



To: Dana Gray, Chairperson of the Long Range Planning Committee

From: Paul Schumacher, Executive Director
Chuck Morgan, Economic Development Director
Lee Jay Feldman, Director of Planning

Date: 12/31/2015

Re: Comprehensive Plan/Tax Increment Finance Agreement

**Memorandum of Understanding
Comprehensive Plan Update Services & Tax Increment Finance Amendment
Services**

The following document constitutes the scope of planning services which Southern Maine Planning & Development Commission (SMPDC) will provide to the Town of Hollis in order to develop: (1) an updated and revised Comprehensive Plan (2) a suggested amendment to the current Tax Increment Financing District (TIF) agreement and (3) development of a capital and financial strategy to guide the town in the future. This scope of services reflects your request for assistance, State statutes, regulations, and guidelines for both a Comprehensive Plan and TIF agreement.

Services

We will make every effort to provide all services and products to the Town of Hollis according to the Budget and Work plan, and as outlined below. This assumes timely participation and response by the Hollis Long Range Planning Committee (LRPC) or (any other Committee appointed by the Select Board), Select Board and others as outlined below. SMPDC will not be held responsible for delays accruing from meeting cancellations or postponements by the town. See the attached preliminary schedule outline. The appointed Committee is responsible for supervising and approving work products of SMPDC.

Notice to Proceed

The signing of this memorandum of understanding shall constitute our notice to proceed.

Copies and Mailing for Committee Business

The Town's Committee will be responsible for calling all meetings, preparation and or mailing of meeting agendas, meeting minutes, note taking at meetings, copying and distribution of materials prior to or at meetings, and public notices. Both SMPDC and the Committee will be responsible for providing drafts to the town of updated plan text, both in paper and in electronic form, for the town staff to print out, copy and distribute to the Committee. SMPDC will handle all correspondence, telephone, and email correspondence regarding reviews of work product.

Scope of Services

Vision Statement- SMPDC will kick off the process with several meetings with Committee in order to develop a Vision Statement, and to revisit the current Goals Policies and Strategies to determine which ones are still relevant for the new plan. The town will coordinate these meetings with SMPDC to help in getting public input to the process.

Inventory and analysis -consists of labor and expenses for data collection, tabulation, and analysis in accordance with State statutes, regulations and guidelines. Given that this project creates a new strategic plan, the emphasis on inventory will be to include those items critical to making decisions in the policies, implementation strategies, and future land use plan and capital investments program. We anticipate that data collection and writing of the various sections will be the responsibility of SMPDC with the Committee reviewing our work.

- Population - **SMPDC** will collect and analyze the most available data and projections.
- Existing Land Use – Working with the Committee and others **SMPDC** will develop a generalized existing land use analysis as required, including locations of new housing constructed over the last ten years or number of years that data can be collected by the Code Enforcement Officer.
- Traffic – **SMPDC** will collect and analyze available data on traffic counts, turning movements, and accident rates provided by the MDOT, and provide an inventory that meets the criteria of the Sensible Transportation Policy Act (STPA) as a guide. **Under the Transportation Contract that we have with MDOT, we will provide this section of the plan at no cost to the town.**
- Public Facilities – **SMPDC** will update data utilizing the existing plan, with the assistance of the Committee.

- Fiscal Capacity/Local Economy – This section will require financial information from the Town on historical debt levels and funding levels, and analysis of assessment records. SMPDC will be developing a great deal of the plan around this and a Local Economy section as it relates to the current Tax Increment Financing program and Poland Spring to provide a better understanding to the community what the overall impacts of this program mean financially to the community in years to come. **This portion of the plan will be developed utilizing the TIF budget associated with this agreement.**
- Housing – SMPDC will utilize data from 2010 Census and Community Analyst along with building permit information provided by town staff.
- Natural Resources – Working with the Committee, SMPDC will update this section, incorporating the newest data from Maine Department of Inland fisheries and Wildlife and Beginning with Habitat data.
- Cultural- The Town will review the plan for any missing or outdated materials on this section from your current plan. And provide that information to us for use in the new plan. Much of this section may not require changes as it looks at Historical background, Archeological information etc.

