

**TOWN OF FARMINGTON  
PLANNING BOARD MEETING  
Tuesday, November 4, 2014  
356 Main Street, Farmington, NH**

**Board Members Present:** Paul Parker, Charles Doke, Glen Demers, Martin Laferte

**Selectmen's Representative:** Charlie King

**Board Members Absent/Excused:** David Kestner

**Town Staff Present:** Director of Planning and Community Development Kathy Menici, Department Secretary Bette Anne Gallagher, Recording Secretary Kathleen Magoon

**EDC Board Members Present:** Gail Ellis-Young, Joan Funk, Martin Laferte, Elaine Aylard, Denise Roy Palmer

**Public Present:** None

- **Pledge of Allegiance**

**At 6:06 pm Chairman Parker called the meeting to order and all present stood for the Pledge of Allegiance.**

- **Information session regarding a proposed Route 11-Route 153 Tax Increment Finance District, including a question and answer period.**

The Chairman welcomed all the Economic Development Committee members to the first joint meeting between the Boards and asked all the members to introduce themselves.

Chairman Parker said that in past years the Planning Board has looked for innovative ways to develop the Route 11 / Route 153 area. He said that last year the Town received a grant that enabled the hiring of Jack Mettee & Associates for TIF consultation. The Chairman explained that Mr. Mettee guided the Board through many discussions of the pros and cons of creating a TIF district. The Board saw the benefits to the Town and developed the warrant articles that were eventually presented to the Board of Selectmen. However, although the Board hoped to see the Warrant articles pass at the 2014 March meeting, for a number of reasons the warrant article failed. Since then the Board has been fully committed to bringing the TIF district back to the Selectmen. Chairman Parker said the Board members are extremely pleased to see the EDC interested in helping the Board to follow up and further develop the TIF presentation. He added that TIF can be the first step to bringing economic stability and jobs to Farmington.

Gail Ellis-Young, Chairman of the EDC, thanked the Planning Board for including them. She said that Denise Roy-Palmer had quite a while ago brought up the benefits of TIF and the EDC is hoping to obtain a better understanding from the Planning Board.

Joan Funk asked if the PB thought there was enough information available to re-educate the citizens so they can understand the benefits. Chairman Parker said he believed there was and that part of the problem at Town meeting last March was the weather related postponement as well as the position of the Warrant articles toward the end of the meeting. The Chairman said questions that the Selectmen and the public may have must be answered so that everyone is able to clearly understand the concept, process and the benefits surrounding the creation of the TIF district.

Chairman Parker turned the discussion over to Planner Menici. The Planner said she would expand on the points made by the Chairman.

She said the Town was fortunate enough to receive two grants from New Hampshire Housing and Finance Authority through HUD. She said the grants were intended to help communities look at what they felt were the basic needs of their community and the use of innovative processes when needs were identified.

In the first grant round the Town worked with Jeff Taylor and Associates. They looked at the Master Plan, the Zoning Ordinances, Subdivision and Site Plan Regulations and identified conflicts that existed. It was pointed out that one of the things the Master Plan identified as a significant goal was economic development in the community as a means of easing the tax burden on property owners but that nothing had been done to support this.

Taylor and Associates recommended changes to the Zoning Ordinance and the Regulations that were relatively minor. Planner Menici said the Board has revised the subdivision regulations, and made some amendments to the Zoning Ordinance based on recommendations from the first grant round. There were some revisions made to the site plan review regulations that were basically interim measures and the Board is currently working on a full revision by reviewing the document as a whole.

They also went through the goals and objectives in the Master Plan pointing out that many had been accomplished and identified goals that were still to be met. These included the creation of a TIF district as laid out in the Master Plan. One of the recommendations to accomplish this goal was the creation of a TIF district to extend Town sewer so that different types of businesses could be supported.

After the completion of Round 1 the Planning Board decided to move forward with the creation of a TIF district. Planner Menici obtained authorization from the Selectmen to apply for grant funds in Round 2 for the purpose of hiring a consultant to look at the intersection of Routes 11 and 153 as well as other areas and make a recommendation as to the areas appropriate to support a TIF district and how to form it.

