

Town of Brunswick, Maine

**Finance Committee Meeting  
Tuesday, April 30, 2019 6:00 – 7:30 PM  
85 Union Street – Town Council Chambers**

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**Meeting Minutes** (Approved 5/16/19)

Elected Officials: John Perreault, Christopher Watkinson, Dan Ankeles

Staff: John Eldridge, Julia Henze, Matt Panfil

1. Acknowledgement that meeting was properly noticed  
JH confirmed that the meeting was properly noticed.
2. Adjustments to agenda / Public comment  
No adjustments to the agenda.

*Jean Powers* – Commented on Metro Breez article in the Portland Press Herald which stated that the cost is going to increase significantly. (JE noted that the PH did not call him for this article, and the numbers don't match what he has. Will get more information before bringing to the Council.)

*Robert Broderick* – Commented on tax rate increase as compared to CPI which has been running under 1%. Feels that the 60/40 school/municipal split of funding is short-changing infrastructure.

3. Approval of meeting minutes from 2/28/19.  
JH noted a change to the draft, changing Jean Powers' comment on the parking garage.  
**JP moved approval with amendment, DA seconded, unanimously approved.**
4. Revenues and Fees: Planning and Codes  
JH opened the topic with a review of the Finance Committee's actions to update the Town's fee schedules beginning in 2015 with the restructuring of the Ordinance, and the subsequent changes to groups of fees.

Matt Panfil presented analyses of both Codes Enforcement Fees and Planning Fees, comparing Brunswick's fees to those of the surrounding communities. He described some of the differences, pointing out that Brunswick's fees are generally at the lower end compared to our neighbors.

Committee discussed the frequency of reviewing and updating fees. MP recommends 5-10 years at the outside, JE recommends 3-5 years. Brunswick's fees have not been looked at since 2012. It made sense to wait for the Zoning Ordinance to be complete so now is good timing.

Discussion that the cost of building permits to the builder is passed on to the client. Question about Zoning Opinions, which can require significant staff time, but are traditionally provided free, and generally reduce obstacles to development in the long run.

DA asked about how the recommended fee changes would increase revenues. Staff will provide an estimate of this for the next step in the process.

MP outlined the proposed fee changes. The proposals were developed using the comparative analysis, and for fees based on square footage generally rounded up by \$0.05. Building permit fees would be comparable with other communities in the survey.

Discussion of the stand-alone foundation permit fee, which is based on square footage of the foundation rather than on the entire building. Noted the Master Schedule had an existing typo, and the redlined version corrects this.

DA asked about how the proposed changes could affect development in the Town. MP stated that as the proposals do not increase the fees beyond those of our neighboring communities, he does not expect the fees to have a dampening effect on development. JP agreed, stating that the proposed fee increases are not enough to have a material effect on the total cost of a building project.

MP pointed out the new permit fees:

- Home Occupation permit was initiated during the time when home-based marijuana enterprises were becoming prevalent. Committee discussed the enforcement of this permit, and MP acknowledged the challenge, stating that the issue generally arises only when the Town receives a complaint. Committee agreed to keep the fee in the recommendation and work out enforcement procedures going forward.
- Flood area development permit is new. Fee of \$100 is reasonable considering the amount of staff time required.
- Shoreland zoning permit fee is also reflective of staff time/effort.

**JP moved, DA seconded, to recommend the Planning and Codes Fees proposal to the Town Council. Unanimously approved.**

5. Tax Acquired Property

JH outlined the Town's Tax Acquired Real Property Policy and described the practice of the Town in the annual cycle of tax foreclosures. Presented historical trends of tax liens, foreclosures and auctioned properties. Reminded the Committee that the goal is not to own property, but to collect taxes, so past practice has been to make every effort to return tax acquired properties to the original owners.

Currently the Town holds 6 tax acquired properties which were foreclosed in February 2019. This number has already been reduced from the 9 properties foreclosed as the original owners have paid, and quit claim deeds have been issued back to those 3 owners. In accordance with Town practice, the Finance Department continues to work with the original owners of the properties for one year after foreclosure. Hopefully by next year all of these properties will have been quit-claimed back to their original owners.

The Town also is working with one property foreclosed in February 2018, and as this is a mobile home and JH feels confident the original owner will pay all obligations by June 30<sup>th</sup>, the property is not being considered for disposition by the Town.

Committee discussed 307 Maine St, which is not tax acquired

6. Tax Increment Financing and TIF Budgets presentation  
JE delivered a PowerPoint presentation which was developed for a budget workshop.  
Began with maps of the Town's five TIF districts:
  - a. Downtown and Transit-Oriented TIF District
  - b. Molnlycke TIF District
  - c. Brunswick Landing and Brunswick Executive Airport TIF Districts
  - d. Cook's Corner TIF District

Included a summary of the Districts' Development Programs, a listing of how TIF revenues have been used in the past 9 years, a graph of the benefits of the 'tax shift' to the Town's budget, and an explanation of the TIF budget in the 2019-20 Municipal Budget.

The Committee discussed each of the TIF Districts. Reviewed the mechanics of establishing TIF Districts, how Credit Enhancement Agreements work, how the Development Programs dictate the allowable spending of TIF revenues, and how TIF Districts 'shelter' property value from the State Valuation to create a benefit in the formulas for State Aid to Education, Revenue Sharing and the County Tax.

7. Adjourn  
**JP moved to adjourn, DA seconded, unanimously approved.**