Strategic Plan with Implementation Strategies

The development of the strategic plan itself will be based on the data collected for each one of the coinciding sections as noted above. The intent of these sections is to not only act as the narrative for the plan but also to infuse the document with the goal policy and strategy statement for this issue in a way that the general public can understand.

Goals and Policies – SMPDC and the Committee will utilize the updated inventory and analysis to identify trends within the town and to point out prominent problems, opportunities and issues. New goals and policies will reflect sound planning principles and the renewed vision of the Committee. SMPDC will identify alternative policies and identify the impacts and effects of each. We will compile goals and policies as decided on by the Committee.

Implementation Strategies – SMPDC will research and develop implementation options necessary to carry out the policies endorsed by the Committee. The Committee will choose which options are most suitable and narrative recommendations for the implementation of the map associated with the future zoning based on the current land use patterns.

TIF Amendment- As part of the overall planning process for the community, it is the desire of the town to revisit the current TIF and make suggested amendments to the document that can posture the community in a way to address the current needs and future outlook as the TIF eventually is phased out. The Committee and SMPDC will incorporate the analysis from the process and a potential Capital Improvement plan into the Comprehensive plan revisions so that the new Goals, Policies and

Strategies will provide assistance to the community in making prudent financial decisions in the upcoming years. In order to achieve this, **SMPDC** will:

- Develop materials that provide an overview of the TIF Program, examples of TIF projects/activities in Maine, examples of TIF guidelines and potential TIF activities in Hollis. Materials would be completed in time to be distributed to Committee members prior to all meetings.
- Conduct several meetings to come to consensus on activities, projects and funding to be contained in revised TIF Development Plan.
- SMPDC will obtain legal/accounting professional services to assist in the development of the estimates of available TIF funding, update financials needed for the TIF amendment, including tax shift calculations.
- Legal/accounting professional will also be responsible for completing a financial scenario that will model the future municipal budgetary changes that will occur when the Hollis TIF Program ends.
- Use results of the Committee meetings and information gained through the development of the Comprehensive Plan to prepare draft Hollis TIF amendment that would include a revised TIF Development Plan and corresponding budget.
- Present draft TIF program to the Committee for review, comment and approval. Present TIF program to Town Selectmen and public for review and comment. Present final TIF program to Selectmen and/or Town Meeting for final approval.
- If required, attend public meetings in Hollis to provide background on the TIF program and to present the proposed TIF Amendment.
- Prepare a TIF application amendment that will be submitted by the Town to the Maine Department of Economic and Community Development. SMPDC and legal/accounting professionals will be available to answer any questions that are asked by DECD and to respond to all requests for revisions, updates or additional information asked by DECD.

Meetings-SMPDC plans on attending meetings once a month with the Committee to review the draft Inventory sections of the plan and Goals Policies & Strategies as they are developed.

SMPDC will prepare for and attend two public hearings and two Selectmen's Meetings.

The town has a series of maps that were developed for the 2005 update. SMPDC will make changes to the maps if needed unless there has been no change to the data. SMPDC will also provide Beginning with Habitat maps to the community as part of the final plan, information from that data will be utilized to assist in developing any updates to the Future Land Use map that may be required.

Cost breakdown

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|--|-----------------|
| • Review of Prior Strategies and Vision | \$ 900 |
| • Inventory | \$ 3780 |
| • Strategic Plan | \$ 6750 |
| • Future Land Use Plan | \$ 1800 |
| • Meetings | \$ 2970 |
| • Mapping Coordination | \$ 1800 |
| • TIF documentation | \$18,000 |
| • 10% Contingency | <u>\$ 4,000</u> |
| Total | \$40,000 |

Recognizing the entire dedicated amount for this project is \$40,000 SMPDC has budgeted this project at \$36,000 as noted above with a 10% contingency built in. SMPDC will bill the Town of Hollis on a Monthly basis for work provided based on hourly rate and indirect costs. We propose to bill the community separately for the work conducted under the Comprehensive Plan and the Amendment to the Tax Increment Financing District. Once the billable amount has reached 75%, SMPDC will notify the town of this and a mutual determination will be made if the project can be completed on cost or if additional funds may be required to complete the project.

SIGNATURE PAGE:

Signed:

Printed Name, Title
For Town of Hollis:

Signed:
For SMPDC

Printed Name, Title:

For SMPDC