After the publishing of the RFQ and conducting interview of the two consultants who submitted, Jack Mettee & Associates was hired. The Board worked with the Mettee group for about ten or eleven months. There were a lot of components involved such as reviewing existing zoning, environmental constraints such as wetlands and existing conditions which took into account the areas along Route 11 that had been gravel sites. Eventually the areas identified as potential development sites were the intersections of Central and Route 11, Tappan and Route 11 in both directions and Route 11 and Route 153. The consultant recommended the intersection of Routes 11 and 153 since this is the gateway into Town and has large parcels of undeveloped land.

Part of the process was engaging the public through presentations at group meetings and the distribution of information at public places such as the Transfer Station and events such as Hay Day.

Planner Menici said that the consultant produced an informational flyer that summarized not the process but the concerns and what led the consultant to the recommendations made. Initially the project was looked at as a whole and how it would be accomplished as one piece but it was decided it was not feasible to develop the entire area as one piece because that would require higher bonding than anyone was comfortable with so it was decided to develop in two phases. Developing in phases would maximize the grant funding available.

The critical area for development is the intersection of Routes 11 and 153 since this is the area where demand is concentrated based upon the calls received from those interested in establishing new businesses or expanding existing businesses. This area – from the existing water treatment facility out onto Route 153 and up to Route 11 – would require the installation of a single pumping station and interest indicated this should be the area in which to start.

The next question was when to start the extension of sewer to that area when to take on bonding. The consultant pointed out that once the Town identified the TIF district and the voters approved it, funds would start to accrue into the TIF account.

Joan Funk asked if the account increases prior to development. Planner Menici explained that it does and one of the steps is that when the area is identified, the Town's assessor will set a value and tax amount for each of the properties in the TIF district and subsequently any increase in taxes goes into the TIF account. The tax rate remains the same as the rest of the community and any increase would be the result of increasing value or development. The Planner emphasized that the TIF district alone does not increase taxes.

Charles Doke added that the money in the TIF fund provides extra funding to help finance the infrastructure for the TIF district without the Town using money from the general fund.

Planner Menici used the example of a 10 acre undeveloped parcel that is worth \$100,000.00 and is paying \$2,000.00 in taxes. She said as the economy improves that parcel may be worth \$150,000.00 and would be paying \$3,000.00 in taxes. The increase of \$1,000.00 would go into the TIF account but the previously established base tax of \$2,000.00 goes into the general fund.

The Planner used another example of an established business in Sarah Greenfield that expanded and doubled the size of their building. She said if there had been a TIF district in place prior to the expansion then the additional tax amount due to the added value through physical expansion would have gone into the TIF account. Put in monetary terms, if the taxes prior to expansion were \$4,000.00 and after expansion are \$6,000.00 then \$2,000.00 goes into the TIF account and the general fund continues to receive the \$4,000.00 it did before the area was declared to be a TIF district.

Chairman Ellis-Young asked how long the TIF district lasts. Planner Menici said that this is a three step process (3 warrant articles) with the first article authorizing the creation of the TIF district. Then the next step through the second article approves the development program that identifies different methods of funding and that the Selectmen must appoint an Advisory Board to oversee the finances and that the TIF district follows all goals and objectives. The third component is the finance and revenue plan itself and that identifies the initial value of all parcels in the TIF district and identifies the cost of bringing infrastructure into the district. The important first step is saying yes to the TIF district. The Planner added that maybe the voters don't yet agree on the development program or are ready to accept the financing plan but once they say yes and are okay with the boundaries then any incremental tax increase goes into the TIF account.

The Planner clarified that bond payments would come out of the TIF account. She also said that some towns approve the TIF district and start improvements immediately and that working with the consultant all agreed that would be risky. Joan Funk said that it was good business to let the funds accumulate. Charles Doke said it was also important to have interest from a developer prior to expansion of the sewer.

