have sort of a procedural question. If this amendment happens, does it replace part of this article or is it in addition to the articles that are in there. What happens with this amendment?

Noreen Norton: It's an amendment to the TIF District. It's not an amendment. The article is amending the TIF District.

Citizen: This is more just for information. If we had the full amount and then decided like you said that maybe we couldn't do it for that year, who makes that decision and how does it happen?

Noreen Norton: There are probably a couple ways that it could happen. One is the EDC could recommend it, the Budget Committee could recommend it, or it could go, there is going to be 100% allocation and it comes to Town Meeting, and someone making an amendment at Town Meeting.

Citizen: It's one of those committees made it? It still would have to go to Town Meeting? [Yes]

Citizen: Could you offer up a scenario where that might happen? Like why would you do that?

Noreen Norton: Well either you want to protect yourself from the future tax year end, those last years and you want to do exactly what was originally envisioned in this ratchet down program. That would be one scenarios. Another scenario would be that you had some unforeseen expense to the town and I wouldn't even want to put a curse on you suggesting what it might be! You had something that was just

an extraordinary expense and you had to find a way to pay and you no other way you could say, okay, well we've got this money that's available through the TIF. Let's just capture 50% instead of 100% this year so that we can take those revenues that would otherwise go into the TIF program and use to offset this tragedy.

Donald Newell: Any other questions. Seeing no hands will call for the vote. All in favor, aye? Opposed, no. Motion carries. That was for the amendment to ratchet down. So we have an amendment made, seconded, and approved and that's in your District term in your amendment and restatement section. So that will go to staying at 100% throughout the term. Now we're back to discussing the full ordinance. Are there other questions or needs for adjustment?

Citizen: The project list, could we amend the TIF project list to include environmental assessments as an allowable activity to be paid for with TIF funds. I am making that motion.

Donald Newell: Motion made and seconded. The floor is open.

Citizen: Just briefly, because one of the things I've spent last few years of my life on, it has to do with ground fields assessments and cleanups. I've learned that a lot of lenders when they're faced with projects, want the developer or potential property or business owner to be certain that there are no environmental contamination. In Unity, an example is the Food Hub, there was lead in the caulking of the windows and because it's a historic building [inaudible] removed and the lead had to be removed, the caulking replaced in the same windows and put back in. There is lead and asbestos in just about every building in the State of Maine.

This section 8 as it was written addresses environmental projects. This is simply a regular project where people are faced with spending anywhere from say \$12,000 to \$20,000 to get an environmental assessment done in order so they can complete project. Unless the town has applied to EPA for an assessment grant and takes forever and it's an annual process and on and on. It has stopped a lot of folks in their tracks.

Donald Newell: Noreen, where you would you put it in?

Noreen Norton: In Item 8 in the project list. It would now read as cost of funding environmental assessment and improvement projects developmental risk quality.

Donald Newell: Okay, we'll call that a friendly amendment to your motion.

Lori Grant: Would there be a cap on the amount that could be spent on that? Is there like a dollar limit or is the sky is the limit?

David Smith: Just because something can be used does not mean we have to use it.

Donald Newell: And you heard that these are just placeholder numbers in here so if there is a need the Committee would recommend a budget item. Are you suggesting that the figure in number 8 is not large enough? It says \$10,000 and I heard you say \$20,000.

Citizen: It's true that it's not large enough but I believe Noreen told us it doesn't matter. That we can expend of the guidelines if we choose to expend at all.

Donald Newell: Alright, further discussion on the amendment? So what we're going to vote on is Gail's amendment to add assessment under part 8. All in favor, aye? Opposed, no? Motion carries. If you're wondering why I'm not using green cards all of the time, it's only when I have a very close vote. Now we're back to the main motion as twice amended. Further conversation or questions about that. Seeing none I assume we're ready for the vote on the main motion as amended? All in favor, aye? Opposed, no. Motion carries.

Donald Newell: Article 6, to see if the town will approve expenditure of up to \$55,000 of Tax Increment Financing to fund Unity business retention and growth initiatives. [Moved and seconded] The floor is open for discussion.

Citizen: Would this be something that is brought back to the town or itemized in any way or do the committees parcel it out at its own discretion?

Chris Rossignol: At this point the recommendation to the committee would be to the new committee is that a portion be allocated for marketing, and a portion to explore alternative energy sources, and a portion to jump start the revolving loan fund.

