



CITY OF DOVER

CITY COUNCIL - MINUTES

Meeting Type: **Workshop Session**
Meeting Location: **Media Access Center, McConnell Center**
Meeting Date: **Wednesday, July 18, 2012**
Meeting Time: **7:00 pm**

1. CALL TO ORDER

2. MOMENT OF SILENCE

3. PLEDGE OF ALLEGIANCE

Councilor Crago led the Pledge of Allegiance.

4. ROLL CALL ATTENDANCE

Present: Mayor Trefethen, Deputy Mayor Carrier, Councilor Cheney, Councilor Crago, Councilor Garrison, Councilor Hooper, Councilor Spuler, Councilor Weeden, and Councilor Weston.

Also Present: City Manager Joyal, General Legal Counselor Krans, and City Clerk Lavertu.

5. TOPICS OF DISCUSSION

A. DOWNTOWN INFILL DEVELOPMENT PLAN

City Manager Joyal introduced Bill Simons, the City's Parking Manager, and said he will be giving the Council a presentation on the Downtown Infill Development Plan.

Mr. Simons gave a PowerPoint presentation to the Council.

Planning Director Parker explained the proposed development plans to the Council.

Mr. Simons continued his presentation with the financial aspects and the Council's role.

Councilor Weeden spoke about the economy and asked if the proposed buildings will be empty.

Mr. Simons said that was a possibility, but with a development plan the City will get the income either way.

Economic Development Director Barufaldi explained the economic development of Dover, saying Dover has the momentum to grow. He said if something wasn't done about the parking problem in Dover it will be too late.

Councilor Weeden asked about the timeline and if the City would be selling on the low end.

Mr. Simons said it was along the same timeline as the Waterfront Development project and they could anticipate more on the high end, but the low end will still cover costs.

Councilor Weeden spoke about the costs to build the parking garage and said he felt it was high.

Mr. Simons said he included all costs over the 20 year period, not just the cost to build it.

Councilor Weeden referred to the parking space deficit for the first two years, and asked Mr. Simons if he anticipates there won't be interest in the buildings until the parking garage is built.

Mr. Simons spoke about angle parking eliminating the deficit parking on Third Street. He said he doesn't see displacement issues until they develop the Orchard Street parking lot. He said they are evaluating this problem and have alternatives.

Councilor Hooper referred to the TIF district and asked if it remains that way forever.



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Mr. Simons said once the bonds are paid off all the taxes will go to the City, and all maintenance would transfer to the parking entity.

Councilor Crago asked Mr. Simons and Mr. Parker where things could go wrong.

Mr. Simons said the biggest challenge would be the money coming in from the development does not arrive when the City's bills are due. He said protection agreements would have to be added into the development agreements.

Director Parker agreed with Mr. Simons that the biggest concern is the failure to complete the development, and if the building is not completed in the timeline the City will receive a payment in lieu of taxes.

General Legal Councilor Krans gave an overview of the legal issues. He said the product is staggered. He said they will monitor economic development. He said they will evaluate the developers that come to the City and the quality of their projects.

Councilor Weston said she was concerned about the displacement of parking spots on Orchard Street.

Mr. Simons said the plan is to build the garage before the Orchard Street lot is developed.

Councilor Weston asked about a surety bond from the developer.

Director Parker said a surety bond would be required.

Councilor Weston asked about impact fees and if it would go to the TIF district.

Director Parker said impact fees would not go to the TIF district, but directly to the impact fee account.

Councilor Weston spoke about her research on TIF district, which was positive. She asked about the TIF lifespan, and the possibility to expand it or extend it.

Mr. Simons said the Council has the control and the timeline can be written in. He said he felt the timeline was 23 to 24 years, including 3 to 4 years to prep and 20 years to pay the bond.

Councilor Weston asked if everything was going into this project, or will a portion go to the City.

Mr. Simons said he expected everything was going into this project for at least the first decade, because they need the cash flow. He said it could be reviewed every year if the Council wishes.

Councilor Cheney asked if these lots were sold.

Mr. Simons said parts of the lots will be sold.

Councilor Cheney asked about the valuation ratio of the parking lots to the City's total valuation ratio, and the State limit.

Finance Director Lynch said it would fall way below the 8% State limit for a TIF district.

Councilor Cheney asked about the life expectancy of the parking garage.

Mr. Simons said the average life expectancy is 50 years.

Councilor Cheney asked if the City could be taking money from the Community Development Building Grant (CDBG) funds.