Planner Menici said that in April and May of this year subsequent to Town meeting she received calls because newspaper articles had detailed that Farmington was considering a TIF district. She said one was an existing business renting in Rochester that was thinking of constructing a 40,000 square foot building with approximately 100 employees but they needed sewer. There were three retail businesses and one looking to return to Farmington from Dover but all needed sewer. She explained that a developer wants to maximize the use of a parcel and does not want to commit a part of it to private septic.

Chairman Parker said one of the concerns from the Selectmen was the impact the increase in usage would have on the water treatment plant. Planner Menici said it had been determined that although there would be an effect it would not be drastic. She said the plant had been updated and there was excess capacity and after looking into it, Dale Sprague had been comfortable that the plant had adequate capacity to support the expansion as well as increases in the downtown area. The Planner said she would re-confirm this with Mr. Sprague.

Chairman Ellis-Young asked how the increased taxes would buy down the tax rate. The Planner said it would not happen right away. She said the expansion of sewer out to commercial properties on Route 11 would make that area more attractive to developers but there would be a period of time where there would not be a positive impact on the tax rate because of the bonding component but that once the bonds are paid all of the tax money would go into the general fund. Chairman Parker added that once the bonds are paid the TIF district is done.

Planner Menici said that one of the things folks were concerned about was that once the TIF bonding is paid then the Town would do something else. She said that cannot be done as there would be a very specific development plan and when the bonding is paid off the TIF district ceases to exist.

Chairman Parker said if the Town wanted to do another TIF district it would have to start all over again. Planner Menici agreed and said that something new could not be brought into the same district. That would be a completely new process.

Joan Funk asked if the TIF district stays in effect until the bond is paid off or until all parcels are occupied. Planner Menici said only until the bond is paid and that the development plan spells out what can be done and the only way to change the plan is to go back to the voters at Town meeting.

Planner Menici said the typical length of time for a bond is 20 years but that looking at the numbers run by Jack Mettee and herself as well as the history of property values and incremental increases in value it appeared the length of time probably would be less although it could be the full 20 years.

Joan Funk said owners would have to realize their taxes may go up if value goes up. Chairman Young said that would be true whether there is a TIF district or not and the difference is just where the funds are allocated.

The Planner said the important thing this year is to get the voters to approve a TIF district and the boundaries so it can be established and money can start going into the fund even if they are not ready to okay the development program and the financing proposed. She said if it had been approved last March there might already be about \$4,000.00 in the account.

Planner Menici said the EDC and PB need to strategize about how to get the community to approve the TIF district and maybe the development program and take the financing piece off for this year. She stated she believed the economy was coming into a cycle that will mean increasing values.

Joan Funk said one of the things she heard was that if a TIF district was approved then the property values within it would go up and the owners would pay more taxes. She said that the boards must inform residents that was not true and that their values would increase only if everyone's increased and has nothing to do with TIF.

Elaine Aylard clarified that the process would be to first approve the district boundaries, then the plan and finally the financing. She said that if money accrues into the TIF account and the remaining two steps are never approved then any money would go into the general fund and nothing is lost.

Further discussion brought out that it would take up to three years to fully implement the process if presented as one step at a time and that it could be five or six years before there was sufficient money to support a bond.

The steps to inform the community were discussed. The Planner said that last year visits were made to community groups and high school seniors, flyers were prepared and distributed both during the months prior to Town meeting and were available the day of voting. All agreed these steps should be repeated as well as a rebroadcast of tonight's meeting and perhaps an additional joint meeting.

Planner Menici said a suggestion that the Planning Board have a power point presentation for the Town meeting was made. She checked with Town Counsel who said it could be done with the moderator's approval and that anyone else could also do a presentation.

Planner Menici brought the discussion back to the three components for the process and the three separate Warrant articles and asked whether all three should be brought forward again or should it start with only the first article. Denise Roy-Palmer suggested presenting the first and second steps. The Planner added that it must be clear to the voters that nothing will happen until sufficient money accrues.

All agreed that this is a complicated process and it was not a problem to repeat the steps taken last year to engage the community to provide understanding.