Donald Newell: What is the procedure after that? This is a town meeting so these funds would be available for the Selectmen to use according to the recommendations of the Committee.

Penny Picard Sampson: How much is available? How money do we have in our TIF fund now?

Noreen Norton: Thanks to Sam we spent the better part of a day really getting through what was approved previously, what's been coming in the TIF revenues, and what is committed already. The current bank balance is \$89,000. You have committed but not yet expended \$14,000 and those are projects that were approved at the 2014 Special Town Meeting, that's my costs, and then the TIF funds that are coming in, anticipated in the 2015 year is \$47,700 so you have an available balance of 122,677.00.

Citizen: \$55,000 seems like a really big part of that and I was just curious, specifically for business retention and growth initiatives. I understand the marketing piece but there are some other things mentioned. How will that help with growth? So will there be any further look at how that money would be spent specifically? That is a big portion.

Noreen Norton: The discussion that the UTAC committee that made the recommendation, the discussion was a significant portion of that would go to capitalize the revolving loan, too really jump start that, and a much smaller amount would go for marketing and some specific things that we looked at. The energy piece, the idea is that if we lower the cost of energy for doing business, we're helping existing businesses as well.

Citizen: So every year we should be seeing \$61,900 come in in TIF revenue?

Noreen Norton: Uncommitted you have \$122,600 so \$50,000 out of that you'll still have [inaudible].

Chris Rossignol: And with the revolving loan fund, depending on how that's set up, there will be revenue coming back into that as the loans are paid.

Donald Newell: Just a reminder of what your options are, you could approve a lesser amount if you wish, and you could put strings on that, that once the budget is developed by the Committee, it would come back to a Special Town Meeting. This group can do whatever it you wants to do. Just so you know, you have options.

Penny Picard Sampson: We talked about this at the KVCOG meeting. When we give a revolving loan business and the business stops making their payments, do we have anything set up as to how we're going to go about collecting those funds?

Noreen Norton: All we've done to date is say, yes, we want to have a revolving loan fund. There are guidelines, there are structure that is what kind of collateral, what the requirements will be put on that -- all of those guidelines are yet to be establish. Some municipal revolving loan funds do it all in house. Some utilize organizations such as the Council of Governments. Some work with banks.

Penny Picard Sampson: I just wanted to make sure we had something in place.

12:40:15 Noreen Norton: Those parameters have yet, and I suggested that if you have input or thoughts or ideas to either get on the EDC or talk to someone who is.

Citizen: Monies would not be designated until we got this committee up and going?

Citizen: The way we've lined out the process it sounds like two committees and a select board make recommendations to Special Town Meeting or the Annual Town Meeting where there is approval. But it sounds as though, in fact, what has to happen is that the at Special Town Meeting, as it has in the past, gives the approval prior to. Otherwise you're stuck waiting until something happens in nine months so are we okay with that? As it was discussed earlier it sounded pretty ironclad that everybody chooses to come to the town meeting will give specific approval to something. Let's say Chia wants some money and I'm going to get to approve that or say no to her. When in fact what we'll do today is say here is a chunk. We intend to allocate it between these three activities in general. If anyone comes forward asking for funds from the revolving town fund, and then we will report to Town Meeting. I mean that's okay with me. Number one I need to make sure that I'm describing it correctly, and number two that we don't think that something else is going to happen because I did earlier. Is that correct to say that we trust the committees and the select board enough what they say to put aside an x amount for revolving loan fund, we believe they are going to do due diligence, we're going to have something managed, and that the people who come before them to have funds will be properly approved, blah blah blah, and then a report of that goes back to the Town?

Citizen: The comment on that is we don't operate in that manner, how viable is it for a business to approach anybody to get anything to start up?

Donald Newell: Don't lose sight of the fact that a Special Town Meeting can be put together fairly quickly. So if there was a need to have the committee do their work ordinarily and then come back for ratification by town meeting after they've decided how they suggest \$55,000 to be allocated. That can be done. That's not a very expensive or time consuming process. You guys get to decide that, to decide how comfortable you are with having \$55,000 out there that is not described very succinctly. That's your decision.

Citizen: Another procedural question, this almost reads like we already have a procedure set up and we already have a committee set up. Do we need to say something to that effect, the money is available once the procedures and the committee is set up?