City Manager Joyal said the City would take advantage of using any qualifying grants. He explained the process of using CDBG funds to the Council.

Councilor Cheney said she had a problem that none of the money will go to the community.

Mr. Simons said this is new money for the City, because the property isn't earning any money at this time.

Councilor Cheney said her confidence level is not high.



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Mr. Simons said that will be his job to get it done correctly.

Councilor Weeded asked to have the Citizen's Forum before the Council has a consensus vote.

Councilor Spuler asked what has been perceived to develop this land without the TIF district in place.

City Manager Joyal said the Council had a workshop with a developer's plan. He said this plan will support the parking garage.

Director Parker said doing it this way takes the development of the garage off the developer.

Councilor Spuler asked about the amount of the bond; \$14.1 million.

Mr. Simons said the bond itself will be \$8.5 million, with the other funds covering operations and paying off the bond.

Councilor Spuler said the cost of each parking spot is roughly \$100,000.

Mr. Simons said that was correct, but didn't include the income from renting those spaces.

Councilor Crago started a discussion about using the parking meter funds for other purposes.

Mr. Simons said his projections are based on still receiving the parking meter funds.

Councilor Weston started a discussion regarding using the capital reserve funds for other purposes, using the sidewalk plowing as an example. She was concerned that it wasn't really protected.

Mr. Simons said the capital reserve funds will have to be directed to pay off the bond.

Councilor Cheney said they're talking about \$14 million with no return to the City.

Mayor Trefethen spoke about problem with TIF in other communities; expanding the size of the TIF district and spending the money before the City actually had the money. He said that is not the plan for Dover. He said the decision being made by the Council is whether they wanted to continue with gathering more information about doing this. His concern was the influx of new buildings all at the same time and the ability to have them filled and not have them empty.

Councilor Weston asked if the City was looking to expand the TIF district.

Mr. Simons said they were not. They were just trying to pay the bill for a parking garage.

City Manager Joyal said they were only targeting non-taxed properties that are publicly owned.

Councilor Weston said she is anxious to see a real plan, and what they have seen tonight is a good starting point.

Councilor Garrison said he is in favor of moving to the next step.

Councilor Hooper said she supported moving to the next step.

Councilor Crago said he supported moving to the next step.

Mayor Trefethen asked the General Legal Counselor if it was possible to have the language that future Councils could not expand the boundaries or goals of this TIF district.

General Legal Counselor Krans said yes, they could.



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Mayor Trefethen asked for direction of the Council to have the Citizen's Forum at this point only on the Downtown Infill Development Plan.

David Montenegro, 55 Union Street: He spoke against the Downtown Infill Development Plan.

Donald Medbery, 3 Covered Bridge Lane: He spoke against the Downtown Infill Development Plan.

Mayor Trefethen, seeing no one else wishing to speak, closed the Citizen's Forum.

Mayor Trefethen asked for a show of hands from the Council if they wish to have the City Manager and his staff pursue this further.

In favor: 8. Opposed: 1, (Councilor Cheney)

B. MANAGEMENT BEST PRACTICES PRINCIPLES – CITY MANAGER PRESENTATION

City Manager Joyal gave a presentation to the Council regarding the Management Best Practices Principles.

Mayor Trefethen started a discussion regarding benchmarking, taking statistics and setting goals and getting the results.

City Manager Joyal said they use objectives constantly throughout the departments within the organization. He said they don't really show this outside the organization with charts and reports because it would take a considerable amount of resources to generate that information. Mayor Trefethen started a discussion balanced scorecards and setting goals.

Councilor Weeden moved to suspend the rules to continue past 10:30 pm; seconded by Councilor Cheney.

Roll Call Vote: 9/0.

Councilor Crago continued the discussion.

Councilor Weeden said he didn't care if a department received an award. He wanted to make sure the revenue the City received was used for its best purpose.

6. CITIZEN'S FORUM

Citizens are invited to speak on the subject matter of the Workshop. Statements shall be limited to five minutes.

David Montenegro, 55 Union Street: He spoke about perception and the need to verify reality with facts. He said the City needed transparency.

Mayor Trefethen, seeing no one else wishing to speak, closed the Citizen's Forum.



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7. ADJOURNMENT

Deputy Mayor Carrier moved to adjourn; seconded by Councilor Weston.
Vote: 9/0.

Mr. Simons' Parking Lot In-fill Initiative presentation has been archived with the minutes.