Chairman Ellis-Young asked if there were any administrative fees. Planner Menici was the only fees would be the cost for the Town's assessor to come in annually and reassess the properties in the TIF district. She pointed out that the parcels represented less than four percent of the total and although she did not have a firm figure she anticipated it would not be a lot.

A member asked if the Town could have more than one TIF district. The Planner said it could if the total area did not exceed five percent of the assessed value of the community as stipulated by State law.

Next the members discussed the time line for getting the TIF district on the Warrant. The Planner said she did not have the calendar for the exact date but that it should be in January. Planner Menici added that she hopes the result of this joint meeting is that both boards agree on the value to the Town of a TIF district and present a joint request to the Selectmen to put it on the Warrant in March. All agreed.

The Planner said if the joint effort is successful and it is put on the warrant then it was critical that all members attend Town meeting to support the TIF district. Elaine Aylard said they needed to keep pounding at it to be successful. She said it appeared that people did not fully understand but that the vote last March was close. The lack of understanding and financial fear both entered into the defeat. The Planner said she met with Town Administrator Trefethen after the meeting and they discussed that there were a number of things that played into it including the position at the end of the Warrant.

Mrs. Aylard said they should establish a plan to visit community groups and keep providing information as well as more articles in Fosters. She said if the TIF is approved everyone can watch Farmington grow.

The EDC members agreed they were very pleased with tonight's meeting.

Chairman Parker asked the PB members for final comments.

Charles Doke said the Board saw that in order for growth to happen in Town the infrastructure had to be addressed. That is why the Board was trying to be prepared with a game plan when development arrives. It doesn't mean spending money right away but the Town needs to be ready. He said there will be other members on the Board as this moves forward but the TIF will be in place.

Chairman Parker said good things came out of this meeting and he would like to reinforce two points: one is that the funding will come out of the TIF district not the general fund and the second is that when the bond is satisfied the TIF district ends. He said one of the comments he had heard is that those in the TIF district could obtain a different loan than others could and that was not true.

Planner Menici said that TIF is a financing tool to bring public improvements into an area where a Town wanted to encourage economic development such as sewer, water and sidewalks and had absolutely nothing to do with buildings. She said the one thing everyone should take away tonight and bring back to the community is the importance of getting residents behind the program so the TIF district can be established.

Denise Roy-Palmer said they should present two Warrant articles – here is the area and here is the plan. The Planner said a finance plan can be drafted to show what will take place later when there is money available. Joan Funk said it should be emphasized that no tax dollars will be involved.

Mrs. Funk touched on the revitalization for downtown that was passed in March and said she was not sure how much of that information had been absorbed by those that could benefit. The Planner said a mailing should be done to those affected. Mrs. Roy-Palmer agreed but said it should be after the March meeting since the primary focus right now should be the two Warrant articles for the TIF district.

The members of both boards discussed the next steps:

- Bring the BOS on board and share this information with the Budget Committee
- Revisit the handout and make certain it is clear and not overwhelming
- Focus on tonight's discussion
- Provide enough information for voters to understand
- Check with Kathy Seaver for submission dates for Warrant articles
- After adjournment of the joint meeting both the EDC and the PB should appoint representatives to attend meetings and speak on behalf of their Board
- Bring other groups in and keep up to date

*Martin Laferte motioned to adjourn the joint meeting at 7:25 pm; 2<sup>nd</sup> Charles Doke. Motion carried with all in favor.*

### PLANNING BOARD MEETING

At 7:37 pm Chairman Parker called the meeting to order.

#### BUSINESS BEFORE THE BOARD:

- **Review and approve Meeting Minutes of October 21, 2014**

*Martin Laferte motioned to approve the minutes of October 21, 2014 as written; 2<sup>nd</sup> Charles Doke. Motion carried with all in favor.*

- **Zoning amendment discussions: Manufactured housing zoning districts; correct *Manufactured Housing Standards* section; delete child care as a home business and home occupation; minor site plan review committee members**

Chairman Parker said since there were two members missing they should just review the memo and continue any action to another meeting. Planner Menici said the amendments are very minor in nature and are pretty much housekeeping items to resolve conflicts with State Statutes and other Town regulations.

