



**TOWN OF HARTFORD SELECTBOARD & SCHOOL BOARD OF DIRECTORS
PUBLIC HEARINGS FOR PROPOSED CHARTER AMENDMENTS,
TAX INCREMENT FINANCING DISTRICT IMPROVEMENT BOND
& PROPOSED PARKING LOT AND ROADWAYS IMPROVEMENT BOND
MINUTES**

Thursday, February 2, 2017 at 6:00 pm
Hartford Town Hall
171 Bridge Street
White River Junction, Vermont 05001

<http://catv.cablecast.tv/Cablecast/public-site/index.html#/show/5879?channel=1>

Present: Selectboard Chair, Richard Grassi; Selectboard Vice-Chair, Rebecca White; Selectboard Clerk, Sandra Mariotti; Selectboard Member, Simon Dennis; Selectboard Member; Dennis Brown; Selectboard Member, Alan Johnson; Selectboard Member, Mike Morris; Town Manager, Leo Pullar; School Board of Director Acting Chair, Peter Merrill, School Board of Directors Member, Nancy Russell, School Superintendent, Thomas DeBalsi; Assistant Superintendent, Noel Bryant; Director of Finance (School), Jim Vezina; Eliza LeBrun, Administrative Assistant; Assistant Director of Public Works, Everett Hammond; Director of Planning & Zoning, Lori Hirshfield; Dawn Pullar; Skip Nalette; Gayle Ottmann; Ellen Thorburn; Russ North;

Absent: School Board of Directors Chair, Lori Dickerson; School Board of Directors Clerk, Paula Nulty; School Board of Directors Member, Kevin Christie.

I. Call to Order Public Hearing for Proposed Charter Amendments

Selectboard Chair, Richard Grassi called the Selectboard Public Hearing for the Proposed Charter amendments to order at 6:02pm.

School Board of Directors Acting Chair, Peter Merrill called the School Board Public Hearing for the Proposed Charter amendments to order at 6:02pm.

Selectboard Member, Mike Morris led the Pledge of Allegiance.

Selectboard Chair, Richard Grassi reminded everyone that there will be second Public Hearings on Saturday March 4, 2017 at 10am in the Hartford High School Gymnasium.

II. Proposed Charter Amendments

The proposed amendments to the Hartford Town Charter are summarized as follows:

§ 123A-103. Particular powers - Matters subject to regulation and ordinances.

§ 123A-201. Town Meeting – Provides for the call and conduct of pre-town meeting, annual town meeting and floor meeting.

§ 123A-202. Elected officers – Provides for the election of Town officers and their compensation.

§ 123A-203. Duties of elected officers – Provides for the appointment of a Town Clerk, Town Assessor and Trustees of Public Funds.

§123A-302. Duties of appointed officers; Town Manager – Enumerates the duties of the Town Manager.

Selectboard Member, Simon Dennis presented the Proposed Charter Amendments. Mr. Dennis opened by explaining that a Town Charter is an optional body of laws which Vermont towns may adopt. A Town Charters must be ratified by the Vermont State Legislature before they can take effect. Town Charters apply to only municipal and school governance, when State Statute and the Charter differ the Charter becomes the governing law.

Hartford voted to adopt the original Charter in 2009. Subsequent Charter review has involved the 2nd and 3rd Hartford Charter Commissions. The 4th Charter Commission consisted of seven members including, Mr. Dennis, Ms. Nancy Russell, F.X. Finn, Scott Johnson, Eric Michaels, Russell North and Gayle Ottmann. This Commission is proposing six amendments to the Hartford Charter.

