



**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**

Saturday, March 4, 2017
Hartford High School Gymnasium
37 Highland Ave
White River Junction, Vermont 05001

<http://catv.cablecast.tv/Cablecast/public-site/index.html#/show/5978?channel=1>

Present: Selectboard Chair, Richard Grassi; Selectboard Vice-Chair, Rebecca White; Selectboard Member, Simon Dennis; Selectboard Member; Dennis Brown; Selectboard Member, Alan Johnson; Selectboard Member, Mike Morris; Town Manager, Leo Pullar; School Board of Director Chair, Lori Dickerson; School Board of Directors Clerk, Paula Nulty; School Board of Directors Member, Kevin Christie; School Board of Directors Member, Peter Merrill; School Superintendent, Thomas DeBalsi; School Finance Director, James Vezina; Executive Assistant, Eliza LeBrun; Assistant Director of Public Works, Everett Hammond; Director of Planning & Zoning, Lori Hirshfield; undocumented members of the public

Absent: Selectboard Clerk, Sandra Mariotti; School Board of Directors Member, Nancy Russell;

I. Call to Order Selectboard and School Board of Directors Meeting

Selectboard Chair, Richard Grassi and School Board of Directors Chair, Lori Dickerson opened the Joint Town and School Board Public Hearings at 10:11am. The Hartford Memorial Middle School Choir sang the National Anthem prior to the opening of the meeting. The School Board of Directors immediately recessed following the Tax Increment Financing District Improvement Bond Public Hearing.

II. Order of Agenda

The Order of the agenda was modified to have the Public Hearing for Tax Increment Financing District Improvement Bond first, rather than the Public Hearing for Proposed Charter Amendments.

III. The School Board meeting will immediately recess and be held following the conclusion of the Public Hearing Tax Increment Financing District Improvement Bond. No Motion Required.

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

Town Moderator, Roger Bloomfield recognized the Selectboard Vice-Chair, Rebecca White as the Selectboard Public Hearing for the Tax Increment Financing District Improvement Bond to order at 10:12am.

V. 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 an important piece of revitalizing Downtown WRJ is public investment in public infrastructure, such as sidewalks, roads, sewer and water lines, streetlights, landscaping and parking. Knowing that the Town has a plan to invest in public infrastructure, property owners and developers decide to invest in developing or renovating their properties.

Tax Increment Financing, TIF, is a way for private development to shoulder the expense of the public infrastructure investments that are required to accommodate that development. The private investment leads to increased property value and jobs, which brings new tax revenue to the Town and the State. 75% of the new Town and State “incremental taxes” generated by the new development is used to finance the cost of the infrastructure over time. Hence, the name.

Ms. White went on to explain how Tax Increment Financing works;

- a. The Town receives approval from the State to create an official TIF District.
 - This occurred for Hartford in 2011 after the Town developed a plan for \$12.9 million of infrastructure that would be needed to accommodate the anticipated development and redevelopment of Downtown White River Junction.
- b. Once the State signs off on the TIF District, the Town’s voters need to approve the TIF District and set a future borrowing ceiling for the infrastructure projects.
 - This was done in 2012 by Australian Ballot, with a borrowing ceiling of \$12.9 million.
- c. Townspeople vote to approve funding for specific projects within the TIF District.

In 2014, voters approved a \$900,000 bond for the first TIF project – reconstruction and realignment of Prospect Street, including the roadway, utilities, pedestrian walkways, lighting and landscaping for phase one of a multi-phase private redevelopment project. That Town road is now completed. The new 38,600 sq ft private office building, valued at \$5,388,700, is constructed and a second 10,000 sq ft building was constructed and occupied in 2016. The private development of two new buildings covers the debt payments for the Prospect Street bond payments. A third building is expected in the future.

In 2016, voters approved a second round of public infrastructure improvements in the TIF District for \$900,000 to upgrade the parking lot behind the former Legion building, and to upgrade the stormwater/wastewater systems along portions of North Main and Gates Streets. Both projects support development in the entire downtown area.