Noreen Norton: We just approved the Committee.

Emily Newell: This article does not say it is the discretion of the Committee.

Donald Newell: The Committee has not developed any procedure or the revolving loan fund. If all of you want to see those procedures....I'm just letting folks know that you're voters and you get a chance to decide are you comfortable or are you not or how you want to tweak this if you want to.

Citizen: It seems to me the way this is worded that anybody could, one of the selectmen or somebody could just say, okay, we're going to do this.

Citizen: My question might address this, my confusion was is this a one-time now thing that has already been earmarked for a specific thing right now or is this an ongoing forever kind of allowance?

Donald Newell: The \$55,000 a year, you mean? No. This is very clear. The \$55,000 is a one-time figure. That's all you are approving.

Emily Newell: I would like to propose an amendment that this money be available for use at the discretion of the Economic Development Committee as a recommendation to the Board of Selectmen.

Donald Newell: Okay, I'm just hesitating because at the discretion tells me that the EDC could pull the trigger.

Emily Newell: Yeah. Somehow I would make it clear that the \$55,000 is for Economic Development Committee use within the guidelines that we selected for them.

David Smith: I agree with you to an extent other than I'm not sure that it's necessary to define it. When we go to our Annual Town Meeting and we vote to raise or appropriate \$250,000 for winter roads, it's up to the Selectmen to determine where that goes, who to contract with and that sort of thing so I don't really see this as any different. I don't think it's bad to discuss it but I'm not sure that we need to amend it.

Donald Newell: I'm going to get more formal here. There is a motion to amend and I hesitated just to see if you wanted to tweak that a little bit to get it on the floor in the best possible way. The motion to amend is that the language incorporated here that any allocation of in spending of the \$55,000 will be

done consistent with the ordinance that you passed on the Committee and would be then governed by the Selectmen.

Chris Rossignol: Which we would incorporate it the same way we do business...

Emily Newell: I rescind my amendment.

Citizen: I think there is a different perception however, particularly given the good example today. We know what roads are being done and I thought it was a good idea to amend simply to tell everyone who is not at this meeting that because these are dollars that will benefit individuals who may come for a loan or grant that we are following the process. Are you sure you want to rescind?

Emily Newell: Yes.

Donald Newell: Any other thoughts or comments?

Citizen: Can we just put in the revolving loan fund would be paid back [inaudible] revolving loan fund so it will be a continual thing year after year so these monies being paid back have to go back to the Town to be used for anything else ?

Donald Newell: What part of these funds would you suggest that you expect the Committee to put in there?

Chris Rossignol: Initially it was \$50,000.

Donald Newell: So the majority of the fund, the expectation is those will go into the revolving loan fund rather than the other two things we had talked about?

David Smith: And I think part of you're looking at the powers of the Development Committee in the ordinance article, the purpose and authority, it specifies right there that it comes back to the Selectmen as having the final say. The Economic Development Committee can't just take these funds and run with them.

Donald Newell: Other thoughts? Seeing none, it acts like we're ready for the vote.

Citizen: Say if we put \$55,000 in there, then next year we'll decide where the money is going to go. So if you had an organization that wanted some monies and it was more than \$55,000, they would have the opportunity to get it at Town Meeting? Am I correct?

Donald Newell: Yes. Keep adding to it. Anything else?

Chris Rossignol: Just one more comment. At the end of the TIF, if we haven't spent all of monies that are in TIF, that it can be allocated to that and it relinquishes our responsibility if we've spent all of the money.

Donald Newell: Seeing no further hands, I'm going to call for the vote. We're voting on the article as read. All in favor, aye? Opposed, no? Motion carries. Now before we adjourn, this is the first meeting with Sam. Some of you may not have met her yet. Let's just give her a round of applause.

Citizen: Can I say something? There is a signup sheet for anybody interested in two things, in receiving unityme/gov/org e-mails, program events, town meetings that happen in the Unity area. And then the other one is just sign if you interested, if you are seriously interested in being a part of the Economic Development Committee. We will have our first informational meeting February 1st at 6:30 at the Town Office. For those who may want to be involved and are not here, go to the town office, and you certainly don't have to be on the Committee to have you say.

Special Town Meeting adjourned.

**Respectfully submitted,
Sherry Powell-Wilson, Notary Public**