1. To eliminate the Floor Meeting after the election and move this discussion to the “Town and School Meeting Day” on the Saturday before the Election. *This will help to streamline town meeting cycle.*
2. “All public matters” would be decided by Australian Ballot. *Australian Ballot makes voting more accessible.*
3. The Town Clerk would be appointed by the Selectboard rather than elected via Australian Ballot. *This change will build greater accountability and increase the likelihood of hiring the most qualified applicant.*
4. To eliminate the Office of the Town Listers. *Property appraisal is more effectively accomplished by contracted services. Listers have not been doing property appraisals since 2008.*
5. The Trustees of Public Funds would go from being elected to appointed by the Selectboard. *These positions are viewed as outdated. The Town has not been able to fill these positions in recent years.*
6. Three rather than two affirmative votes would be needed to pass a motion of the Selectboard. *It was viewed that two votes was too few to properly justify a Selectboard action.*

In order to move towards a more efficient and up to date functioning of our town and school government, the Hartford School Board and Selectboard ask for your support for these six Charter amendments. Please note in the text of the Charter, underlined words are added or new, and brackets are for words to be removed.

White River Junction resident, Ellen Thorburn pointed out that she remembers a gentleman measuring around her neighborhood in November and now understands that they must return, she noted that if the Town was paying for these services, why was the work not completed? Mr. Pullar, Town Manager, clarified that the cost of the appraisal firm includes multiple visits, and the number of visits will not change the price.

School Board Acting Chair, Peter Merrill thanked the Charter Committee for their work on these amendments.

The 4th Charter Committee members confirmed that all money voting except that of the compensation for elected officials, would be moved to Tuesday’s Australian Ballot.

III. Close Public Hearing for Proposed Charter Amendments (Mot. Req.)

Selectboard Vice Chair, Rebecca White made a motion to close the Selectboard Public Hearing for the Proposed Charter amendments at 6:31pm. Selectboard Clerk, Sandra Mariotti seconded the motion.

IV. The School Board meeting will immediately recess and be held following the conclusion of the Town Public Hearing. (Mot. Req.) Not a Necessary Motion.

School Board of Directors Acting Chair, Peter Merrill moved to recess the School Board until later discussion on the Parking Lot Bond. School Board of Directors Member, Nancy Russell seconded the motion.

I. Call to Order Public Hearing Tax Increment Financing District Improvement Bond

Selectboard Chair, Richard Grassi called Selectboard Public Hearing for the Tax Increment Financing District Improvement Bond to order at 6:33pm.

II. Proposed Tax Increment Financing District Improvement Bond

Shall the Selectboard be authorized to pledge the credit of the Town of Hartford through the issuance of general obligation bonds or notes in an aggregate amount not to exceed \$1,926,000, for the purpose of funding the engineering and/or construction of public sidewalk, road, streetscape, water, stormwater, sanitary sewer, and South Main Street retaining wall improvements within the Hartford White River Junction Tax Increment Financing District, and for paying or reimbursing eligible related costs, advances, interfund loans and third party public infrastructure costs, and to pledge and appropriate the District’s tax increment in the amount of \$1,926,000 plus allowable interest and fees for the payment of such bonds and notes and for making such payments and reimbursements?

The legal voters of the Town are notified that, of the \$1,800,000 of tax increment secured obligations authorized on March 4, 2014 and March 1, 2016, to date, \$900,000 of the tax increment has been pledged, as evidenced by the Town's July 1, 2014 \$900,000 Tax Increment Financing District Improvement Bond.

Selectboard Vice Chair, Becca White presented the Tax Increment Financing District Improvement Bond. Tax Increment Financing is a way for the Town to stimulate private investment in downtown White River Junction, and generate new local and state tax revenue. New public infrastructure is needed for that private development to occur. The Town uses 75% of the new Town and state property taxes generated from the new private development in an approved TIF District to finance, over time, the cost of the public infrastructure. TIF is a tool for private development to shoulder the expense of the new public infrastructure costs. Leverages new state property tax revenue for the Town that would not be available otherwise.

Hartford's Downtown White River Junction TIF District was approved in 2011 based on the Town's plan for \$12.9 million of public infrastructure improvements needed for the anticipated redevelopment of Downtown White River Junction. White River Junction is 1 of 8 approved TIF Districts in the state. Once the State signs off on the TIF District, the Town's voters approve the District and set a borrowing ceiling. This was done by Australian Ballot in 2012, with a borrowing ceiling of \$12.9 million.