The details for the 2017 proposed TIF public infrastructure projects were outlined as follows:

Currier Street Extension: Design, engineering and construction of a new road in an underdeveloped Town ROW to provide improved access to adjacent properties and Town parking lot from Gates Street through South Main Street. Includes water line, wastewater line, stormwater; streetlights; street trees; utility undergrounding, town right-of-way relocation, and related costs. Supports planned redevelopment of a vacant lot on Gates Street into 80 units of assisted living, and area vehicular and pedestrian circulation and accessibility for the development in the surrounding area. Estimated cost is \$1,600,000.

North Main Street, Bridge Street to Joe Reed Drive: Sidewalk, landscaping, street trees, streetlights, streetscape improvements and related costs. Supports redevelopment of a vacant lot at Gates and Bridge Streets into commercial space and 17 units of housing (16 affordable), area amenities, and pedestrian circulation and accessibility. Estimated cost is \$26,000.

Gates Street, Church Street to Joe Reed Drive; North Main Street, Bridge Street to Joe Reed Drive; South Main Street, Joe Reed Drive to Nutt Lane: Water main design and engineering with recommendations for construction would be completed in 2018 for consideration in the future as a possible TIF project. Upgrades and replacement of lines are needed to address water quality, fire flows and capacity. Supports redevelopment of properties along Gates Street and North and South Main Street. Estimated engineering cost is \$50,000.

South Main Street, Joe Reed Drive to Nutt Lane: Engineering evaluation of existing conditions including wastewater main, stormwater treatment/LID options, structural integrity of road base, retaining wall, street

grade, and sidewalk alignment and replacement. Engineering with recommendations for construction would be completed in 2018 for consideration in the future as a possible TIF project. Supports redevelopment of properties along Gates Street and South Main Street. Estimated engineering cost is \$250,000.

Total cost of proposed new Public Infrastructure Improvements = \$1,926,000. Covers direct and TIF related costs, consulting services, legal, engineering, construction, and the town voting process.
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 construction of public infrastructure in the public ROW needing to be completed before the roadwork could be initiated.

Total estimated debt over the life of the bond is \$2,701,123, including principal, interest and fees. Current cash flow analysis estimates are positive for the life of all TIF debt, including 2014 and 2016 approved TIF projects.

Other infrastructure improvement financing options could include Town interfund loans for direct payment of construction or engineering services, or shortfall in bond payments, paid back with future TIF revenues. Such options, along with terms and conditions, would be decided by the Selectboard at a future public meeting.

Debt service for the public infrastructure will be financed with the new local and state tax revenue from new TIF District private development projects expected to be on the April 1, 2017 and April 1, 2018 Grand Lists. This development is estimated to add \$11,399,600 of increment property value to the Grand List.

Key projects include:

Newberry Market (Gates Building on South Main St) – completed

Expansion of Tuckerbox Restaurant (Gates Building on South Main St) - completed

Piecemeal Pie Restaurant- (Gates Building on South Main Street) completed

Affordable housing at 188 S Main Street – completed

2nd Building on Prospect Street - completed

Housing at 241 South Main Street – in construction

Taps and Tacos Restaurant (South Main St) – in construction

Mixed-use with affordable housing at Bridge and North Main Streets - Ready for construction to begin.

Assisted Living Facility at Currier and Gates Streets – Ready for construction to begin.

What if the private development doesn't generate the anticipated tax revenue?

Ms. White explained that the TIF program requires that 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.

Because of this requirement, the Selectboard has been very conservative in not overextending the Town's obligations beyond the revenue anticipated from new development that is completed, under construction, or about to begin construction (see debt details above). Current cash flow analysis estimates are positive for the life of all TIF debt, including 2014 and 2016 approved TIF projects. Also, the Warrant gives flexibility to the Selectboard to consider alternative financing options that allow the Town to recover expenses with future TIF tax revenue.

Resident F.X. Flinn commented that he felt that the Town was not doing enough to sell this concept as a revenue source. This is a very important feature of the Tax Increment Financing District. Mr. Flinn also reminded the public that the Town is running out of time for TIF projects.