The Planner said that right now the Manufactured Housing Standards require a full foundation or a 4-foot frost wall. However she received a letter informing her that this is not something that can be required and even though it was on the Warrant last March and approved it cannot be enforced. So, she is recommending that language be deleted.

The members discussed this briefly.

*Glen Demers motioned to delete the section of the *Manufactured Housing Standards* that is not in compliance with State Statute; 2<sup>nd</sup> Charles Doke. Motion carried with all in favor.*

Planner Menici will prepare the amendment and send to Town Counsel for review.

The Chairman said he would like to postpone the discussion on child care to the next meeting.

Planner Menici gave a brief overview stating that since 2000 child day care has been considered an accessory to residential uses. She said child day care family with six or fewer children has been permitted in all districts except with review in Commercial Business and Industrial Business. Child day care family group up to twelve children has been permitted with review in all districts.

In 2009 the Town had an interim planner who worked on the home occupation and home business ordinance basing his proposal on a draft ordinance he had developed for another town. The Planning Board adopted a home occupation and home business ordinance that reduced what was already permitted.

The members discussed this and the Chairman said his concern is based upon distance from Town center. Planner Menici said the Board should keep in mind that under State licensing requirements providers must be certified in first aid and CPR adding that the requirements with regard to life safety are extensive.

Martin Laferte said he would like to see this put off until the next meeting so he can really understand it since he was unclear about the number of children allowed.

Planner Menici said the conflict between the Zoning Ordinance and the Table of Permitted Uses should have been caught by the interim planner but it was not and the recent application brought it to the Board's attention so the conflict must now be fixed. She said the language related to child care should be taken out and they should go with the Table and the definitions since the Board adopted the State definition and the Table reflects that.

The Planner said the members should look at the Zoning Ordinance, the definitions and the Table in order to understand the conflicts and she felt this discussion should be continued until all members have the Zoning Ordinance in front of them.

***Paul Parker motioned to continue the discussion on the conflict regarding Child Day Care until the next Meeting; 2<sup>nd</sup> Charles Doke. Motion carried with all in favor.***

Planner Menici said a member questioned the number of districts in which manufactured housing is allowed. She checked State Statute and they have to be permitted in most but not all. Presently they are permitted in four districts out of seven so that cannot be reduced further.

The Planner said that the makeup of the site plan review committee was brought up at an earlier meeting. She said that the Planning Director and the Code Enforcement Officer are a committee of two and if there is a tie vote then the application is denied and the applicant has to come to the full Board to appeal. She reviewed that if one member is not available as happened this summer due to jury duty then the application is delayed. Both she and the CEO would like to add another member and agree that the Fire Chief would be a good addition to committee.

The members discussed this. Martin Laferte stated his agreement with the suggestion. Chairman Parker said the Fire Chief and the Town Administrator should agree with adding the additional job requirements. The Planner said it was not a huge commitment but she would ask. The Chairman said if the two present members were unable to agree then he thought the application should come to the Board.

After some additional discussion Charles Doke said they were getting too far off the track and that it is a simple idea to have three people so that if one has to be gone the hearing can be held. Glen Demers said three is better and that not everything needed to come to the full Board.

Planner Menici said that when there have been code enforcement issues the application has been referred to the full Board but if there was a third member then it could have gone forward and still protect the integrity of any action for violation in which the CEO might be involved. She reminded the Board that any applicant can appeal to the full Board.

*Martin Laferte motioned to continue the discussion on the number of members in the Minor Site Plan Review Committee to the next Meeting; 2<sup>nd</sup> Charles Doke. Motion carried with all in favor.*

- **Any other business to come before the Board**

None

*At 8:06 pm Martin Laferte motioned to adjourn the meeting; 2<sup>nd</sup> Glen Demers. Motion carried with all in favor.*

Respectfully submitted,  
Bette Anne Gallagher, Department Secretary

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Chairman, Paul Parker