As Town infrastructure projects are ready to be completed along with new private development: Hartford Selectboard authorizes specific projects and the financing mechanisms to be put on the Warrant for voter approval. Funding can be through a voter approved bond or other voter approved financing mechanisms. The Vermont Economic Progress Council approves specific projects as consistent with the approved Hartford TIF District Plans prior to each Town vote.

In 2014 voters approved a \$900,000 bond for the first TIF project – reconstruct and realign Prospect Street, including utilities, pedestrian walkways, lighting and landscaping. That project is completed and 2 new office buildings are completed, generating new TIF tax revenue to pay the bond note.

In 2016 voters approved \$700,000 for engineering, permitting and construction of stormwater and wastewater improvements on North Main Street, down Church Street and across to Currier Street, to address stormwater system capacity and stormwater/wastewater separation. Project is in design. In 2016 voters also approved \$200,000 for the reconstruction/resurfacing, striping and lighting improvements to the Town parking lot behind the former Legion Building that serves businesses, residents and visitors in the downtown. Project scheduled for 2017 construction.

If TIF revenue received is insufficient to pay the principal and interest on the TIF debt in any year, for whatever reason, including a decrease in property value or repeal of the education property tax source, unless determined otherwise at the time of such repeal, the Town is liable for the full payment of the principal and interest for the term of debt. Therefore, the Selectboard has been very conservative in not overextending the Town's obligations beyond new tax revenue anticipated from new development in the TIF District that is completed, under construction or fully permitted, and will generate new tax revenue to pay for the cost of the new infrastructure. Extension of Currier Street from Gates Street to Town parking lot (behind former Legion Building) to South Main Street. Sidewalk, curbing, streetlights & street trees along North Main Street, from Bridge Street to Joe Reed Drive. Design & engineering of water line, Gates Street from South Main Street to Church Street; North Main Street from Bridge Street to Joe Reed Drive; South Main Street from Joe Reed Drive to Nutt Lane. Design & engineering of stormwater, sewer line, road, retaining wall and sidewalk on South Main Street, between Joe Reed Drive and Nutt Lane. Underdeveloped Town Right-of-Way and access to adjacent properties, Town Parking Lot from Gates Street through South Main Street. Identified in TIF Plan as public infrastructure to support redevelopment of properties in this area Involves relocation of portion of Town Right-of Way (R-O-W) given steep grade of section of existing R-O-W. Supports redevelopment of vacant lot, housing, vehicular and pedestrian circulation and accessibility and streetscape improvements. Engineer's Cost Estimate – \$1, construction of road, including sidewalk, streetlights, waterline, wastewater lines, utility undergrounding, R-O-W access, and related costs. Currier Street Extension Road Plan Supports redevelopment of vacant lot, affordable housing, pedestrian accessibility and streetscape improvements (27 North Main Street). Identified in TIF Plan as public infrastructure to support redevelopment of properties along Bridge Street and North and South Main Street. Contractor's Cost Estimate - \$26,000 Construction of sidewalk,

landscaping, street trees, streetlights, electrical and related costs. N. Main St- Bridge St - Joe Reed Dr; S. Main St - Joe Reed Dr - Nutt Lane. Water Mains Engineering work required to evaluate conditions and develop recommendations for improvements. 2017 TIF project only to undertake engineering work. Need to replace 100-year old cast iron 8” water main and 30 +/- year old 8” ductile to improve service, water quality and fire flows. Supports redevelopment of properties along Gates Street, and North Main and South Main Streets. Design & Engineering Estimate - \$50,000. Engineering work required to evaluate conditions and develop recommendations for improvements to sewer main, stormwater, road, sidewalk and retaining wall improvements along South Main Street. 2017 TIF project only to undertake engineering work. Supports redevelopment of properties in TIFPlan along South and North Main Streets. Design & Engineering Estimate - sewer, stormwater, road, retaining wall and sidewalk - \$250,000 Sewer Main Relining, Consists of 12” and 15” clay lines suitable for slip lining. Cost effective to do engineering with scheduled camera inspection in summer of 2017.

Stormwater

Limited information on stormwater system particularly for properties abutting railroad. Evaluate stormwater treatment and green infrastructure/Low Impact Design (LID) options.