Resident and Legislative Representative Gabrielle Lucke, recently appointed to the Ways and Means Committee in Montpelier, Vermont asked for clarification in 2 areas. Ms. Lucke asked how projects in Hartford are eligible for the proposed TIF Bond if they have already begun and what is the benefit?

Planning and Development Director, Lori Hirshfield answered that projects that may have already begun may not advance as quickly without the assistance of the TIF Bond due to fees. Some benefits include that Builders, Investors and Developers will see how interested in growing the Town of Hartford we are and this may draw their business.

Ms. Sally Ballou recently attended a lecture at Dartmouth College by Cameron Wake about the trend towards fewer large rainstorms and floods but the growing intensity of those fewer rainstorms and floods. One of Mr. Wakes observations was that Towns should be thinking about the locations of their downtowns relative to rivers and flood plains. Ms. Ballou asked if the Town is aware of this trend and have they done anything about it?

Ms. Hirshfield stated that the Town is constantly assessing this, they watch flood levels closely. Ms. Hirshfield noted that the lowest level of occupancy for homes and businesses has to be one foot above the flood plain.

For questions or more information, contact your Selectboard Members or Lori Hirshfield, Director of the Hartford Department of Planning and Development Services, at 802-295-3075 or Lhirshfield@hartford-vt.org, or the Town's Website at www.hartford-vt.org.

VI. Close Public Hearing for Tax Increment Financing District Improvement Bond

Town Moderator, Roger Bloomfield closed the Public Hearing for a Tax Increment Financing District Improvement Bond at 10:40am.

I. Call to Order Public Hearing for Proposed Charter Amendments

Town Moderator, Roger Bloomfield opened the Public Hearing for the Proposed Charter amendments at 10:41am.

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 Charter 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.

Resident, Jon Boutin asked how the Town Clerk status change from elected to appointed will effect the compensation for this position.

Town Manager Pullar responded that the compensation for this position is currently voted by Australian Ballot, if the Charter changes are approved, compensation would be contractual as would the employment arrangement.

Mr. Boutin also asked for clarification on how the appeal process for property values would change with the removal of the positions of Listers.

Mr. Pullar explained that currently the process has residents going to the Hartford Assessor's Office. The statute encourages that Town's do away with the Lister positions and encourages Towns to hire private firms. Hiring private firms will add predictability for residents. Currently the Town of Hartford has hired a firm as they have not had Listers complete a Townwide assessment since 2008.

Resident, Luke Eastman asked for clarification as he believed that the reason a Town Clerk was elected was to allow them to remain independent of partisan politics. He also asked why it would be better to change this to an appointed position.

Selectboard member, Simon Dennis responded that the Vermont statute states that the Town Clerk has autonomy over election processes. The changes recommended will not effect this role.

Mr. Eastman asked if a current elected official was considering the opening of Town Clerk, and would that be considered a conflict of interest for a sitting board member?

Selectboard Chair, Richard Grassi stated that it would be considered a conflict of interest for any sitting board member to apply or run for this position.

All Selectboard members except Rebecca White stated that they were not considering the position of Town Clerk. Selectboard Vice-Chair, Rebecca White confirmed that she had a conversation with the current Town Clerk regarding the position when the Town Clerk first announced her upcoming retirement. Ms. White stated that she is currently gainfully employed and has no intention of running or applying for the position. Ms. White also agreed that it would be considered a conflict of interest and if a board member was interested they would need to resign.

III. Close Public Hearing for Proposed Charter Amendments

Town Moderator, Roger Bloomfield closed the Public Hearing for Proposed Charter Amendments at 11:06am.

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).

School Board of Directors Acting Chair, Peter Merrill shared pictures of the current parking lot road conditions. Mr. Merrill explained that the proposed work would begin with a traffic study. Once the traffic study was completed, the goal is to rebuild the roadways, parking places and sidewalks around the schools after replacing the subsurface to 15 inches, replace underdrains, storm drainage, and curbing. Anticipated construction costs totaled at \$1,113,000.00, projected related costs totaled \$354,000.00 to equal the requested \$1,467,000.00.

Resident, Jeff Arnold asked what the parameters of this project are. According to the state of Vermont, any project over \$15,000 has to be bid out. Why didn't the School Board request 3 bids and go with the lowest bid?

Hartford Schools Superintendent, Thomas DeBalsi explained that the School District has not paid for any of the current estimates. The School District used estimates from Mr. David Laurin as the School Board has worked with Mr. Laurin in the past and has developed a level of trust with him. Mr. Laurin consulted with Ray Nott on costs of materials. Currently the School District has never paid for an estimate for a bond.

Resident, Deb Winslow asked if the School District would be considering rebuilding sidewalks or if they were thinking about extending them. Currently Ms. Winslow has a middle student school student who rides his bike to school and has had several close calls. Ms. Winslow also asked if the Traffic Study would be looking at rerouting around the actual school.

School Board member, Peter Merrill clarified that the traffic study was for traffic thru school property only, the sidewalks being proposed are also for around the school only.

Resident and Representative, Gabrielle Lucke asked why the School District is "hiring a roofer to do my plumbing," she stated that it is not the amount of money that concerns people, rather the process of how we got the number.

Resident, Sheila Hastie applauds the Selectboard for getting an engineer on board a head of time for their project. Ms. Hastie is a member of the Friends of Hartford Track and 4 years ago, the School bonded for the track the same way and after passing the bond ended up short and not able to complete the track. Ms. Hastie indicated that she did not understand why the School was doing this again.

Resident Robin Adair Logan asked if a traffic study was being put out. School Board member Peter Merrill stated that they were. Ms. Logan voiced her concern about Mr. David Laurin, an architect, handling the parking lot, she feels that an engineering firm should. Ms. Logan made the statement, "Don't make me go into the reasons why this is not ok, you will not like them."

School Board member, Peter Merrill answered that he considers Ms. Logan a friend and respects her. Mr. Merrill also stated that he believes that David Laurin has significant experience in this area and has worked with the school quite a lot. School Superintendent, Thomas DeBalsi stated that he listened to the Public, but Mr. Laurin is an architect with a proven record with the school, and they trust him.

Selectboard member, Simon Dennis mentioned the need for a standard policy for design procurement.

Resident, Tim Schaal thanked Superintendent DeBalsi for meeting with him to discuss his concerns regarding the parking lot project. Mr. Schaal asked for clarification on what the correct sublevel measurement was, it is 24 inches.

Resident, Susanne Abetti would like to see more use of committees to determine the way ahead for large projects.

Resident, Mr. Krauss asked if the existing drainage included rain gardens.

Superintendent DeBalsi that drainage did not include rain gardens, rather the drainage would be going into the current waste water system.

Moderator, Roger Bloomfield recommended that Superintendent DeBalsi and Mr. Krauss continue this discussion outside of the meeting.

Resident Lannie Collins stated that he feels there should be a project manager for each project the Town and School goes into, especially to determine mitigation and risk.

Resident Becky Chollet asked if the voters do not approve the bond, what the School would consider about the process.

School Board member Peter Merrill answered that the School would be looking into the process, but makes no promises. Mr. Merrill also stated that at no time did the School Board say that there would not be an engineer involved.

Residents with questions about this bond are invited to contact Mr. DeBalsi, School Superintendent.

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

Prior to closing the meeting, Selectboard Chair, Richard Grassi presented Mr. Roger Bloomfield, Moderator with a plaque as thanks for his service to the Town of Hartford as Moderator from March 2016 to March 2017.

Selectboard Chair, Richard Grassi made a motion to close the Public Hearings for the Hartford Selectboard at 11:55am, all members were in favor, and the motion carried.

Schoolboard of Directors Chair, Lori Dickerson made a motion to close the Public Hearings for the Hartford School Board at 11:57am, all members were in favor, and the motion carried.

School Board of Directors Clerk

Selectboard Clerk