Road, Retaining Wall and Sidewalk

Approximately 1/4 mile section road needs rehabilitation. Top2 sections of retaining wall on south end of street which is showing lateral displacement and leaning toward the road. Determine structural integrity of road base and retaining wall, grade, and sidewalk alignment and replacement. Total Cost of Proposed Public Improvements = \$1,926,000. 20–year Bond through the Vermont Bond Bank at estimated annual average interest rate of 3.764% (current rate+.5%). Approximately \$180,000 of the Currier Street project is expected to be reimbursement to the developer for engineering, related costs and public infrastructure work in the ROW needing to be completed before the roadworkcould be initiated. Total estimated debt over the life of the bond is estimated at \$2,701,123 including principal, interest and fees. Other infrastructure improvement financing options could include Town interfund loans for direct payment of engineering and legal services, shortfall in bond payments or construction, paid back with future TIF revenue. Such options, along with terms and conditions, would be decided by the Selectboard at a future public meeting. Several new private developments are completed, under construction, or ready to begin construction. These are forecast to produce sufficient new tax revenue over the 20-year life of TIF debt for needed public infrastructure improvements.

Projects include:

- New Newberry Market – completed
- Expansion of Tuckerbox Restaurant -completed
- New Piecemeal Pie Restaurant- completed
- New housing at 188 S Main Street – completed
- 2nd building on Prospect Street - completed
- New housing at 241 S Main Street – in construction
- New Taps and Tacos Restaurant – in construction
- Bridge and Main mixed use – Construction in April2017
- Assisted Living Facility at Currier and Gates Streets– Construction in February 2017

Since the establishment of the TIF District in 2011:

- Value of new development in the TIF District asof April 1, 2016 Grand List = \$5,268,300
- Est value of new development projectedin the TIF District on April 1, 2017 Grand List= \$11,399,600.
- Est value of new development projectedin the TIF District on April 1, 2018 Grand List= \$16,667,900.

Analysis of debt from Town projects balanced against new TIF tax revenue shows positive Cash Flow for the life of the loan, including all previous debt obligations from 2014 and 2016.

For more information about the Tax Increment Financing District Improvement Bond, please contact Lori Hirshfield, Director, Department of Planning and Development Services at 802-295-3075, Lhirshfield@hartford-vt.org www.hartford-vt.org

CLARIFICATION OF DISCUSSION PENDING

III. Close Public Hearing for Tax Increment Financing District Improvement Bond (Mot. Req.)

Selectboard Member, Alan Johnson made a motion to close the Selectboard Public Hearing for Tax Increment Financing District Improvement Bond at 7:08pm. Selectboard Member, Dennis Brown seconded the motion. All Selectboard members voted in favor, the motion passed.

I. Call to Order Public Hearing for Proposed Parking Lot and Roadways Improvement Bond Hearing

School Board Acting Chair, Peter Merrill called School Board Public Hearing for Proposed Parking Lot and Roadways Improvement Bond to order at 7:10pm.

II. Proposed Parking Lot and Roadways Improvement Bond Hearing

School Board Acting Chair, Peter Merrill presented the Proposed Parking Lot Roadways Improvement Bond.

Shall general obligation bonds of the Hartford Town School District in an amount not to exceed one million, four hundred sixty-seven thousand dollars (\$1,467,000) be issued for the purpose of financing the cost of making parking lot and roadway improvements at the Hartford High School, Hartford Middle School and Hartford Area Career and Technical Center, an estimated cost of such improvements being one million, four hundred sixty-seven thousand dollars (\$1,467,000).

DISCUSSION PENDING

III. Close Public Hearing for Proposed Parking Lot and Roadways Improvement Bond Hearing (Mot. Req.)

School Board Acting Chair, Peter Merrill made a motion to close the School Board Public Hearing for Proposed Parking Lot and Roadways Improvement Bond at 8:14pm. School Board of Directors member, Nancy Russell seconded the motion. Both were in favor, the motion passed.

School Board of Directors Clerk

Selectboard Clerk